AMERICAN HONDA

ProFirst Certified Body Shop Program

TERMS AND CONDITIONS 2015

Effective: January 2015



Why Certified? Why Now?

Honda is committed to providing safety for everyone, in the way Honda and Acura cars are built, and in the way they are repaired after a collision. Increasing fuel efficiency, decreasing CO2 emissions, and meeting collision safety targets has demanded lighter and stronger car bodies and new tools, equipment and technology to properly repair them. Couple this with the increasing application of on-board safety and collision avoidance technology and collision repair is no longer a simple job. The collision repair industry and repair technology is evolving with increasing speed and intensity.

Today, it takes a highly-qualified collision shop to properly repair a Honda or Acura automobile – one with training, skill, the proper tools and equipment and the latest repair information. It takes a shop dedicated to their craft – a ProFirst Certified shop. Is your shop ready to meet the evolution of collision repair head-on? Is your shop ready to take the next step – to ProFirst Certified?

The ProFirst Certified Advantage

Being ProFirst Certified increases your shop's professionalism which promotes customer confidence and loyalty. It shows you are committed to a complete and correct repair and committed to your customer's subsequent safety.

When potential customers come to your shop for an estimate, you will have the advantage of being a ProFirst Certified shop – certified by American Honda. You can let customers know that, as a ProFirst Certified shop, you have the tools, equipment, training, knowledge, and other resources to do the job right. This can help turn more estimates into paying jobs.

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PROGRAM PURPOSE

The purpose of the ProFirst Certified Body Shop Program is three-fold:

- Promote the correct, complete, and safe repair of Honda and Acura vehicles.
- Provide support to those collision repair businesses who have demonstrated a commitment to a high level of customer care and satisfaction.
- Provide Honda and Acura owners with a high level of confidence that their collision-damaged vehicle will be repaired in a complete and safe manner

PROGRAM ADVANTAGES

If the Shop qualifies for participation in the Program, it can enjoy the following Program advantages:

- Increased recognition of the Shop's professionalism
- Promotion of customer confidence and loyalty
- Increased opportunities to reach more potential customers
- Additional, cost-saving tools enabling a better repair

PROGRAM BENEFITS

If the Shop qualifies, it will become eligible to receive the following Program benefits:

- The right to publicly display a handsome plaque that signifies the Shop's status as a ProFirst Certified collision repair shop. (The plaque shall at all times remain the property of American Honda.)
- A listing on American Honda's Body Shop Locator website including the Shop's name and contact information, identifying it as a ProFirst Certified Body Shop. (Note: Unless such body shop requests that it not be listed on American Honda's Body Shop Locator website, a body shop name that includes the name of a non-American Honda brand of automobile will be truncated to delete the non-American Honda brand name from the Body Shop Locator listing. For example, "Sam's Toyota-Lexus Body Shop" will be listed as "Sam's Body Shop.")
- Free access to the Honda and Acura parts catalog
- Free access to Honda and Acura service and repair information through the Service Express website including: mechanical repair information, collision repair information, electrical wiring diagrams, Service Bulletins, Service News, Tech2Tech articles, and Body Repair News bulletins
- Access to the ProFirst Certified logo for use by the Shop for advertising purposes
- The right to publicly display ProFirst Certified outdoor signage (in addition to the logo stated above) (Such signage shall at all times remain the property of American Honda.)
- Consumer-oriented brochures to present to consumers
- Window-clings to help identify the Shop as a Certified shop

- Wall poster to help promote the Shop
- First access to all Press Releases, Position Statements, Body Repair News bulletins and other collision-related industry communications issued by American Honda
- Free access to Collision Tech-Line through either I-CAR or VeriFacts
- Ability for potential customers to request an estimate via the ProFirst Certified website.

Note: The Body Shop Locator website may be promoted to Honda and Acura owners by various means and media as determined by American Honda.

Note: The number of ProFirst Certified shops will be limited by metro area at the discretion of American Honda.

COLLISION REPAIR SHOP ELIGIBILITY

The ProFirst Certified Body Shop Program is available to qualified body shops, collision repair centers, and collision repair facilities, whether Honda/Acura dealer-owned or affiliated, independently owned, or part of an MSO group operating within any of the 50 states of the United States and the District of Columbia (the "United States"). A collision repair shop will be considered eligible if its <u>primary commercial business</u> is the repair and/or restoration of motor vehicles damaged as a result of a collision or comprehensive damage.

INELIGIBLE SHOPS / ENTITIES

For the purpose of the ProFirst Certified Body Shop program, the following accounts / shops are ineligible:

- Any body shops, collision repair centers or collision repair facilities operating outside the 50 states of the United States and the District of Columbia.
- Parts Re-distributor: Any business purchasing parts for the purpose of redistributing them through an alternative distribution channel.
- Parts Wholesaler: Any business purchasing parts for the purpose of wholesaling them to a body shop thereby serving as an alternative distribution channel.
- Parts Exporter: Any business, body shop or otherwise, buying parts for the express purpose of re-sale or transferring those parts outside of the 50 states of the United States
- Vehicle Exporter: Any sales to body shops or other similar businesses where the parts will be used to repair vehicles destined for export outside the 50 states of the United States
- Any repair shops whose primary business is not collision repair including those businesses dealing in the retail sales and servicing of new and/or used vehicles.

PROGRAM REQUIREMENTS

The Shop must meet, and continue to meet the following requirements:

Basic Knowledge and Skill Requirements

In order to qualify, and continue to be qualified for the ProFirst Certified Body Shop program, the Shop must be <u>at least one</u> of the following:

• I-CAR Gold Class Professionals[®] shop

Or...

• VeriFacts VQ or Medallion shop

Training Requirements

At least two structural technicians and at least one estimator must complete the Honda / Acura training as shown below:

HON10e	HON15e	HON20e
HON11e	HON16e	
HON12e	HON17e	
HON13e	HON18e	
HON 14e	HON19e	

The classes stated above will be introduced periodically and on an ongoing basis over a three year period beginning in January 2015 and during such later periods as determined by American Honda. Additional Honda / Acura-specific classes will be introduced from time to time. The Shop will be advised via email as new classes are introduced and will have 90 days from the date that a given class is announced to complete the specified class in order to maintain its ProFirst Certified status.

For your convenience, these classes will be available on-line through I-CAR.

CSI System

The Shop must maintain a Customer Care (CSI customer contact) system. If the Shop already has a CSI system, it must address the questions listed below. These questions must be asked and scored in the same manner as below

Questions which must be asked of customers:

- Did the quality of the body repairs meet your expectations? (Yes/No)
- Were you treated in a friendly, professional and helpful manner? (1-10) (10 being best)
- Would you recommend this repair facility to your friends and family? (Yes/No)
- Did the time it took to complete the repairs match your expectations? (Yes/No)

If the Shop does not have a CSI system, Performance Gateway can provide their system, *Performance Feedback*, at their normal rate, the cost of which will be borne by the Shop.

Tools and Equipment

Have and maintain a prescribed set of tools and equipment which may change from time to time. (See separate list for current required tools and equipment)

Facility Standards

Maintain prescribed facility standards. Standards will cover, but not be limited to the following areas:

- Cleanliness and suitability of the facility
- Adequate parking
- Adequate and safe storage for damaged vehicles
- Personal safety for employees and customers
- Service processes
- Customer communication
- Safe and efficient shop environment

Shop Inspections

To determine the Shop's initial qualification, and for each succeeding year that the Shop chooses to participate, the Shop will be inspected by a third-party independent auditor.

Failure To Maintain Requirements

Failure to comply with the above requirements could result in the Shop's ProFirst Certified Body Shop Program cancellation.

PROGRAM FEE

- The fee for the Program is currently \$2,700 per shop per year due and payable prior to the Shop's first inspection, and then on each anniversary of the Shop's first entry into the Program. This fee includes the use by the Shop of all collateral materials and services provided by American Honda including plaque, signage, etc. (which materials are and shall remain the property of American Honda) and one inspection visit from a ProFirst Certified audit administrator for the purpose of verifying compliance with the Program terms and conditions. In the event that, upon the initial audit, the Shop does not meet the Program Requirements. thereby necessitating a second audit visit, the Shop will be charged an additional audit fee which is currently \$500 but subject to change. In the event that, upon the second audit, the Shop still does not meet the Program Requirements necessitating a third audit visit, the Shop will be charged an additional fee which is currently \$500 but subject to change. In the event that, upon the third audit, the Shop does not meet the Program Requirements, American Honda reserves the right to disgualify the Shop for consideration in the Program. Any entry fee(s) previously paid will not be refunded in the event of disqualification from the Program.
- The method of payment shall be by credit card or wire transfer.
- The participation fee is not refundable in full or in part
- The participation fee is not negotiable.

PROGRAM PERIOD

The Program Period will be one year from the Shop's first entry into the Program (the "Start Date"), which will be the date on which American Honda notifies the Shop of its acceptance as a participant in the Program. For example, if the Shop is notified of its ProFirst Certified status on June 15, 2015, its status will expire on June 14, 2016. This Program Period may be shortened by the following:

- If the Shop fails to maintain its I-CAR Gold Class[®] status or VeriFacts VQ or Medallion status as applicable
- If the Shop fails to comply with the Program's training requirements within 90 days of the training being announced. (This includes at least two structural steel technicians and at least one estimator.)

If either of the two conditions above are met, the Shop will be disqualified from the Program.

DATA EXCHANGE

Participating shops will be required to install Cyncast EMS data connector in order to send EMS estimate files to trigger the Performance Feedback Survey.

ON-BOARDING PROCESS

- Shop notifies American Honda of their desire to become a ProFirst Certified shop by contacting Program Administrator Gary Ledoux at profirst.honda.com or call at 310-783-2818, or through a Honda Collision Select Market Manager. The Shop must provide their name, address, phone number, email address, and contact person.
- The Shop will then receive an email from Performance Gateway (Gates Business Solutions) with a website address and password for the ProFirst website
- The Shop will log into the website and complete their profile
- Profile is reviewed by American Honda
- Within 30 days, an independent auditor from Axalta Coatings will contact the Shop to arrange a convenient time for an inspection
- Prior to the audit, the Shop must pay the Program Fee
- The Shop is inspected / report sent to American Honda
- The Shop is notified of status. Assuming the Shop qualifies, this date shall be the "Start Date" for the purposes of establishing the Shop's anniversary date.
- Assuming the Shop qualifies, collateral material is sent to the Shop and the Shop name is placed on the American Honda shop locator site

RENEWAL PROCESS

- 90 days prior to the anniversary of the Start Date, the Shop will receive a reminder notice via email that it is time to renew its ProFirst status
- The Shop will contact Program Administrator, Gary Ledoux at profirst.honda.com or 310-783-2818 or contact a Honda Collision Select Market Manager to express their intent to continue with the Program
- Within 30 days, an independent auditor from Axalta Coatings will contact the Shop to arrange a convenient time for an inspection

- Prior to the audit, the Shop must pay the Program Fee
- The Shop is inspected / report sent to American Honda
- The Shop is notified of status
- Additional payments made and inspections conducted, if necessary
- Assuming the Shop qualifies, new collateral material is sent to the Shop and the Shop name remains on the American Honda shop locator site

SHOP OWNERSHIP CHANGES

If a participating ProFirst Certified Shop changes ownership, and/or changes its DBA business name, American Honda must be notified immediately by contacting Program Administrator Gary Ledoux at profirst.honda.com or by calling 310-783-2818

The Shop's participation, under the old name, will be removed from the Program. If the Shop wishes to continue with the Program, they must re-register and re-qualify under the new name.

PROGRAM TERMINATION

The Shop's participation in the Program will terminate upon any of the following occurrences:

- On the anniversary of the Start Date if the Shop fails to renew its participation in the Program in accordance with the renewal process described above.
- The Shop fails to meet any Program Requirements.
- The Shop fails to act in good faith.
- The Shop commits fraud or otherwise engages in other dishonest conduct relative to the Program.
- Customer satisfaction is consistently below acceptable standards, as determined by American Honda.

The ProFirst Certified plaque, all signage, and collateral materials remain the property of American Honda and upon termination or expiration of the Shop's participation in the Program must be destroyed or returned to American Honda pursuant to American Honda's instructions. (See below – Cessation of Use and Return/Destruction of ProFirst Certified Signage and Collateral Materials)

AUDIT PROCESS

American Honda reserves the right to audit any and all Program elements or pursuant transactions or any other data that American Honda, at its discretion deems pertinent, for the purposes of maintaining Program integrity and determining the Shop's qualifications.

PROGRAM TRANSITION

The previous ProFirst Recognition program and ProFirst Recognized status will eventually be phased out completely. All shops currently qualifying as a ProFirst Recognized shop will retain that status and will remain visible on American Honda's shop locator until the first to occur of any of the following: :

- The Shop applies for and becomes a ProFirst Certified shop
- The Shop's I-CAR Gold Class status expires and is not renewed
- The Shop is suspended due to its slowed or non-use of Collision Link
- The ProFirst Recognition Program officially ends and all operations pertaining to that program cease. American Honda will notify all ProFirst Recognized shops of the firm program termination date once that date is determined.

PROGRAM PARTICIPANTS

Participants in the ProFirst Certified Body Shop program include:

Axalta Coating Systems 2001 Market St Suite 3600 Philadelphia, PA 19103

Performance Gateway 2418 Crossroads Drive Suite 3600 Madison, WI 53718 www.performancegateway.com

Inter-Industry Conference on Auto Collision Repair, better known as I-CAR I-CAR Training Support Center 5125 Trillium Blvd. Hoffman Estates, IL 60192 800.422.7872 E-Mail: CustomerCare@i-car.com

Verifacts Automotive 1000 Bristol St North Suite 17-206 Newport beach, CA 92660 949-500-0687 farzam@verifactsauto.com

TRADEMARK LICENSE AND USE GUIDELINES

Provided that the Shop qualifies and is accepted for ProFirst Certified Body Shop Program pursuant to the terms, conditions and provisions herein, American Honda Motor Co., Inc. ("American Honda") hereby grants to the Shop a limited, non-exclusive, revocable, non-transferable, royalty-free license, without the right of sublicense, to use the ProFirst Certified trademark and logo (collectively, the "ProFirst Certified Mark") solely as provided herein.

The following guidelines must be followed for all use of the ProFirst Certified Mark:

General Use Guidelines

- The ProFirst Certified Mark may only be used to identify services that have met and are consistent with the Program Requirements herein (the "Program Service"), and may not be used in connection with any other product or service including the advertising of such other product or service—other than the Program Service.
- Do not use the ProFirst Certified Mark in any manner that might imply that any non-ProFirst Certified service or materials, including but not limited to goods, services, websites, or publications, are sponsored, endorsed, licensed by, or affiliated with American Honda.
- Do not display the ProFirst Certified Mark as a primary or prominent feature of any non-ProFirst Certified materials. Companies using the ProFirst Certified Mark pursuant to these guidelines must also display in the primary and more prominent position, its own logo(s), business name, product names, or other branding.
- The ProFirst Certified Mark may not be used in any manner that is likely to reduce, diminish, or damage the goodwill, value or reputation associated with the ProFirst Certified Mark, or in any manner that would disparage American Honda or its products or services.
- The ProFirst Certified Mark may not be used in any other company name, product name, service name, domain name, website title, publication title, or the like.
- Do not combine the ProFirst Certified Mark with any other name or logo, including any Honda or Acura logo. (Also see "Honda or Acura Corporate Logos" below.)
- Non-ProFirst Certified materials should not mimic any ProFirst Certified advertising, product packaging, or website design.
- Do not alter, change, or otherwise modify the ProFirst Certified Mark.
- Do not use, adopt, or register any imitation, modification, or confusingly similar variation of the ProFirst Certified Mark.
- Do not use the ProFirst Certified Mark in any manner that would violate the rights of any third party.
- The Shop may only use the ProFirst Certified Mark during the time in which the Shop is accepted by America Honda for ProFirst Certified recognition. In the event the Shop no longer satisfies the ProFirst Certified Body Shop Program Requirements, all rights to use the ProFirst Certified Mark will automatically be revoked and terminated, and all ProFirst Certified Mark usage must immediately cease..

- The Shop must immediately, and at its sole cost and expense, correct any usage of the ProFirst Certified Mark that American Honda regards as failing to comply with these guidelines.
- American Honda may, from time to time, amend, add, delete, change or otherwise modify the terms of the ProFirst Certified Trademark License and Use Guidelines in its sole discretion. The Shop agrees to use the ProFirst Certified Mark solely according to the terms herein or as otherwise amended by American Honda in writing.

Additional Guidelines For Logo Use

- The ProFirst Certified logo ("Logo") may be used only as provided by American Honda with no changes, including but not limited to changes in the color, proportion, or design, or removal of any words, artwork, or trademark symbols.
- Use only approved ProFirst Certified logo artwork:
 - The Logo may only appear in black or reversed out to white. The Logo may never be screened back, built out of four-color process screens, or broken into multiple colors.
 - The Logo must appear only in a horizontal position.
- The Logo must be displayed with the proper isolation space surrounding the Logo. The cap height of the "P" in the Logo represents the minimum measurement of clearance that must surround all sides of the Logo to separate the Logo from other elements.
- Do not stretch, compress, bend, tilt, black-out, reverse, animate, morph or otherwise distort the Logo in any way, shape, manner or form.
- Do not omit portions or use a partial version of the Logo.
- Do not use, adopt, or register any imitation, modification, or confusingly similar variation of the Logo

Cessation of Use and Return/Destruction of ProFirst Certified Signage, Plaque and Collateral Materials

The ProFirst Certified sign(s), plaque, wall posters, brochures, promotional materials and other items bearing the ProFirst Logo are and shall remain the property of American Honda and must be destroyed or returned to American Honda (as directed by American Honda) upon the first to occur of (a) termination of the Program or (b) termination or expiration of the Shop's participation in the Program. If American Honda wishes the Shop to return any of the foregoing materials, it will notify the Shop as to the appropriate method of return and will bear the cost of such return.

ProFirst Certified MEDIA USE

The ProFirst Certified Mark may be displayed in the following media:

- The Shop's own ProFirst Certified Shop's web site
- Point-of-purchase display within the confines of the Shop's facility
- Yellow Pages[®] ads or similar advertising (print or on-line) promoting the Shop as a ProFirst Certified Shop
- Customer/consumer-oriented brochures, flyers, or other collateral materials promoting the Shop as a ProFirst Certified Shop
- Exterior signage or banners (must be pre-approved) promoting the Shop as a ProFirst Certified Shop

ProFirst Certified TEXT USE

- The ProFirst Certified word mark must always be spelled with a capital "P" and a capital "F", with the other letters being in lower case. There must be no space between Pro and First.
- Do not use all capital letters in text
- When referring to ProFirst Certified in text, do not use the Logo.

HONDA OR ACURA CORPORATE LOGOS

- Neither the Honda nor the Acura corporate logos or design marks may be displayed by anyone other than American Honda or an authorized Honda or Acura dealer.
- To signify that the Shop works on Honda or Acura vehicles, the word "Honda" or "Acura" may be used as part of a referential phrase or sentence (e.g., "We service Honda vehicles"), with the first letter capitalized and all other letters in lower case. "Honda" and "Acura" cannot be written in all caps or be displayed more prominently than any adjacent wording. The font size cannot be larger than the font of other wording surrounding it. "Honda" and "Acura" may not be displayed alone in any manner.

IMPORTANT NOTES

- The Shop remains fully responsible for all repairs, services and other work that it performs and shall not state, suggest or imply to customers or others that American Honda warrants or assumes any responsibility for any such repairs, services and other work. In advertising or otherwise informing customers or others of its status as a ProFirst Certified Body Shop, the Shop will provide such persons with all such Program disclaimers as may be required by American Honda.
- American Honda Motor Co., Inc. (American Honda) reserves the right to add, delete, change or otherwise modify with regard to cost, content, or availability any and all Program elements at any time, including those mentioned within this document, or those that may be introduced at a later time.
- American Honda reserves the right to remove the Shop from the ProFirst Certified Body Shop Program if the Shop fails to meet Program Requirements.
- American Honda reserves the right to remove the Shop from the ProFirst Certified Body Shop Program if the Shop attempts to secure Program benefits by fraudulent means.
- American Honda reserves the right to audit any and all transactions pursuant to the ProFirst Certified Body Shop Program.
- American Honda reserves the right to revise or cancel the terms and/or conditions of the ProFirst Certified Body Shop Program at any time without advance notice.

- American Honda reserves the right to modify the requirements of the ProFirst Certified Body Shop Program without prior notice. The Shop will be notified of Program modifications via e-mail.
- American Honda reserves the right to add, delete, change or otherwise modify the terms of the Trademark License and Use Guidelines at any time.
- American Honda reserves the right to remove the Shop from the ProFirst Certified Body Shop Program – including all rights to use the ProFirst Certified Mark – should any use of the ProFirst Certified Mark fail to comply with the use guidelines as herein stated or as may be amended from time to time by American Honda in its sole discretion.
- American Honda reserves the right to suspend or remove the Shop from the ProFirst Certified Body Shop Program if it has been accused of any civil or criminal misconduct including but not limited to failure to perform agreed-upon repairs or securing or attempting to secure insurance company payments by wrongful means. In the event the Shop and or the Shop's owner or executive management is indicted, tried and convicted, the Shop will be terminated from the Program. If exonerated of all charges, the Shop may be re-instated in the Program.