



Form P

PROPOSER QUESTIONNAIRE

Payment Terms, Warranty, Products and Services, Pricing and Delivery, and Industry-Specific Questions

Proposer Name: National Auto Fleet Group

Questionnaire completed by: Jesse Cooper

Payment Terms and Financing Options

- 1) What are your payment terms (e.g., net 10, net 30)?

Net 30

- 2) Do you provide leasing or financing options, especially those options that schools and governmental entities may need to use in order to make certain acquisitions?

Absolutely. We provide both municipal financing and municipal leasing available to all NJPA members in every state. We use National Cooperative Leasing, Diversified Leasing and NAFG Provided leasing options to all NJPA Members.

- 3) Briefly describe your proposed order process. Please include enough detail to support your ability to report quarterly sales to NJPA. For example, indicate whether your dealer network is included in your response and whether each dealer (or some other entity) will process the NJPA Members' purchase orders.

There are two methods. One is the electronic ordering process, where the member logs into our website located at www.nationalautofleetgroup.com, builds their desired vehicle to their specifications, and then electronically sends us a purchase order. The vehicle is delivered directly to the user's specified end-user address, then we FedEx the customer all the appropriate documentations.

The other method, should the customer not be comfortable with internet or the use of our website, is where the member calls our toll-free number at 1-855-289-6572 and is greeted by one of our sales associates, who then creates a quotation based on the customer's needs and either emails, faxes, or physically mails it to the customer. The customer then sends us a purchase order. We then process the purchase order and deliver the vehicle to the customer's specified location.

We have reported directly to NJPA for the last 22 consecutive quarters.

- 4) Do you accept the P-card procurement and payment process? If so, is there any additional cost to NJPA Members for using this process?

Yes, we do accept the P-card procurement and payment process, and there is no additional cost for using it.

Warranty

- 5) Describe in detail your manufacturer warranty program, including conditions and requirements to qualify, claims procedure, and overall structure. You may include in your response a copy of your warranties, but at a minimum please also answer the following questions.
- Do your warranties cover all products, parts, and labor?
 - Do your warranties impose usage restrictions or other limitations that adversely affect coverage?
 - Do your warranties cover the expense of technicians' travel time and mileage to perform warranty repairs?
 - Are there any geographic regions of the United States for which you cannot provide a certified technician to perform warranty repairs? How will NJPA Members in these regions be provided service for warranty repair?
 - Will you cover warranty service for items made by other manufacturers that are part of your proposal, or are these warranties issues typically passed on to the original equipment manufacturer?
 - What are your proposed exchange and return programs and policies?

The manufacturer's warranties are all written between the manufacturer and the NJPA member. Therefore, should a warranty repair be required, the member merely needs to take the vehicle to the closest manufacturer franchise (i.e. Ford, Toyota etc.) If the vehicle is not drivable, the customer can notify us through our toll-free number at 1-855-289-6572 and we will have it towed to the nearest facility. All this is done at no cost to the member. There are no conditions to qualify. Any new vehicle qualifies. The manufacturer's warranty does include labor and parts. Other than abuse, there are no restrictions or limitations that affect coverage. All warranty repairs are done in the manufacturer's facilities, thus there is no travel time for technicians. Warranty repairs are all performed in all 50 states, regardless of location. Any after-market accessories installed under our contract are covered by the written warranty for both parts and labor for the after-market installer, who provided them. There is no return policy. If a vehicle is no longer needed by the member, a 25% restocking charge can be imposed.

- 6) Describe any service contract options for the items included in your proposal.

We offer a multitude of service contracts and extended warranties, running all the way up to 250,000 miles. The cost, term, and coverage are determined by the mileage and term. Contact us directly for a quote.

Pricing, Delivery, Audits, and Administrative Fee

- 7) Provide a general narrative description of the equipment/products and related services you are offering in your proposal.

All of our pricing, by manufacturer, is listed in the attached books 1-18, outlined in our price summary along with our after market equipment categories.

- 8) Describe your pricing model (e.g., line-item discounts or product-category discounts). Provide detailed pricing data (including standard or list pricing and the NJPA discounted price) on all of the items that you want NJPA to consider as part of your RFP response. Provide a SKU for each item in your proposal. (Keep in mind that reasonable price and product adjustments can be made during the term of an awarded Contract. See the body of the RFP and the Price and Product Change Request Form for more detail.)

Utilizing a Percentage Off MSRP / LIST method, NAFG can offer NJPA members discounts ranging from 25.86% down to 1% across the 15 manufacturers depending on model. Please

see Tab 2 as well as Attachment Book 2-18 for "Pricing." We detail the addition of All Factory Options and After Market Equipment.

- 9) Please quantify the discount range presented in this response. For example, indicate that the pricing in your response represents is a 50% percent discount from the MSRP or your published list.

The percentage will vary on the very same product from state to state as the discount structure passed onto us by the manufacturers can vary from state to state. Therefore, we have included in the 18 attachment A's / Books the exact manufacturer's list price and our price side by side. This fixed pricing makes it easy to do price validations. In addition, all factory installed options can be added at factory invoice + 3% and all after-market accessories are offered at the up fitter's municipal pricing level which varies from 1-30% off of retail prices.

All of our pricing is based on 2017 year model. Any subsequent year model in the contract will be a maximum of 3% more + any required governmental, safety, emissions requirement as mandated by the federal or Canadian government.

- 10) The pricing offered in this proposal is

- ☐ a. the same as the Proposer typically offers to an individual municipality, university, or school district.
- ☐ b. the same as the Proposer typically offers to GPOs, cooperative procurement organizations, or state purchasing departments.
- ☐ c. better than the Proposer typically offers to GPOs, cooperative procurement organizations, or state purchasing departments.
- ☒ d. other than what the Proposer typically offers (please describe).

Our bid price is the most competitive price on the marketplace. It is far lower than any individual or other cooperatives have available to them. We leverage our entire company-wide purchasing power to the benefit to the NJPA member. Last year alone, company-wide, we delivered over 34,000 vehicles, which is the driving force that allows us to obtain deep discounts from all original equipment manufacturers and deliver the savings to the NJPA member. We don't think any other vendor can do that.

- 11) Describe any quantity or volume discounts or rebate programs that you offer.

They are all included in our bid price.

- 12) Propose a method of facilitating "sourced" products or related services, which may be referred to as "open market" items or "nonstandard options". For example, you may supply such items "at cost" or "at cost plus a percentage," or you may supply a quote for each such request.

Included in our bid are the base prices for all vehicles. Factory options can be added at +10%. All sourced goods are offered at the up fitter's municipal pricing level which varies from 1-30% off of retail prices.

- 13) Identify any total cost of acquisition costs that are **NOT** included in the pricing submitted with your response. This cost includes all additional charges that are not directly identified as freight or shipping charges. For example, list costs for items like installation, set up, mandatory training, or initial inspection. Identify any parties that impose such costs and their relationship to the Proposer.

There are no hidden or undisclosed costs in our proposal. All costs are legitimate and fully disclosed to the NJPA member.

- 14) If delivery or shipping is an additional cost to the NJPA Member, describe in detail the complete shipping and delivery program.

There is no additional cost. All shipping is included in the original quote to the member.

- 15) Specifically describe those shipping and delivery programs for Alaska, Hawaii, Canada, or any offshore delivery.

Shipping to Alaska or Hawaii can be one of two ways. Either from the assembly point directly to the franchise dealer in Alaska or Hawaii, or if the NJPA member requires a lower 48 state specialized body installation, then freight is calculated from the Port of Long Beach, Port of Los Angeles, or the Port of Seattle, Washington. It is included in the original NJPA member quote.

- 16) Describe any unique distribution and/or delivery methods or options offered in your proposal.

To us, these are not unique. We have been doing this for years, and we continue to do this every day. Our competitors do not have that advantage.

- 17) Please specifically describe any self-audit process or program that you plan to employ to verify compliance with your proposed Contract with NJPA. This process includes ensuring that NJPA Members obtain the proper pricing, that the Vendor reports all sales under the Contract each quarter, and that the Vendor remits the proper administrative fee to NJPA.

We have an in-house financial administrator who monitors that on a daily basis. In addition, we bring in twice a year, Polmaris and Associates (an independent certified public accountant from Sacramento, California) to review all payments and disbursements.

- 18) Identify a proposed administrative fee that you will pay to NJPA for facilitating, managing, and promoting the NJPA Contract in the event that you are awarded a Contract. This fee is typically calculated as a percentage of Vendor's sales under the Contract or as a per-unit fee; it is not a line-item addition to the Member's cost of goods. (See RFP Section 6.29 and following for details.)

- 1) 1% of the unit price is up to \$700.00 other than "related equipment" pass through items
- 2) Total amount in any 12-month period will not exceed \$4,500,000.00 in Administration Fees
- 3) NAFG reserves the right to waive all or in part the Admin Fee when faced with a large county of State competition and or faced with unusable circumstances.

Industry-Specific Questions

- 19) Identify any features in your response that are different from your standard vehicle offering or that are unique to your proposal.

Our proposal is unique primarily in the fact that we are the only ones that have the order to deliver online system available exclusively for your members. None of the other bids you are reviewing today can state that.

- 20) Demonstrate your processes to handle vehicles on order with NJPA members that are subject to a recall or that have open service campaigns.

Our staff keeps a running list of open recalls by manufacturer. We cross check it on a weekly basis to try and ensure that none of your members receive a vehicle with an open our outstanding recall or campaign.

- 21) Demonstrate your NJPA member communication processes from P.O. generation to the delivery of vehicle in order to meet member expectations.

After the PO is issued to NAFG we send our client an order confirmation with an estimated time of arrival for the purchase. We give members the option of how frequently they would like updates on their vehicles, as well as communicating any complications along the way. Our staff communicates through any form that customers feel comfortable with, whether it is faxes, calls, or emails. When the vehicle is ready to be delivered, we give the customers advance notice to ensure they are ready to receive the vehicle. All vehicle paperwork documents are sent out via UPS, and tracking numbers are provided to the client.

Signature: _____

A handwritten signature in black ink, consisting of a large, stylized initial 'J' followed by several horizontal strokes.

Date: _____

12-6-16