



DEMO & Courtesy Vehicles

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1. **Purpose:** A demo vehicle is used to demonstrate what MAN can do for the customer. (Prove, show & explain). A courtesy vehicle is used to support the customer when justified. The management of demo and courtesy vehicles must be centrally controlled by the Sales Department to ensure compliance with agreements and the procedure. Centralized control must ensure that the process is correctly communicated to the network and documented, such as proof of insurance, handover and return checklists, properly signed contracts and customer assessments are in place. All demo and courtesy vehicle must have a minimum of a Comfort service contract to ensure that they are maintained to MAN standards. It is intended to be an instruction document for Heads of Departments, Sales managers, Sales administration, and Technical Sales management.
2. **Scope:** The scope of this policy applies to NSC, MAN Automotive SA and MAN Automotive SA wholly-owned branches.

3. Terms and definitions

3.1 Abbreviations

NSC – National sales company

ORB – Own-retail branches

PCD – Private capital dealers and Independent dealer branches

HoD – Head of Department – Sales (Retail, Key Accounts and PCD)

HoDiv – Head of Division – Truck Sales and Bus Sales

VSOA – New Vehicle Sales Order Acceptance

VSOC – New Vehicle Sales Order Confirmation

IVR – International Vehicle Return

KM – Kilometers

3.2 Definition of terms

MAN Automotive SA means MAN Automotive (South Africa) (Proprietary) Limited, Registration Number 1962/002958/07 located at The Views, Founders Hill Office Park, 18 Centenary Way, Modderfontein, Johannesburg, 1613, South Africa.

DEMO means Demonstration Vehicle, which is operated by a customer for the purpose of experiencing our product capabilities, make comparisons with competitor products and analyze the products performance.

Courtesy means to provide relief for unproductive downtime or other MAN inflicted challenges experience by a current or potential MAN customer.

Centralized Control or Central Control refers to the Technical Management team central monitoring and record system.

Technical Management – is the responsible department that is charge of monitoring, tracking and recording of all completed documents pertaining to the demo and courtesy fleet.

Central SharePoint – refers to the electronic filing system on MAN Automotive SA intranet, which includes all Demo & Courtesy documentation and tracking schedule.

Demo & Courtesy Tracking Schedule – records all movements of the demo and courtesy vehicles in the fleet.

Application for Demo/Courtesy – refers to the bid for an additional vehicle to be included into the demo / courtesy fleet.

Request for Demo/Courtesy – refers to booking of a demo / courtesy vehicle from the existing fleet to a customer.



Branch Sales Team – refers to the Sales Retail, Key Accounts and PCD teams based at the branch/s or dealerships.

Sales Channels – refers to all within the Sales Retail, Key Accounts and PCD network viz: Sales & Logistics Administrators, Sales Managers, HoD, and HoDiv.

Branch / Dealer – refers to both private capital branch/dealers and MTB SA wholly-owned branches.

TopUsed – refers to MAN Used Vehicle Sales Channel

Fleet Manager – refers to the outsourced management of the MAN Automotive SA company vehicles.

Comfort Service Contract – refers to MAN Automotive SA standard service only contract.

4. Application for New Demo & Courtesy Vehicles

- The responsible Sales Channels will complete an Application for Demo / Courtesy vehicle NDC10.2017, which must include the type of application, specifications of the vehicles required, and number of units, budget/costs and motivation for its intended use.
- An approved application for New Demo / Courtesy Vehicle form must be submitted by the HoDiv to
 - Order Management to carry out the respective VSOC process and inform technical management of order placement / sourcing.
- Technical Management will capture the additional vehicles on the Central SharePoint
- Order Management and Technical Management will liaise with each other for New Vehicles to be moved and stored at the respective branch/s.
- Once the vehicle has been made available, Order Management ensures that the vehicle is registered and has the required Comfort Service contract in place.
- A copy of the registration document and Comfort Service contract will be sent from Order Management to Central Control for record keeping.

5. Request for Demo/ Courtesy vehicle by Sales Channels

5.1 Issuing of Demo / Courtesy Vehicle

- A customer requests a demo / courtesy vehicle and the request will be handled by the responsible sales channel.
- An approved demo/courtesy request form will be submitted by the responsible Sales Channel to Technical Management. Approvals must be in accordance with the approval framework.
- Technical management will review vehicle availability, notify the branch and make a booking.
 - If a courtesy vehicle is required, depending on circumstances, a used vehicle may be rented from TopUsed or one of the demo vehicles can be utilized for this purpose.
- The following completed documentation must be finalized by the branch sales team, before the release of the vehicle and submitted to Technical Management.
 - Signed Demonstration & Courtesy Vehicle Agreement
 - Proof of insurance from the customer
 - Pre-Inspection Handover Checklist
 - A physical handover of the vehicle to the customer occurs confirming the condition of the vehicle upon handover (Demo Vehicle handover return form).



5.2 Management & Return of Demo / Courtesy Vehicle

- Technical Management will notify the branch sales team to make arrangement for the vehicle to return on the due date.
- In the event there is an extension request, an approved extension request must be submitted to Technical Management.
- The following completed documentation must be finalized by the branch sales team, upon the return of the vehicle and submitted to Technical Management.
 - Post-Inspection Handover Checklist
 - Customer Assessment (Only applicable to Demo Agreements)
- If damages are detected, the customer must be informed and such damages must be report to Order Management to ensure that the repairs are executed and the costs are recovered from the customer.
 - If invoices and costs relating to the damages are not recovered, then Order Management must escalate the matter to HoDiv for decision to waiver or proceed with legal for recovery.
- The vehicle must complete all bumper to bumper checks and then be stored at the MAN branch as per the "Vehicle Parking and Storage" process (which handles the movement and transfer of risk).

6. Servicing of Demo and Courtesy Vehicles

A standard Comfort Service contract is registered to the Demo and Courtesy vehicles, which is linked to Car Track Telematics.

6.1 Due Services

- Services due and performed are tracked in the Demo & Courtesy tracking schedule by Technical Management.
- Technical management is informed of due services by Car Track Telematics
- On this site <https://fleet.mantelematics.co.za/client/index.php> , the following information can be found:
 - Vehicles actual location
 - Current KM
 - Fuel consumption & trip analysis
 - Next service due reminders
 - Vehicle registration expiry reminders
- Technical Management reviews and updates the service schedule in the Demo & Courtesy tracking Schedule with last service date, due service date and KM from Telematics & Embrace.

6.2 Servicing of vehicles

- All Demo and Courtesy vehicles will have a confirmed comfort service contract for 24 months.
- Services due will be communicated in writing by Technical Management to the responsible Branch Sales Team.
- Branch Sales Team will notify the customer and arrange for the vehicle to be brought into the nearest MAN workshop for its service, failing which the penalty clause in the contract will take effect.



- If costs related to late or missed services, arising to consequential damages are not recovered, then Order Management must escalate the matter to HoDiv for decision to waiver or proceed with legal for recovery.
- Confirmation of service completion is provided by the Branch Sales Team to Technical Management.
- Technical Management updates the Demo & Courtesy tracking schedule upon service completion. .

7. Fines & Toll Fee Management

The process relates to the recovery of fines and toll fees imposed on the demo and courtesy vehicles whilst utilised by the customer.

- Sales Channels are required to inform their customers when fines and toll fee invoices are received.
- Fines & toll fee invoices that are received by the Sales Channels and or the Fleet Manager must be forwarded to Order Management.
- Order Management and Technical Management will track the responsible customer from the demo and courtesy tracking schedule.
- Order Management will create an invoice and send the invoice directly to the customer to recover costs.
- Order Management will copy the respective branch sales team to keep them in the loop of communication.
- Any unrecovered costs will be handled on a case by case basis.

8. Penalty Management

If the customer is in breach of the return of the vehicle, the Penalty clause on the Demo & Courtesy Agreement will be enforced.

- The responsible branch sales team will notify the customer as a reminder to return the vehicle by its due date and inform Technical Management that the vehicle has not returned.
- If the customer fails to return the vehicle within 2 days after the contractual due date then penalties will start accruing from beginning of day 3 onwards.
 - The HoD or HoDiv will make contact with the customer and supply Technical Management and or the responsible branch sales team with an instruction on when to recover or disable the vehicle.
 - The responsible branch sales team and Order Management will make arrangements with the designated MAN driver or MAN supplier to fetch the demo / courtesy unit from the customer.
- If the HoDiv instructs Order Management to enforce the penalty clause then
 - The instruction from the HoDiv with inclusive dates and daily rate must be sent to Order Management to create an invoice.
 - The invoice reflecting the total penalty amount will be sent directly to the customer with the responsible branch team in the loop of communication.
 - If invoices and costs relating to the penalties are not recovered, then Order Management must escalate the matter to HoDiv for decision, to waiver or proceed with legal for recovery.



9. Vehicle end of term

The process is to ensure that the demo and courtesy vehicles are returned to the dealer network and made available for sale upon expiration of the demo or courtesy term, ideally a year but can be sooner or later depending on the situation.

- HoDiv will decide whether the vehicle will remain in the demo fleet at the end of the term or sold.
- If the demo term is being extended then the comfort service must be extended accordingly by Technical Management.
 - If the demo is in the process of being sold, then HoDiv must inform Technical Management to stop bookings on the demo/courtesy.
 - A post inspection must be carried out by the responsible branch sales team. Refer to above point 5.2 on Management and Return of Demo / Courtesy Vehicle.
 - A copy of the invoice must be sent by Order Management to Technical Management when the vehicle is sold. Technical Management will be recorded and close the demo / courtesy file of the vehicle.

10. Related / further documents

- **DEMO / Courtesy Templates** Published on local intranet – Governance – Sales - Forms
 - **FO_MTB-RSA_NSC_20_02_01.1:** Demo & Courtesy Tracking Schedule v10.2017
 - **FO_MTB-RSA_NSC_20_02_01.2:** Application of New Demo / Courtesy Vehicle NDC10.2017
 - **FO_MTB-RSA_NSC_20_02_01.4:** Request for Demo or Courtesy Vehicle RDC04.10.2017
 - Demo and Courtesy Agreement Version: October 2017
 - Addendum Loan or Demo or Courtesy Vehicle Version: October 2017
 - **FO_MTB-RSA_NSC_20_02_01.3:** Demo or Courtesy Vehicle Handover & Return form VHR04.10.2017 (2pg)
 - **FO_MTB-RSA_NSC_20_02_01.5:** Demo Assessment Sheet
 - Central SharePoint for documentation and forms – Local intranet – Team Sites – Truck Sales – Documents
http://manintranet/tr/TruckSales/_layouts/15/start.aspx#/Shared%20Documents/Forms/AllItems.aspx
- **Process Workflow and Cockpits** published on local intranet – Governance – Processes Company Wide & NSC – Sales Steering & Order Management – Demo Management
 - **PD_MTB-RSA-NSC_20_02_04 | Version 2:** Demo Courtesy Vehicle Budget Control (Heading 2)
 - **WP-12-03:** Movement of Stock and Demos/Courtesy Vehicles (Heading 2, bullet point 4)
 - **PD_MTB-RSA-NSC_20_02_01 | Version 2:** Request for Demo & Courtesy Vehicles by Sales Channels (Heading 3, point 3.1)
 - **PD_MTB-RSA-NSC_20_02_03 | Version 2:** Servicing of Demo and Courtesy Vehicles (Heading 4)
 - **PD_MTB-RSA-NSC_20_02_06 | Version 2:** Demo Courtesy vehicles Fines & Toll Fee Management (Heading 5)



- **PD_MTB-RSA-NSC_20_02_05 | Version 2:** Demo Courtesy Vehicles Penalty Management (Heading 6)
- **PD_MTB-RSA-NSC_20_02_07 | Version 2:** Demo Courtesy Vehicle End of Term (Heading 7)

11. Revisions

Not Applicable

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