



Porsche Cars North America, Inc.  
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March 17, 2020

Dear Porsche Dealer Principals and General Managers:

With the profound implications of coronavirus (COVID-19) becoming more evident every day, our business focus and priorities are rapidly shifting. Together, we face significant changes to the way we operate every day as well as to the scale of our business – at least in the short term. To that end, I would like to update you on the following operational changes at PCNA:

- Starting Wednesday, March 18, PCNA HQ staff will move to a largely work-from-home model in compliance with social distancing recommendations through at least Tuesday, March 31.
- In parallel, PCNA and PFS field staff, including your Regional Managers and Regional AfterSales Managers, will cease routine, face-to-face dealer visits effective immediately. The field staff will henceforth conduct all necessary business by teleconference, phone, and email. (Field Technical Managers will be available to visit dealers for critical cases on an exception basis.)
- Employees at our mission-critical ports and Parts Distribution Centers will continue to operate as normal, but with enhanced safety and social distancing measures.
- All in-person dealer training has been cancelled through at least May.
- Our Porsche Experience Centers will close for business as of Wednesday, March 18.

We recognize the strain the coronavirus will put on your operations as a Porsche dealer. We are all in this together in these unprecedented times. On a call earlier today, the PCNA Board of Regents stressed the importance of Porsche dealers sharing ideas and facilitating trades. In that same vein, our goal at PCNA is to keep the business moving to the extent possible while easing administrative and financial burdens on the dealer network where we can reasonably do so. The PCNA Board of Regents has provided us valuable perspective in this regard, leading us to the following policy changes, which are effective immediately:



- All Customer Experience and Marketing Performance Bonus requirements for Q1 2020 and Q2 2020 will be waived. As a result, these bonuses will be paid at the 100 percent level for every dealer in the PCNA network.
- For vehicles purchased off lease as part of the P360 program, we will provide 100 percent CPO reimbursement for up to 120 days from the date of purchase (in lieu of the standard 65 days). This amended provision applies to P360 off-lease vehicles already in your inventory as well as purchases through April 30, 2020.
- Warranty audits will be suspended until further notice.

I am also pleased to report that PFS is lowering lease and finance rates a further 75 basis points in response to the most recent Fed interest rate cuts. This brings our lease rate down to 4.80% on all models and our retail finance rate to 2.49% on all models. These are the same low rates that were in place following the financial crisis of 2009.

On an optimistic note, it is encouraging to note that our colleagues at Porsche China are already recovering their business more quickly than anticipated. But we are not naïve to the fact that we face immense challenges ahead. Now, more than ever, we are reliant on each other in a spirit of partnership as one Porsche team in America. You have our commitment to work together in an agile, flexible, and business-friendly manner as we work through this unprecedented situation together.

Until the next update – respectfully yours,

Klaus Zellmer  
President & CEO  
Porsche Cars North America, Inc.

Ross Dupper  
President & CEO  
Porsche Financial Services, Inc.