LABOR AGREEMENT

between

BILL WALSH AUTOMOTIVE

GM OTTAWA

and

LOCAL LODGE 701

of the

INTERNATIONAL ASSOCIATION of MACHINISTS, AFL- CIO,

July 1, 2019

to and including

June 30, 2022

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AGREEMENT

Preamble

This Agreement is made and entered into by and between **Bill Walsh Automotive, (Ottawa)** (hereinafter referred to as the "Company" or "Employer"), and **AUTOMOBILE MECHANICS' LOCAL 701, 450 Gundersen Drive, Carol Stream, Illinois 60188**, International Association of Machinists and Aerospace Workers, AFL-CIO of Chicago and vicinity (hereinafter the "Union"). It is negotiated for the purpose of specifying wage schedules, hours of work, conditions of employment, adjustments of complaints, between the Employer and its employees and for the further purpose of preventing strikes, lockouts, and other disturbances, thus ensuring and perpetuating harmonious relations exist between these organizations.

ARTICLE 1
UNION RECOGNITION

SECTION 1. BARGAINING UNIT.

The Employer recognizes the Union as the exclusive bargaining agent for all of its Journeyman Technicians, Body Shop Technicians, apprentices, skilled technicians and lube rack technicians, not including porters.

SECTION 2. UNION SECURITY CLAUSE.

Each employee covered by this Agreement shall, as a condition of employment, become and remain a member of the Union or pay nonmember fees in lieu thereof not later than thirty-one (31) calendar days following the employee's date of employment or the date of execution of this Agreement, whichever is later. The Employer will notify the Union (by fax to the Union office) of the name and date of hire of all new hires within the bargaining unit covered by this Agreement within two (2) weeks after their start date.

SECTION 3. DUES REMITTANCE

The Employer agrees to deduct one-half (1/2) of the amount from the first two full paychecks of each month of each employee, who has executed an authorization card, such amounts designated by the Union for dues, fees, nonmember fees, or assessments. The Employer further agrees to remit to the Union the amounts so deducted on or before the twentieth (20th) day of the current month, accompanied by a statement containing the names of the employees and the amounts withheld from each.

SECTION 4. NON-DISCRIMINATION.

The Employer, **employees,** and the Union agree not to **harass or** discriminate against any employee because of race, color, creed, disability, national origin, sex or age, **or other legally protected characteristic(s)** as defined by law. It is understood that whenever the word he is used throughout this Agreement in reference to gender it implies either he or she.

ARTICLE 2
CLASSIFICATIONS

SECTION 1. JOURNEYMAN TECHNICIAN.

The term "Journeyman Technician" shall apply to any person of skill satisfactory to the Employer and who meets the standards as outlined in Appendix "B". Employees working on or in the Employer's new and minor used vehicle reconditioning departments shall not necessarily be deemed journeyman technicians. All new hire apprentices' will be hired in an appropriate bracket of the apprentice scale subject to terms and conditions of "Appendix B."

Only Journeymen will do Journeymen Technician work, for example, tune-up, skilled brake work, major electrical, transmissions and adjustments of transmissions. Any work a Journeyman Technician up sells shall be performed by that technician whenever possible.

SECTION 2. BODY SHOP TECHNICIAN.

The term "Body Shop Technician" shall apply to any person who either paints or performs any repair work in the reconstruction of automotive and/or truck bodies, chassis or parts thereof.

SECTION 3. SKILLED BODY SHOP TECHNICIAN.

The term "Skilled Body Shop Technician" shall apply to any person involved in the repair of vehicles or trucks in the Body Shop Department and whose duties are limited to sanding, masking, buffing, polishing, shop clean up, and parts delivery to Body Shop Technicians, disassembly of damaged vehicles for the purpose of estimating or repair.

SECTION 4. SKILLED TECHNICIAN

The term "Skilled Technician" shall apply to any person involved in the repair of vehicles or parts, who is engaged in new vehicle get-ready, minor inspections, adjustment and/or repair, maintenance services, or used vehicle reconditioning. Skilled technicians shall not be permitted to perform work requiring a Journeyman technician. Duties that may be performed by Skilled Technicians are:

1. Chassis and body lubrication and inspection
2. Replace transmission and/or engine oil and filters
3. Wheel rotation, balance and wheel bearing repack
4. Replace engine and cabin air filters and/or element
5. Replace fuel filter
6. Replace all water and coolant hoses (inc. thermostats)
7. Clean and replace PCV valve
8. Replace any bulb (excluding those that require dashboard disassembly)
9. Clean and replace battery and/or cable(s)
10. New vehicle pre-delivery inspection, including minor adjustments and accessories installation or repair, but excluding A.C. installation
11. Replace shock absorbers, struts and strut springs
12. Rattles squeaks, door and window adjustments and alignments, wind noises, water and door leaks
13. Adjust or replace external drive belt(s) and/or tensioners
14. Clean or replace windshield washer pump, wiper arms, blades and/or inserts
15. Flush and refill cooling systems
16. Replace the horn, horn relay, horn ring and/or button
17. Head lamp alignment
18. All door and door lock adjustments and/or striker adjustments
19. Replace or repair the exhaust system, including the exhaust manifold and muffler, catalytic converter, tailpipe, etc.
20. Replace cigarette lighter and/or 110V sockets and elements
21. Replace turn signal flasher and emergency flasher unit
22. Replace fuse(s)
23. Remove and/or replace clock radio, speaker(s), amplifiers, subwoofers, CD changers, CD/DVD players and antenna
24. Replace exterior and interior mirror
25. Replace weather-strip(s)
26. Replace valve cover gasket(s)
27. Remove and reinstall brake drums for inspection
28. Remove, replace and/or reinstall any interior or exterior moldings or trip parts including seats and headliners
29. Perform manufacturer recalls that do not require diagnostic equipment or the disassembly of a major component
30. Wheel alignments
31. Replace brake pads/shoes and resurface and/or replace rotors, drums and/or calipers
32. Replace axle fluid, power steering fluid, brake fluid, transmission fluid, engine oil or coolant (including use of fluid exchange equipment)
33. Replace radiators
34. Repair dealer-installed accessories
35. Replace trunk or hatch openers and closers
36. Replace hood and deck lid struts
37. Mount, balance and/or repair tires

38. Cut and reprogram key and/or keyless remote (which does not require a scan tool)
39. May perform automatic fluid and A.C. services if the only skill required is attaching lines and shall be A.S.E. and E.P.A. certified in AC work.
40. **Perform Flash Updates only on recalls that pay 0.3 hour or lower.**
41. **Replace wiper motors that require no programming or diagnosis.**
42. **Replace exterior lamps excluding those that need bumper/fascia removal**
43. **Perform used vehicle inspections**

SECTION 5. APPRENTICE.

The term "Apprentice" applies to any person hired for the purpose of learning the trade of vehicle and truck repair or body repair. The Employer agrees to provide an environment that will enhance the training an Apprentice receives through their formal training in vehicle and truck repair or body repair. During his five (5) year **(or four (4) year body shop)** apprenticeship period, the Apprentice will be put on work commonly known as Journeyman Technician work, body and/or paint work, so that at the end of this apprenticeship the employee shall be a full-fledged qualified Journeyman Technician or Journeyman Body Shop Technician.

In addition, the Apprentice must meet and abide by the schedule of skill sets and knowledge needed as defined in Appendix "C" **or "F", dependent on classification**. Apprentice will not move forward as defined in Appendix "A" should these skills not be met or a or **a jury of three (3); (two (2) technicians, one being the lead tech and one (1) person from management)** have deemed it so.

Apprentices hired at a starting rate higher than the rate for the first six (6) months as shown in Appendix "A" shall be placed in the progression according to the rate at which they were hired. An apprentice shall be granted successive increases as defined in Appendix "C"" **or "F", dependent on classification**

SECTION 6. LUBE RACK TECHNICIAN

Lube Rack Technician The term "Lube Rack Technician" applies to any person hired to change engine oil, inspect and/or lubricate body and chassis, replace transmission and/or engine oil, mount, balance and/or rotate tires, repair tires, replace wiper arm/blade and inserts, replace windshield washer and coolant overflow containers, replace oil filters, fuel filters, air filters and cabin filters and/or elements, fill any fluids, perform vehicle inspections, and replace body moldings, scripts and emblems, replace any bulbs that do not require major component removal, clean and replace battery and/or cable(s), and remove and reinstall brake drums for inspection. *Lube rack technicians may perform new vehicle get-ready as long as he has been factory trained*

in this area and all Journeymen are currently working on other vehicles. Lube Rack Technician's may perform other miscellaneous tasks such as snow plowing, snow removal from vehicles, pushing vehicles into the shop area, cleaning and organizing shop equipment, and retrieving or delivering parts, except in those instances where such work is recognized as within the jurisdiction of another union.

Section 7. WORK NOT FALLING UNDER DEFINED CLASSIFICATION
Any work not falling within one of the above classifications, shall be classified and a rate for that work shall be established which is mutually satisfactory to the Employer, the Union and the employee or employees involved.

ARTICLE 3
SENIORITY

SECTION 1. DEFINITION.

Seniority means the length of continuous service from the date of last employment by the Employer. Seniority shall be applied by classification and department, restricted to service department (includes new and used vehicle internal), and body shop. The classifications covered by this Agreement are defined in Article 2 and further defined relating to layoff and recall.

SECTION 2. LAYOFF AND RECALL.

In a decrease or increase in the number of Journeymen Technicians, apprentices, skilled technicians, or lube rack technicians, the one with the least seniority in any classification shall be laid off first and recalled in reverse order. The Employer shall consider ability, efficiency, knowledge, skill and training before making any decision, as to which classification the layoff will affect and who will be laid off in classification.

The Employer shall be permitted to recall or hire one (1) Lube Rack Technician notwithstanding the layoff status of any Journeymen. A Lube Rack Technician hired or recalled while a Journeyman is on layoff status may not be promoted while that Journeyman retains recall rights.

The Employer shall notify the employee of a layoff no later than at least one (1) working day before the end of the employee's last scheduled workday of the workweek.

(a) Employees that have not completed their probationary period shall be laid off first in all circumstances.

(b) Employees on layoff shall be rehired before the expansion in any classification by department, restricted to service department and body shop.

SECTION 3. PROMOTIONS.

Promotions shall be made by the Employer within its sole discretion, but in making promotions the Employer shall consider seniority as well as ability, efficiency, knowledge, skill and training. If an employee is promoted to a position excluded from the bargaining unit and remains outside the unit for six (6) months, but returns to the unit, seniority for layoff purposes shall begin with the date the employee returns to work within a classification covered by this Agreement.

Prior to hiring an Apprentice Technician, the company shall offer, by seniority, the position to their current most qualified senior lube rack technician. When an opening in any classification is made available, the most qualified senior employee shall be given the opportunity to advance.

SECTION 4. BREAK IN SENIORITY.

Voluntary resignation or discharge for cause shall break the seniority of any employee. Any absence in excess of six (6) months for any other reason shall break the seniority of any employee, except where a written leave of absence has been granted in writing by the Employer. The Union will be notified via certified mail at the time the leave is taken. Consideration, consistent with any law, may be given where such unemployment has been caused by sickness or disability.

Reinstatement during a layoff of six (6) months or less, or after any authorized leave of absence, shall restore accrued seniority. An employee shall lose seniority if on continuous layoff for a period of six (6) months or for a period equal to the employee's seniority at the time of layoff if the employee has less than six (6) months seniority, whichever is less; provided, if an employee is laid off as a result of not choosing a shift realignment, seniority will be lost after a period of six (6) months. If an employee loses seniority as a result of any of the above provisions, the employee shall be considered a new employee if re-employed.

SECTION 5. PROBATION.

An employee hired on or after July 1, 2013 shall be considered a probationary employee until the employee has worked sixty (60) work days. During this probationary period the employee shall be without seniority, but if employment continues beyond sixty (60) work days, seniority shall commence as of the date of hire. A probationary employee may be laid off or discharged at the sole discretion of the Employer. This action shall not be subject to Article 8. A probationary employee shall not receive holiday pay, funeral leave, or jury duty pay within the first sixty (60) work days of employment.

The Employer shall pay the wage set forth in Appendix "A" during the probationary period.

SECTION 6. REPORTING AFTER RECALL.

The Employer shall give notice of recall to the employee. An employee who fails, without reasonable excuse, to report for work within three (3) working days of notice of recall shall be considered as having resigned from employment.

ARTICLE 4
WAGES

SECTION 1.

Wages for all employees are set forth in Appendix "A". The minimum hourly rate and incentive rate increases shall be in addition to any excess rates being provided prior to this Agreement.

(a) Mechanical Work: Flat Rate Time & Straight Time

Before any work is performed, there shall be a repair order showing the time an employee is paid and the work to be performed. This time and/or fraction thereof shall be multiplied by a minimum of the rate set forth in Appendix "A".

A flat rate technician may be paid the actual hours he has invested in the job if there is no clear time specified (example electrical or squeaks and rattles) by any manual.
This amount may exceed what we are collecting from the client, but only because of serious and substantial mitigating factors. This decision should be reached by consent before performing any repairs. Minimum and maximum times shall be established so disagreements do not arise after a job is completed.

On jobs such as radio R&R, which require the employee to reassemble a vehicle with either a loaner part or no part so that the customer may continue to drive the vehicle until the replacement part or repaired part, comes in, the employee shall be paid the full amount of time as described in the appropriate manual. When the vehicle returns to have the new or repaired part installed, the employee shall be paid the full amount again to reinstall the part unless disallowed by manufacturer

All Dealer-paid repair work (but excluding used vehicle repair), shall be considered the same as manufacturer warranty work and shall be compensated on the incentive basis according to the time allowance in the printed "Manufacturer's Time Standard Manual".

(b) **Customer Pay** Truck Work. This work will include **three quarter-ton or more** chassis and/**or railroad equipped vehicles** where **all** powertrain work **(including internal engine, transmission, transfer case, and differentials)** is performed or brake work where brake drums/**rotors** need to be removed. Any work performed on a chassis **three quarter-ton** or **more or** any vehicle that cannot be racked when lifting is necessary, will be considered truck work with the exception of pre-delivery inspections. The employee shall receive **one dollar ($1.00)** per hour in addition to his regular hourly rate of pay for all hours or portions of hours actually worked on that particular vehicle. Only Journeymen may receive truck pay.

(c) Body and Paint Shop Work. Before any work is performed, there shall be a repair order showing the time an employee is paid and the work to be performed. An insurance company's estimated time sheet showing the time and money for each operation shall be made available to Body Shop technicians, and Painters.

When the parties agree, or if no technicians in the service department or body shop department are able to perform a job in the allowed time, the technician shall have the right to punch in and keep track of the time for work performed on the job and shall be paid the Journeyman Technicians clock hour rate set forth in Appendix "A" for each clock hour.

Body Shop technicians on the incentive hourly basis shall be compensated as set forth in Appendix "A".

SECTION 2. TIME STANDARDS WARRANTY

The Manufacturer's Time Standard Manual for each make and year of vehicle is the authorized manual for manufacturer-paid repairs for purposes of this Agreement (excluding used vehicle repair).

If there is work to be done that is to be paid for by the manufacturer or the Employer in excess of the flat rate operation listed in the Manufacturer's Time Standard Manual, such work shall be paid for at the applicable rates as specified in Appendix "A".

SECTION 2(a). CUSTOMER PAY WORK.

The DMS (R&R or CDK) SPG and/or All Data/Motors Time Guide for each vehicle make and year is the authorized manual for customer pay work under this agreement, whichever is higher. When the operation is not shown, or is incorrect in the time guide being used, the repair time shall be the applicable warranty time multiplied by 1.50. EXAMPLE: If a job pays 2.0 hours of Warranty Repair time, multiply the 2.0 x 1.5 = 3.0 hours."

If the Employer has been using repair manuals or flat rate times other than the **DMS (R&R or CDK) SPG and/or** All Data/Motors Time Guide for customer pay repairs, such rates shall not be reduced by reason of the execution of the Agreement (See Article 19), but may be reduced by the Employer to the level established by the All Data/Motor Time Guide (provided such rates are not reduced to a level that is lower than the manufacturer warranty time). This must be done within 30 days of the effective date of this Agreement.

When the parties agree or if no technicians in the department are able to perform a job in the allowed time, the employee shall have the right to punch in and keep track of the

time for work performed on the job and shall be paid the Technician's clock hour rate set forth in Appendix "A".

If any Journeyman Technician is put on work that does not have a flat rate established, such work shall be flat rated by the Employer, but in no case shall a Journeyman Technician be paid less than the incentive rate of pay. If the employee disagrees with the Employer's flat rated time the employee shall have the option to punch in as specified above.

SECTION 3. **DIAGNOSTIC,** CHECK OR INSPECTION WORK.

If the technician does **diagnostic**, check or inspection work and does not get the job immediately, he shall be paid at the technician's regular rate per booked hour for such work. If the technician does **diagnostic,** check or inspection work and then gets the job, the first fifteen (15) minutes of such work need not be paid for by the Employer, provided such work is an overlapping operation.

Multi-point inspections will be performed by technicians and such work need not be paid for by the Employer. Incentive technicians may be required to do free Multi-point inspections only when the Multi-point inspection is combined with another repair or service. Free Multi-point inspections shall not apply to used vehicle inspections, or new vehicle preps. Nor shall free Multi-point inspections apply to inspection work where the dealership requires disassembly or removal of any vehicle component or the use of a scan tool or other diagnostic equipment except for a hand-held battery tester (where the battery is readily accessible) and a tire depth gauge.

A hand-held battery tester, a tire depth gauge and an alignment quick check device may also be used in the service area by non-bargaining unit personnel. If the tires and/or brake drums are removed for another service, then an Employer-supplied brake pad/shoe thickness gauge will be used to check the thickness of the brake pads/shoes. If the Employer or the customer requests that all pads be measured and such work requires additional disassembly or removal of any vehicle component or the use of a scan tool or other diagnostic equipment, then the technician shall be paid for the inspection per Section 2 (a) of this article.

All time spent on free Multi-point inspections shall be tracked by the Employer and the employee. This time shall be credited to the employee's weekly base pay at the end of the employee's pay period to account for any unapplied time. Free multi-point inspections will not increase the incentive employee's weekly base pay and/or any incentive pay. The employee must punch in and out on the repair order, or be on the repair order electronically to be eligible for this time.

SECTION 4. SPECIALS & CUSTOMER PAY MENUS.

(a) Specials: The Employer may establish advertised "specials" to be run for not more than sixty (60) days at a time for the following items: Tire installation, mufflers, lubrication, alignments (including balance and wheel bearing pack), shocks, air conditioning servicing, brakes, transmission change and adjust, radiator drain and flush, and tune up. Technicians working on these specials will share in the promotion, but may not have their time allowance reduced by more than 20% as long as parts (to a maximum of cost plus 10%) and labor charges to the customer are reduced by the same percentage. No more than five specials may be run at one time.

A majority vote of all incentive technicians is required before any technicians are required to work at a reduced rate.

(b) Customer Pay Menus: The Employer may establish or change the content of its customer pay menu in accordance with any standards established or changed by the manufacturer. Should the Employer desire to establish or change the content of its customer pay menu outside the parameters of those established by the manufacturer, the Employer must request to negotiate with its bargaining unit employees the labor charges to the customer, parts charges to the customer and the labor hours paid to the technician on said items. Upon such request by the Employer, up to two shop technicians shall meet with the Employer representative within ten days of said request. Absent agreement by a majority of the technicians on the menu, the proposal may be submitted to the independent review board. Should the independent review board be unable to decide there shall be no implementation, change or resort to arbitration.

SECTION 5. NON-FRANCHISED VEHICLES.

Employees working on vehicles not franchised to be sold by the Employer shall be paid not less than their applicable rate for their wage classification while on such work. (Hourly)

SECTION 6. WORK ASSIGNMENTS.

Work assignments shall be made as fairly as possible. Employees shall have priority of service at the parts department over outside customers. Any inequities shall be subject to Article 8. Employees may work together on a specific job or a single job duty as written on a repair order, provided the Employer and the employees involved agree. Any employee required to perform vehicle repair work away from the Employers premises shall be paid the applicable rate of pay for time so spent, including travel time to and from the location.

SECTION 7. TEMPORARY WORK.

If business is slack, the Employer may assign an employee work other than that which the employee is regularly classified where such work would not be hazardous to the employee due to lack of experience and training. The employee shall receive their applicable rate. This assignment shall not infringe on the jurisdiction of another Union. Money earned under these circumstances shall be considered a part of the employee's regular flat rate *earnings but will not be calculated in any efficiency requirement. In most cases this applies to non-vehicle work.*

SECTION 8. COME-BACK WORK.

A flat rate technician will be paid only once for a job. Should the job come back within a period of sixty (60) work days and the fault of the return is determined to be the technicians' responsibility then that tech will redo the job correctly at no cost to the client or dealership (this does not include parts). The employee shall do the job over without additional compensation. The time spent will not be calculated in the weekly base pay minimum.

Should the repairing technician not be available and another technician is needed to repair the job the flat rate technician will be charged back the time required to repair the vehicle not to exceed the time the flat rate technician was paid originally. Management has the discretion to not charge back the technician if he feels there are mitigating circumstances.

If an employee has done assigned work and through no fault of the employee this work has to be done over, the employee shall be compensated for the time spent on such re-work at the employee's regular rate.

SECTION 9. A.S.E. REQUIREMENTS.

The Employer shall notify the Lube Rack technicians, or skilled technicians, when hired, of those certifications required for promotion to an apprentice classification. The Employer must have the employee sign the letter and the Employer must forward the letter by facsimile to the Union. The Employer will reimburse all employees for the actual cost of A.S.E. tests required by the Employer after passing the A.S.E. tests, **but will not reimburse said technicians for testing without prior approval from management.**

Within ninety (90) days after date of hire, the Employer must notify the Union in writing with the number of A.S.E. certifications and/or manufacturer certifications that are required for promotion. The Employer must have the employee sign the letter and the Employer must forward the letter via facsimile to the Union.

A.S.E. Requirements. **Apprentices must receive and maintain A.S.E. certifications required by the Dealership; See APPENDIX "C" or "F". When**

the manufacturer requires A.S.E. certifications for specific manufacturer training or certification, this section may also apply to the Journeymen classification in the service and body shop departments as required by the dealer. Within 60 workdays after hire or promotion to the classification (or within 60 workdays of the effective date of this Agreement for employees currently in this classification), the Dealership must notify the Union and the employee, in writing, of the A.S.E. certifications that are required and also the time period requirement. The amount of A.S.E. certifications required, may be increased by no more than two (2) in any 6-month interval or testing cycle, excluding apprentices (see APPENDIX "C").
The employee is required to sign the letter and the Employer must forward the letter to the Union.

Body Shop Technicians must also receive and maintain welding, ICAR Gold, ATEG, and/or paint certifications required by the Dealership, within a reasonable time period as determined by the Dealership, but not less than 18 months from the date the employee is notified of the requirement. Within 60 workdays after hire or promotion (or within 60 workdays of the effective date of this Agreement for employees currently in this classification), the Dealership must notify the Union and the body shop employee, in writing, of the certifications that are required and also the time period requirement. The amount of A.S.E., ICAR Gold, ATEG and/or paint certifications required may be increased by no more than two (2) in any 6-month interval or testing cycle. The employee is required to sign the letter and the Employer must forward the letter to the Union

(a) Current Journeyman technicians may be required to be certified in all 8 ASE certifications as required by the dealer listed below no later than nine (9) months from the ratification of this agreement, or two testing cycles. Any Journeyman not meeting this requirement may be subject to a reduction in their current wage by .20 cents per ASE certification.
(b) Continuation of all 8 ASE certifications will be a yearly requirement for the Journeyman. Required Journeymen will be required to submit ASE certification proof yearly by June 1st or as soon as available.

At management's discretion, any lapse in ASE certifications may allow for the reduction of pay from Journeyman to highest apprentice level pay until such time that the tests and certifications are rectified.

The required 8 ASE certifications to be considered a journeyman technician and those required to maintain that level are the following:

A1 – Engine Repair
A2 – Automatic Transmission/Transaxle
A3 – Manual Drive Train & Axles
A4 – Suspension & Steering

A5 – Brakes
A6 – Electrical/Electronic Systems
A7 – Heating & Air Conditioning
A8 – Engine Performance

Each journeyman technician shall receive twenty cents ($.20) per hour in addition to his regular hourly rate for each current certification stripe unless the ASE is not required by the dealer. At any time that certification cannot be validated, the additional wages ($.20/hr.) will be rescinded until certification can be verified.
A9 – Light Vehicle Diesel Engines certification or any other future certification shall also be paid for when the employer requires the certification. It is incumbent upon the journeyman to provide such verification. Verification may be certified or verified by phone; that certification is forthcoming. Current Journeymen, that have stripe pay, will not have their pay reduced because of this section if ASE certification is not required by the dealer after the ratification of this agreement.

The amount of A.S.E. certifications required, may be increased by no more than two (2) in any 6 month interval or testing cycle. The employee is required to sign the letter and the Employer must forward the letter via facsimile to the Union.

(c) Manufacturer Certification Requirements. All apprentices must receive and maintain manufacturer certifications required by the Dealership or manufacturer within a reasonable time period as determined by the Dealership for promotion or wage progression, subject to the manufacturers training program schedule. All Journeyman technicians must receive and maintain manufacturer certifications required by the Dealership or manufacturer within a reasonable time period as determined by the Dealership, subject to the manufacturers training program schedule.

(d) Related Issues. The Dealership shall pay in advance, if necessary, the actual cost to achieve any manufacturer certifications required by the Dealership, but will not pay for the costs of tests that are not so required. The employee shall provide a copy of the manufacturer test results and certifications achieved to the Dealership. The employee shall provide a copy of all A.S.E. test results and certifications achieved to the Dealership.

As of the ratification of this agreement, refusal to participate in required certification testing under this Section, or required training under Section 11 below, will be considered a refusal to work. If an employee is unavailable, due to fringes outlined in this Agreement during any training/testing period, this shall not apply. Beginning with the third written A.S.E. testing period following the date of the written notice, a failure to pass any required A.S.E. or other certification or written A.S.E. recertification test will result in one written warning letter per A.S.E. testing cycle. Written warning letters for failure to pass a required written A.S.E or other certification or written A.S.E. recertification test will be valid for a period

of twenty (20) months from the date of issuance, and will be subject to the same grievance and rebuttal letter process provided in Article 13, Section 2 of this Agreement for other types of written warnings. Upon the third or subsequent warning letter, the employee may be discharged. Warning letters for failure to pass a required written A.S.E. or other certification or written A.S.E. recertification test shall not be combined with any other type of warning letter for progressive discipline purposes.

An apprentice who does not obtain the required A.S.E. or other certifications or recertification by the required date during the apprentice period shall not progress to the next level in the apprentice wage progression until completing such requirements, and the five-year apprentice period will be extended accordingly.

Only apprentices hired or transferred into the apprentice classification on or after the ratification of this agreement, may be reclassified as a skilled technician at the appropriate skilled wage rate based on the employee's seniority during the first sixty (60) working days as an apprentice, at the discretion of the Dealership. In the event an apprentice hired or transferred into the apprentice classification on or after the ratification of this agreement does not obtain a required A.S.E. or other certification or recertification by the required date during the first two years as an apprentice, the apprentice may then be reclassified as a skilled technician at the appropriate Skilled wage rate based on the employee's seniority, within thirty (30) workdays after the initial two year period, at the discretion of the Dealership.

SECTION 10. RATIOS.

Apprentices may be employed in the ratio of not more than one (1) to each two (2) Journeyman Technicians in the Service Department, and one for each two (2) Journeyman body shop technicians in the body shop department. The employer will also be allowed one skilled technician for every four (4) Journeyman in the service and Body Shop department. The Service Department and the Body Shop Department shall each be entitled to a minimum of one (1) apprentice or one skilled technician. An apprentice technician employed as of July 1, 2007 shall not be terminated as a result of this section.

SECTION 11. TRAINING: All employees may be required by the Dealership to participate in training as determined by the Dealership, including but not limited to new model updates, new technology updates, mechanical or technical development, video or computer-based training, off-site classroom training or interactive distance learning. All Apprentices and Journeymen will be afforded manufacturer training in order to progress or stay current in their job duties or job classification.

(a) Pay for Training: An employee attending required off-site classroom training shall have the option of clocking in and out at the dealership. **Where this option**

is not available, the Employer shall add 2 hours to the employee's pay for each day of training class taken. The employee shall be paid for the time, if any, traveling from and to the Dealership and for the training time. For each major part of a full day spent traveling and at an off-site training class, the employee shall receive eight (8) hours of pay at the hourly rate or **ten (10) hours pay if on a ten (10) hour shift.** For each major part of a half-day spent traveling and at an off-site training class, the employee shall receive four (4) hours of pay at the hourly rate **or five hours pay if on a five (5) hour shift.** The employee will be provided with airfare, transportation or the equivalent cost and will be reimbursed for any tolls and/or hotel room or related expenses **(lunch and if overnight, dinner)** paid during travel when such travel exceeds **eighty** (**80**) miles (**one way) from the dealership**. **If the employee is using a vehicle not owned by the dealership, the employee will be reimbursed at the current business rate calculated by IRS guidelines, per mile, from the dealership.** All training classes away from the dealer that are more than one (1) day in duration and over **80** miles in distance (one way) the employee shall have the option of returning home or staying at an approved hotel paid for by the employer.

Pay for Non-Classroom Training:

All required training, whether at home, off-site or at the Dealership, shall be compensated at the employee's hourly rate of pay. Time spent participating in required interactive distance learning or computer based training shall be paid at the employee's hourly rate to the nearest tenth of an hour based upon the estimated completion time associated with the course, if provided. For training at the Dealership, a training assignment record or an internal repair order will be generated and the time paid to the technician will be affixed to the repair order after training completion. Training time that is not required by the Dealership will not be paid by the Dealership.

Any classes or tests passed that are done at home must be verifiable by the dealer before compensation is made. All training done at home require the service manager's prior approval.

SECTION 12. METHOD OF COMPENSATION.

The method of compensation (incentive or hourly) shall not be changed during the life of this Agreement, unless a change is agreed to by the employees, Employer and the Union in writing.

SECTION 13. DEBOOKING.

Debooking will be allowed for a period of thirty (30) calendar days. The technician will be shown the reason (only honest mistakes or other legitimate reasons) for the debooking before debooking the technician.

SECTION 14. BOOKING SHEETS.

Booking sheets showing the technicians name, each repair order and the time paid for such repairs shall be given to each technician (excluding body shop technicians) no later than the close of the next business day after the day the work was completed. Where booking sheet information is not immediately available to the Employer, the Employer will provide booking sheets no later than the close of the next business day after the information becomes available.

SECTION 15. DIRECT DEPOSIT OF PAYCHECKS.

The Employer, or the employees, may request all bargaining unit employees to utilize direct deposit for paycheck distribution upon majority vote of all bargaining unit employees

SECTION 16. PAYCHECK DISTRIBUTION

Paychecks will be distributed before the employees shift ends on the employees regular payday. It is also agreed that no deduction shall be made by the Company from the employee's pay except as authorized by the employee or bylaws. Each employee shall be issued with his check, a stub showing straight time hours worked, overtime hours worked, amount of pay for each, and all the authorized deductions, gross pay and net pay.

SECTION 17. HYBRID/ELECTRIC VEHICLES

It shall not be a violation of this agreement for any technician to refuse to work on any hybrid/electric vehicle without the proper tools, safety equipment, and or proper factory training. No employee shall be required to perform work that involves an imminent danger to his/her or any other employee's health or physical safety and shall not warrant any disciplinary action. All specialized trained employees may punch in and be paid straight time for all repairs on hybrid/electric vehicles if no specified time is established by the manufacturer.

ARTICLE 5
HOURS OF WORK - BASE PAY - OVERTIME

SECTION 1. HOURS OF WORK.

(a) Hours of work, as of the date of ratification of this agreement shall be as follows: The employer currently has one (1) Monday through Friday eight (8) hour shift that includes a four (4) hour shift on Saturday. Saturday shifts shall continue to be staffed by employees on a rotating basis. Saturday work (currently 8:00am

to 12:00pm) shall be at the employee's current hourly rate and shall consist of **up to** one half **(1/2)** of the work force, for the mechanical department. This shall continue through the end of this agreement unless the employer institutes an eight (8) or ten (10) hour work day on Saturday. When this is instituted, then the shift language in the paragraph below in section 1b shall apply.

If any employee is on vacation at the time of his rotation, the employer shall ask for volunteers to fill the opening on that shift. If there are no volunteers then employer may select employees based on 1) seniority in the absent employees classification or 2) overall shop seniority of the employees that are not already working.

(b) Eight (8) hour shifts and ten (10) hour shifts shall be the normal workdays and forty (40) hours the normal work week. Work week schedules shall be: eight (8) hours per day Monday through Friday or Tuesday through Saturday; or ten (10) hours per day on any four (4) consecutive days Monday through Saturday, or a flexible work week consisting of any four or five days Monday through Saturday. Only employees hired on or after the ratification of this agreement, employees who are working a flexible work week as of the ratification of this agreement and volunteers are subject to the flexible work week. Employees hired after the ratification of this agreement and employees removed from a flexible work week will be informed, in writing at the time of hire or when removed from the flexible schedule, that they are subject to the flexible work week, and a copy signed by the employee will be provided to the Union. Any employee hired before the ratification of this agreement who is working a Monday through Friday or Tuesday through Saturday work week as of the ratification of this agreement shall not at any later date be required to work a flexible work week.

(c) There shall be two shifts for the purposes of this Agreement. The first shift shall be defined as all work schedules ending at or before 7:00 p.m. The first shift shall not begin prior to 6:00 a.m. and shall end no later than 7:00 p.m. The second shift shall be defined as all work schedules that end after 7:00 p.m. Saturday shifts shall end no later than 11:59 p.m. Starting times shall be uniform within the work week, provided that the starting time for Saturdays may vary from the normal starting time by up to two (2) hours. All shifts and work weeks shall be established and remain in effect for a minimum of sixty (60) days, unless employees by majority vote agree to an adjustment prior to sixty (60) days. Employees shall be given a minimum of seven (7) days' notice of any change in shifts or work week.

All shifts and work weeks shall be voluntarily chosen by seniority except for employees who can be required to work a flexible work week as outlined above. Shifts may not overlap unless each technician is assigned their own rack. If an employee works any shift that ends after 7 p.m., works a work week including a Saturday, the employee shall receive an additional $1.00 for every clock hour or booked hour, whichever is greater, that week, in addition to the incentive pay or

base pay otherwise payable. Whenever there is an opening on any shift or work week, the opening shall be filled by seniority per classification. An employee who does not volunteer to work an evening shift or a Tuesday through Saturday work week may choose a lay off rather than work such. Such an employee shall have recall rights for twelve (12) months and may fill any opening on any shift in seniority order. An employee who refuses to volunteer for a flexible work week and who cannot be required to work such a schedule shall not be subject to a lay off because of their refusal to do so. Employees shall not be required to work on Sundays or Holidays. Lunch periods shall be mutually agreed upon in each shop.

SECTION 2. REDUCED WORK WEEK.

When the Employer requests that the employees vote on a reduced work week rather than a layoff, and where the majority of employees by department elect to go on a reduced work week rather than be placed on layoff status, that decision shall be final and binding on the Employer and employees in that department or departments involved for thirty (30) working days. At the end of thirty (30) working days a new vote will be taken if so requested by the Employer.

The agreed upon reduced work week shall never be lower than four eight (8) hour days or three ten (10) hour days (whichever is the employees applicable shift currently being worked) per week and shall apply to all employees in that department.

SECTION 3. OVERTIME.

There will be no overtime for technicians on flat rate. Overtime will apply to only those employees as defined by federal wage & hour law on a straight hourly rate. Overtime will be voluntary by the employee. Through extra ordinary circumstances where the Employer feels the need to require overtime, that rate will be at one and one half time the current hourly rate and may not exceed 4 hours on any day. Overtime work shall be divided as evenly as practicable among the qualified employees within the job classification which normally performs the work.

If a flat rated technician volunteers his own time to finish a particular job, then no overtime shall be paid to said employee. No employee shall be forced to take time off for overtime worked.

For work required to be performed over eight (8) hours per day, ten (10) hours per day if the employee is on a ten (10) hour per day shift, or forty (40) hours per week, the employee shall receive overtime pay.

For work on a holiday, the rate set forth in Appendix A shall be paid. No premium or overtime shall be used to make up the weekly base pay.

SECTION 4. BASE PAY RULES.

(a) Hourly employees shall be guaranteed work four (4) hours per day, up to six (6) days per week when they are present and prepared to work. In the event an hourly employee reports for work on his regular shift without having been previously notified not to report, or an employee is called to work on his scheduled day of rest, he shall be given at least four (4) hours work, or if no work is available, he shall be given four (4) hours pay at the applicable hourly rate. Incentive employees' base pay shall be calculated and earned on a weekly basis as set forth in Appendix "A"

(c) The base pay shall be increased proportionately with any increase in hours worked during the week. The base pay shall be reduced proportionately when an employee on his own accord or without the fault of the Employer is absent, i.e., fire, loss of power, etc.

Five Day Work Week/Eight Hour Day

Hours	One Work Day	Two Work Days	Three Work Days	Four Work Days
34.0	6.8	13.6	20.4	27.2
34.1- 39.9	6.8	13.6	20.4	27.2
40.0- 44.9	8.0 to 8.9	16.0 to-17.9	24.0 to 26.9	32.0 to 35.9
45.0- 49.9	9.0 to 9.9	18.0 to 19.9	27.0 to 29.9	36.0 to 39.9
50.0- 54.9	10.0 to 10.9	20.0 to 21.9	30.0 to 32.9	40.0 to 43.9
55.0- 59.9	11.0 to 11.9	22.0 to 23.9	33.0 to 35.9	44.0 to 47.9
60.0 +	12+	24+	36+	48+

(c) The weekly base pay for all flat rate employees shall include credit for the estimated finished portion of any unbilled work in progress. There shall be a separate work order for work done on a non-regularly scheduled workday that was not finished the preceding day.
(d) An employee's weekly base pay shall be reduced by one-fifth (1/5th) (1/4 for 10 hour employees) for each holiday listed in Article 6, Section 1.
(e) The base pay shall be based upon the payroll week.

(f) Employees subject to layoff in excess of one week may be called back during a given workweek and shall be entitled to a pro-rata base pay based on days worked.

(g) When an employee is not able to earn base pay regularly due to verified extenuating circumstances, the Union and the Employer will discuss the matter with the view of reducing that employee's base pay so that, if possible, the employee may continue to work rather than be subject to termination after issuance of written warning notices. Any agreement of reduced base pay shall be in writing.

ARTICLE 6
HOLIDAYS OBSERVED

SECTION 1. HOLIDAYS.

Holidays celebrated each year of the Agreement shall be as follows:

2019:

Independence Day	Thursday	07/04/19
Labor Day	Monday	09/02/19
Thanksgiving Day	Thursday	11/28/19
Day Before Christmas	Tuesday	12/24/19
Christmas Day	Wednesday	12/25/19

2020:

New Year's Day	Wednesday	01/01/20
Memorial Day	Monday	05/25/20
Independence Day	Saturday	07/04/20
Labor Day	Monday	09/07/20
Thanksgiving Day	Thursday	11/26/20
Day Before Christmas	Thursday	12/24/20
Christmas Day	Friday	12/25/20

2021:

New Year's Day	Friday	01/01/21
Memorial Day	Monday	05/31/21
Independence Day	Monday	07/05/21
Labor Day	Monday	09/06/21
Thanksgiving Day	Thursday	11/25/21
Day Before Christmas	Friday	12/24/21
Christmas Day	Saturday	12/25/21

2022:

New Year's Day	Saturday	01/01/22
Memorial Day	Monday	05/30/22

Any holiday that falls on a Saturday shall be paid at the technician's applicable rate (either eight (8) or ten (10) hours) in the week that it occurs, or the employee may request another day off with pay in lieu of being paid that week. New Years Eve will also be a paid holiday when the Employer provides it as a paid holiday for any of their other employees.

PERSONAL TIME

Personal time will be earned at a rate of five (5) hours per calendar quarter for ten (10) hour/day technicians and four (4) hours per calendar quarter for eight (8) hour/day technicians, where the individual technicians have no unexcused absences and a minimum of 105**% efficiency** during the period. A maximum of two (2) days per calendar year may be accrued and must be used or converted to pay within the following calendar year. This time/days may not be used in conjunction with a holiday or scheduled vacation day(s) Note: (unless agreed on by management prior to taking off such time)

When a technician achieves a minimum of 110% efficiency during the above period, the technician will earn at a rate of seven and one half (7.5) hours per calendar quarter for ten (10) hours/day technicians and six (6) hours per calendar quarter for eight (8) hour/day technicians, thus earning a third day for the calendar year. Employees will receive a private report of their efficiency monthly.

SECTION 2. HOLIDAY PAY.

When any one of the above-mentioned holidays falls within or is observed during the workweek, employees working on the incentive basis shall be paid eight (8) hours or (10) hours, whichever applies, times their applicable rate of pay. Employees employed on an hourly rate shall be paid eight (8) hours or (10) hours, whichever applies, times their applicable rate of pay. This holiday pay shall not be used to make up any base pay.

No holiday pay shall be paid unless the employee works his scheduled workday immediately before and immediately after each such holiday respectively unless excused by the Employer or for any of these other following reasons:

(1) Compensable illness or injury

(2) Confinement in a hospital verified by a doctor

(3) Jury duty

(4) Vacation

(5) Death in the family as defined in Article 13, Section 9

(6) Illness or injury verified by a doctor

(7) Layoff from work of less than 2 weeks duration.

SECTION 3. HOLIDAYS FALLING WITHIN A VACATION

When an employee is on vacation when one of the holidays specified in this Agreement falls, the employee shall receive an extra day's pay as specified above, or an extra day off with pay. The employee shall notify the Employer of this choice at least three (3) days before the employee goes on vacation.

SECTION 4. PAY FOR HOLIDAYS WORKED.

If an hourly rated employee works on a holiday, the employee shall receive two (2) times the applicable rate, plus the holiday pay set forth in Appendix "A". If an incentive rated employee works on a holiday, the employee shall receive two (2) times the incentive rate of pay plus the holiday pay set forth in Appendix "A".

SECTION 5- SEVERANCE PAY

In the event the Company ceases operation, of its business for any reason, each employee in the employment of the Company for one (1) year or more shall be entitled to 40 hours at their hourly rate pay as Severance Pay. Such Severance Pay shall be payable on the first regular pay period following the cessation of operations. The provisions of this Section shall also be applicable to those employees who are placed on an indefinite layoff due to gradual cessation of operations which occurs within a six (6) month period following the last date of layoff. However, the provisions stated above shall not be applicable to those employees who are retained or hired by the successor of the Company immediately subsequent to the cessation of operations.

ARTICLE 7
VACATIONS

SECTION 1. VACATION PERIOD.

The vacation period shall be year round and chosen according to seniority. Vacation pay will be paid one pay period before the vacation is taken. The employer shall post by January 1, of each year a vacation sign up sheet. Employees shall sign up for vacation by seniority before *February 28*. Vacation requests shall be granted in order of seniority for up to the first two weeks for each employee. Thereafter, any remaining additional weeks shall again be

chosen by seniority before *February 28.* Requests made after *February 28*, each year will be granted on a first come, first served basis. Any third and/or fourth week of vacation shall be taken during the vacation period at a time mutually agreeable to the employee and the Employer.

(a) VACATION SCHEDULE.

All employees on an anniversary vacation schedule and employees hired on or after July 1, 2007 shall receive:

One (1) week vacation on the first anniversary of their date of hire.

Two (2) weeks vacation on the third anniversary of their date of hire.

Three (3) weeks vacation on the tenth (10) anniversary of their date of hire.

Four (4) weeks vacation on **the twentieth (20)** anniversary of their date of hire.

(b) VACATION RULES.

Unless expressly authorized by the Employer, no more than two (2) employees per department are to be scheduled for vacation during a given week.
For departments with ten or fewer bargaining unit employees, no more than one (1) bargaining unit employees may be absent for vacation at any one time unless expressly authorized by the Employer.

Employees off from work due to a work related injury shall earn vacation time and pay during the time such employee receives worker's compensation benefits up to a maximum period of two (2) years, provided they return to work. Vacation and time off in this case will not be paid until the employee returns to work.

Employees, who have at least one (1) year seniority with the company, who are laid off or are off due to a non-work related injury shall accrue vacation time and pay for six (6) months from the date of the lay-off or injury, provided they return to work. An employee off work due to an authorized leave of absence for personal reasons shall not earn vacation time during that time period.

Sixteen (16) calendar days of service in the employee's first or final month of employment will be counted as a full month of service for purposes of this Article. Time spent on vacation or holiday shall be considered as time in service which shall be subject to the fair labor standards act or any applicable law.

After the selection of full weeks of vacation time by all employees by *February 28*, one week of vacation may be taken one (1) day at a time, non-consecutively, as long as the employee provides at least ten (10) working days' notice, and subject to the percentage limits on the number of employees on paid time off set forth in this Agreement. Requests for full weeks of vacation submitted by *February 28* shall take precedence over any request for single vacation days.

Single vacation days also can be taken in January and February according to the above procedures and limits.

SECTION 3. LAYOFF - PRO-RATA VACATION PAY.

If an employee decides, at the time of layoff, to quit rather than be laid off, the employee shall be paid his regular vacation pay plus accrued pro-rata vacation pay.

SECTION 4. TERMINATION - PRO-RATA VACATION PAY.

When an employee severs employment for any reason, the employee shall be paid regular, unused vacation pay, plus any accrued pro-rata vacation pay. The vacation pay will be payable no later than the Employer's next regular pay day. This accrued vacation benefit shall be computed on the basis of one-twelfth (1/12th) of the vacation benefit the employee would have been eligible for every month of service since the last date of hire.

All vacation pay for all incentive employees shall be computed using the employee's incentive rate.

SECTION 5. VACATION PAY.

Vacation pay for all employees shall be computed on the basis of forty (40) times their applicable hourly rate of pay for each week of vacation (See Appendix "A").

SECTION 6. BENEFICIARY.

When an employee dies, the employee's designated beneficiary will be paid any vacation pay due.

ARTICLE 8
COMPLAINTS

SECTION 1. PROCEDURES

Complaints between the Employer and any employee shall be confined to the meaning and application of this Agreement. Complaints shall be settled by using the following procedures: Except in the case of written warning letters see Article 13 Section 2.

Step One:

(A) Except in the case of termination, the employee shall present the dispute to the Employer's representative in writing, and should notify the Union, no later

than fifteen (15) days following the occurrence of the matter causing the dispute. If this is not done, the complaint is not valid.

(B) An employee who is terminated must file a written grievance with the employer within five (5) calendar days after the date of termination. This five day period will be extended if the employee is:

(1) On vacation;

(2) On authorized leave of absence;

(3) Any other reason mutually agreed to.

This five day period begins when the employee would have normally returned to work. If this is not done the complaint is not valid.

(C) If the parties are not able to adjust the complaint within a reasonable time, then:

Step Two:

The complaint shall be discussed by the Union's representative and the Employer's representative. This will be done within ten (10) days from the time the complaint is presented to the Employer's representative.

Step Three:

If the complaint is not settled in the second step within a period of fifteen (15) days, the complaint may, at the request of either party, be submitted to the independent review board. The costs of such proceeding shall be borne equally between the employer and Local 701.

The independent review board shall be comprised of an independent umpire chosen and mutually agreed upon by the employer and 701. The impartial review board shall convene every other month or as needed.

The review board shall have jurisdiction over all grievances and disputes properly brought before it and mutually agreed upon between the two parties. The board may be convened by either party upon serving the other with written notice. Failure to serve such notice within thirty calendar days shall render the grievance invalid. The board must be convened in a timely manner (within a sixty-day period) after receipt of written notice, unless postponed by mutual agreement. Decisions of the board are final and binding upon all parties. If the review board refuses to take the case, or no decision can be rendered or either party chooses not to participate in the fourth step procedure, the remaining party may proceed immediately to Step 4 Arbitration.

Step Four Arbitration:

Any non-disciplinary grievance which involves potential monetary damages in excess of $500 and which remains unsettled after having been fully processed pursuant to the first two steps in the grievance procedure as set forth in this Article may be submitted to arbitration instead of the Step Three independent review board process upon written request by either the Union or the Employer to the other, or by mutual agreement. This shall be done within ten (10) calendar days from the conclusion of the procedures described in Step Two above. The losing party at arbitration shall pay the prevailing parties cost, limited to filing fees, Arbitrator's fees, court reporter/transcript costs and hearing room fees.

Any grievance which remains unsettled after having been fully processed pursuant to the first three steps in the grievance procedure as set forth in this Article may be submitted to arbitration upon written request by either the Union or the dealer to the other. This shall be done within ten calendar days from the date that the parties refused to engage in step three or the date the independent review board declined or is unable to render a decision.

Either party may request arbitration. The union and the company shall select one arbitrator from the American Arbitration Association. In the event the parties are unable to agree upon an arbitrator the AAA shall select an arbitrator in accordance with their procedure. Arbitration hearings shall be commenced as soon as convenient. Each party shall pay one-half (1/2) of the expense of the arbitrator and the arbitration proceedings. The decision of the arbitrator shall be final and binding upon all parties concerned and, in discharge cases, shall be rendered not later than ninety (90) days from the date of hearing. The arbitrator shall not have the power or authority to add to, subtract from, amend, modify, change or vary the terms of this Agreement.

If the parties agree to an expedited arbitration, the rules of the American Arbitration Association for Expedited Arbitrations shall apply.

SECTION 2. UNION ACCESS TO FACILITY.

A Union representative shall be permitted access to the Employer's premises for the purpose of adjusting complaints individually or collectively. A Business Representative and/or International Representative shall be permitted to confer on matters pertaining to the administration of this Agreement with a steward during working hours. Time spent in such conferences with the steward shall not result in any loss in pay and shall not exceed fifteen (15) minutes per week, and such time shall not accumulate from week to week.

ARTICLE 9
STRIKES AND LOCKOUTS

SECTION 1.

In consideration of Article 8, Section 1, it is mutually understood and agreed that no strikes, lockouts, slowdowns or other stoppages of work shall take place during the life of this Agreement. If either party refuses to abide by Article 8, by failing to agree to IRB proceedings or arbitration within fifteen (15) days after Step 2 of Article 8, this Article shall not apply.

SECTION 2.

It shall not be a violation of this Agreement, and it shall not be cause for discharge or disciplinary action, if an employee refuses to go through or work behind a picket line which has been authorized or sanctioned by Local No. 701, International Association of Machinists and Aerospace Workers.

SECTION 3.

The Company will not require the employees to cross a legitimate picket line which is not in conflict with the requirements of the Labor-Management Relations Act and which may be established on or in front of the premises. The individual or concerted refusal to cross such picket line shall not constitute grounds for discipline, discharge or layoff.

ARTICLE 10
EMPLOYEE RESPONSIBILITY

SECTION 1.

No employee shall be permitted to perform repair work in a like industry of the employer for compensation away from the premises of the Employer (unless the employee is requested to do so by the Employer or his authorized representative). The employee may work on their own or their immediate families vehicles away from the premises. Immediate family is defined as wife/husband, mother, father, son, daughter, brother/sister or grandparents. Any employee who does so may be discharged immediately at management discretion. It is further agreed that no employee may work on the employee's own vehicle, family member or friend or on any other employee's vehicle on the premises of the Employer unless a Repair Order covering such work is properly issued. Advance permission must be granted by the department manager and the work may not take place during normal business hours unless it has been specifically allowed by the manager. The service manager must be present while this work is being performed.

The Union agrees to do all in its power to maintain the efficient performance of its members and to remind them of the obligation to the Employer and the customer. Employees are required to keep stalls and benches reasonably clean and presentable.

There is to be no **vaping/**smoking or other use of tobacco **or CBD oils** inside of any buildings or vehicles owned by Bill Walsh Automotive or customer vehicles. Due to the difficulty of determining if a cigarette is lit or not, for purposes of this section, an employee with a cigarette in his mouth in one of these non-smoking areas will be considered in violation of this agreed rule. Any smoking outside will occur in designated smoking areas only. Union members who smoke are also required to maintain their smoking area and insure they are free of cigarette butts, ashes, matches etc. Union members must notify management if other non-members are using this area, so that those employees will also be responsible in keeping the area presentable.

SECTION 2. SAFETY EQUIPMENT

All employees are required to comply with reasonable safety rules, policies and regulations established by the Employer which are not in conflict with the terms of this Agreement. This includes but is not limited to wearing personal protective equipment that is provided by the Employer for the work being performed; proper storage and/or use of hazardous materials and flammable items (provided the Employer has supplied the proper disposal container); and refraining from disconnecting or overriding hoist safeties. The Employer will maintain hoists and safeties in proper working order. The Employee is required to report any injury immediately to their supervisor. It is the employees' responsibility to work and act in a safe manner at all times. (ALSO, SEE ARTICLE 13, SECTION 6)

ARTICLE 11
HEALTH AND WELFARE PLAN

The Employer shall contribute the sums below per week for each employee to the Welfare Fund **Premier Plus Plan.**

Effective July 1, 2019.....$ 307.00
Effective July 1, 2020.....$ 317.00
Effective July 1, 2021.....$ 337.00

Payment shall be made no later than the tenth (10th) of the following month, on the following basis:

(a) The amount per employee, per week, shall be contributed for any week in which an employee performs any service for, or receives compensation from, the Employer. This shall apply to new employees from the date of hire.

(b) The obligation to make the above contribution shall continue during periods when the employee is not performing a direct service for the Employer due to fringes outlined in this Agreement, examples: vacations, jury duty, etc. The above does not include payment of accrued vacation at the time of termination.

(c) If an employee is absent because of non-occupational illness or injury, the Employer shall continue to make the required contribution for a period of thirteen (13) full weeks.

(d) If an employee is absent because of occupational illness or injury, the required contribution shall be made until the employee returns to work or for a period of twenty-six (26) weeks, whichever period is the shorter.

(e) All leaves of absence when granted by the Employer shall be conditioned upon the Employer and the employee making satisfactory arrangements for the employee paying the weekly contribution to the Welfare Fund. The Employer shall transmit the employee's payment for the period of such granted leave of absence.

(f) The employee and the Employer by agreement may continue any life insurance in excess of the Union's plan currently in effect.

(g) Subject to any applicable Federal law, an employee must return and remain at work for thirty (30) work days to requalify for twenty-six (26) or thirteen (13) weeks of Welfare Fund contributions for the same illness or injury. If an employee returns to work on light duty and is reinjured, the employee will only be entitled to any remainder of contributions which had not been paid by the Employer in connection with the original injury, as established by this Article.

(h) The employer agrees to sign any Participation Agreement required by the Welfare Fund which is not inconsistent with this Agreement.

ARTICLE 12
RETIREMENT BENEFITS

See attached standard language at end of contract in Appendix "E"

ARTICLE 13
MANAGEMENT RESPONSIBILITY

SECTION 1. MANAGEMENT RESPONSIBILITY.

Nothing in this Agreement shall deprive the Employer of full responsibility for the operation of its business, including the authority to hire, promote, transfer, discipline or discharge, to give merit increases and to enact policies, rules and regulations which are not in conflict with the terms of this Agreement.

Officers or members duly appointed by the Union who are requested to attend official Union business shall be granted short-term leaves of absence without pay for the purpose of attending union meetings, conventions, training, etc., and shall not be required to use vacation time to make up for the excused time off.

The Company agrees to use its best efforts to see that reasonably safe, sanitary and healthful working conditions are maintained at all time for all its employees. In the event an employee deems a job to be unsafe and/or unhealthy, he shall notify the Company. If a dispute arises as to the un-safeness or unhealthiness of the job, the shop steward shall be brought in on the discussion. If the matter remains unresolved, it may be referred to the final step of the grievance procedure for processing. The Company further agrees to provide proper and adequate ventilating systems.

The Company signatory to this Agreement shall furnish a suitable bulletin board for use by the Union for posting union notices.

SECTION 2. WARNING LETTERS.

Warning notices must be presented to the employee and a copy mailed to the Union within fifteen (15) days following any infraction which the Employer considers to be grounds for a written warning notice. Any warning notice presented to the employee and the Union more than fifteen (15) days following an infraction is invalid. Warning letters issued for poor workmanship or comebacks will be considered valid if issued within fifteen (15) days of the discovery of the basis for the warning letter, but in no event shall a warning letter on workmanship or comebacks be issued more than sixty (60) calendar days after the work was completed by the technician.

Where an employee's operator's license is suspended or revoked, or the employee is deemed uninsurable by the Employer's insurance carrier, the employee will be immediately placed on layoff until the license and/or insurability is restored, for up to the maximum layoff period established by Article 3, Section 4 of this Agreement. In the case of a drunk driving suspension or revocation of the drivers license the employee will immediately be terminated if found guilty, if innocent the employee shall suffer no loss of vacation accrual or pay should the employee return to work. In the case of loss of insurability, the insurance carrier will provide, in writing, the reason(s) the employee is uninsurable and the applicable underwriting guidelines.

Except where the license and/or insurability of such an employee is not restored before expiration of the layoff period/ or where employees are discharged for

theft; drunkenness, consumption, possession or illegal use of controlled substance or alcohol on the job site, or illegal drugs on the job site in accordance with the substance abuse policy set forth in Appendix "D"; refusal to do work for which they were employed; intentional conduct resulting in damage to Employer or customer property, vehicles, facilities or equipment; unlawful conduct on the job; failure to immediately notify the Employer of loss of operator's license; or for other reasons mutually agreed to between the Employer and the Union, employees will be given three (3) written "warning letters", with a copy to the Union.

Upon the third or subsequent warning letter an employee may be discharged and the warning letter must be issued at the time of discharge. If the employee is not discharged on the third or subsequent written warning letter, the Employer must issue an additional written letter at the time the employee is discharged. Warning letters may be issued for violations of reasonable company rules, policies or regulations, as well as for poor work performance, subject to the principles of progressive discipline (i.e. written verbal, written warning etc...).

Any warning letter shall be invalid after twelve (12) months from the date of issuance. When an employee receives base pay for the week it shall not constitute the issuance of a warning letter, unless the warning notice states the detailed reasons why the employee's failure to meet the guaranteed base pay is the fault of the employee.

If an employee receives a written warning letter and feels the letter is undeserved, he/she must discuss the letter with his/her manager. The employee may request a Union representative to be present for the discussion. If the employee is not satisfied with the outcome of the meeting, within 10 days a grievance must be filed by the Union representative. The employee must also submit a rebuttal letter to the company within 10 days after receipt of the warning letter (with a copy to the Union representative) explaining why he/she feels that they do not deserve this warning letter.

Grievances for warning letters will not be presented to the independent review board and no further action needs to be taken on warning letters unless a loss of employment or monetary loss to the employee occurs within twelve (12) months of the date of the warning letter(s). In the event of loss of employment or monetary loss to the employee, the grievance will proceed through the grievance process.

A grievance supported by a rebuttal letter will be considered timely and properly before the board.

If the parties agree, the independent review board will hear each warning letter along with the employee's rebuttal letter. Each warning letter at that time will be decided on its own merits as to whether it is a valid warning letter or an invalid

warning letter. In the event warning letters are not heard by the independent review board the union may request arbitration.

In the event an employee fails to submit a grievance and a letter of rebuttal/protest within the time period set forth, the disciplinary action will be deemed to be valid and may not be challenged at a later date.

SECTION 3. DISCHARGE.

The Employer shall decide whether an employee is capable of doing the job. The Employer also has the right to discharge any employee found to be unsatisfactory by the Employer, subject to Articles 1, 3 (Section 4) and 8.

Employees who are discharged will be given the reasons for the discharge in writing at the time they are discharged. The Employer shall also notify the Union, in writing, in all cases where an employee is discharged. The Employer will notify the Union in advance of such discharge when possible. This is not to be construed to mean that the Employer does not have the right to discharge an employee without prior notice to the Union.
It only means that if the situation is such that the Employer may consistently do so, he will inform the Union before taking such action.

SECTION 4. SUB-CONTRACTING.

The Employer agrees that it will not subcontract work which the employees in the unit are capable of performing. This shall not apply to used car reconditioning work after it has been determined that it would be cheaper to subcontract the vehicle to another BWAG facility due to General Motors parts replacement policy or any other manufacturer's policy If due to an increase of work load the Employer's facilities are inadequate or additional required manpower is not available from the Union and no qualified employees are on layoff, the Employer, after reaching mutual agreement with the Union, may then subcontract such additional work for a stipulated time period agreed to in writing. This shall not apply to work which has been subcontracted in the past with the knowledge and approval of the Union.

SECTION 5. CLOSING A DEPARTMENT.

The Employer may close a department and lay off the employees who worked in that department according to the seniority provisions of this Agreement if the Employer determines that continuing to operate that department is not economically feasible. When the Employer decides to close a department it will give at least thirty (30) days written notice to the employees who normally work in that department. When this is not done, the Employer shall pay the employee'(s) base pay for the thirty (30) days following such closing or portion thereof if less than thirty (30) days notice is given.

SECTION 6. SAFETY STANDARDS.

The Employer shall be responsible for providing proper equipment in order to maintain normal safety standards under Federal or State law. Employees shall conform to reasonable safety standards as prescribed by OSHA and/or the Employer. The Employer agrees to provide adequate heat, ventilation, and special equipment necessary for safety purposes. No employee shall be required to work with equipment or materials that are health threatening, unless all the safety equipment required by the National Institute for Occupational Safety and Health is provided to all the employees. Employees are required to immediately notify their supervisor of any tool, equipment or situation they deem unsafe.
Employees are required to work in a safe manner and follow all company and generally accepted safety guidelines and immediately report any injuries to self or other employee.

The employer will provide 1 drop light, per calendar year, for each technician. The technician shall return the previous inoperative drop light provided by the employer to receive a new drop light.

SECTION 7. WEARING APPAREL

The Company, signatory to this Agreement, agrees to furnish suitable uniforms to the employees at no cost to the employee, up to and including five (5) changes per week, and the subsequent washing and/or cleaning of said uniforms shall be provided for by the Company. During the months of June-September, employees will be allowed to wear clean, plain T-shirts (where not provided by the Employer) in a color approved by the Employer and having at least a 4 inch sleeve. **The Employer will prepare and maintain a weekly inventory of uniforms issued to the employee, which must be signed by both the Employer and each employee upon each delivery. The employee must immediately notify the Employer of any shortage in his or her uniform delivery each week. If such an inventory is maintained, the cost of any uniforms not returned by the employee at the time of termination will be deducted from the employee's final paycheck**. The Company will charge the technicians a flat fee of $2.00 per week, exclusive of loss or damage for the cleaning and servicing of uniforms. The employee will be held responsible for any damage to uniforms that are construed to be done by negligence or willful conduct. The Company shall have the right to establish reasonable rules in connection with this procedure.

SECTION 7 (a). BOOT/SHOE ALLOWANCE

The Company will provide a boot or shoe allowance of 50/50 split between the Employer and employee up to a maximum of $50.00 per pair once per contract year with a copy of receipt provided to management. Boot or work shoes only.

SECTION 8. FUNERAL LEAVE.

When an employee's spouse, child, sister, brother, mother, father, **step-mother, step-father,** legal guardian, mother-in-law, father-in-law, stepsister, and/or stepbrother or grandchildren dies, the employee shall be given up to a maximum of three (3) days off from work with pay ending the day of the funeral. A day's pay for the purpose of this provision shall not exceed eight (8) hours times the applicable rate for the employee's classification for employees working eight (8) hour shifts, or ten (10) hours times the applicable rate for the employees classification for employees working ten (10) hour shifts. When an employee must travel over three-hundred (300) miles to the funeral, an unpaid extra day will be allowed for travel. An employee may request up to two (2) unused vacation or personal days already earned under this Agreement for use in conjunction with funeral leave. When an employee's **or current spouse's** grandparent dies, the employee shall be given one (1) day off with pay for the day of the funeral.

ARTICLE 14
TOOL INSURANCE

The Employer shall maintain an insurance policy or assume the cost risk for loss or damage of the employee's personal tools and/or toolbox or boxes on the Employer's premises. If such personal tools and/or tool box or boxes are lost or damaged due to fire, known theft or destruction, the Employer's liability for such loss or damage shall not exceed the actual replacement cost of the loss or damage. An employee shall exercise reasonable care in the safeguarding of his personal tools and shall conform to reasonable rules established by the Employer to provide for safeguarding of such employee's tools. The Employer or insurer shall not be liable for reimbursement to the employee for such loss when the total replacement cost of the tool/tools does not exceed Fifty Dollars ($50.00). (This is not to be misconstrued as a $50.00 deductible clause).

Each employee must furnish the Employer with a complete inventory of the employee's personal tools, subject to verification by the Employer and the employee must keep such inventory current. It is mandatory that the employee shall retain a copy and a copy will be maintained in the employee's personnel file of such inventory for the employee's own protection and must be signed off by both employee and employer. Such tool loss coverage shall be provided to a maximum of **$75,000.00** per employee.

The Employer shall post a notice (time clock or bulletin board) advising employees that tool insurance is a part of this Agreement provided the employee turns in an inventory.

Each employee, who wishes to elect tool insurance, shall reimburse the dealer $2.00 per week as a deduction from the employee's payroll check for the cost of insurance.

ARTICLE 15
MANPOWER

If the total gross productivity of all incentive technicians in any department should drop below an average of thirty-five (35) productive hours in a forty (40) hour work week, the Employer shall not increase the work force in such affected departments. The same shall also apply to the paint and/or body shop. The average shall be computed over a period of thirty (30) days beginning the first of any month. If the Employer and the Union cannot agree, the same shall be considered as a grievance subject to Article 8.

ARTICLE 16
INDIVIDUAL NEGOTIATING

No Employer nor any of its employees shall enter into any agreement or contract that is contrary to this Agreement without the approval of the Employer and the Union, in writing.

The parties recognize that there may be in effect at individual member's store(s) specific pay practices, benefits or customs (hereinafter referred to as "supplemental agreements") which reflect subject matters within the scope of this Agreement. It would be impractical to set forth in this Agreement all of these supplemental agreements or to provide specifically which of these supplemental agreements shall remain in effect for the term of this Agreement. The parties agree that these written agreements shall remain in effect for the term of this Agreement except as the supplemental agreements are changed or eliminated by mutual agreement between the Employer and the Union and the majority vote of the affected unit of Employees.

ARTICLE 17
COMPENSATION CLAIMS

An employee who is injured on-the-job shall receive pay at the applicable rate for all hours absent from the employee's regular shift on that day.

ARTICLE 18
GOOD FAITH CLAUSE

The subjects set forth in this Agreement constitute the complete Agreement between the Employer and the Union and neither will request bargaining on any subject during the life of this Agreement.

ARTICLE 19
ADJUSTMENT OF PAYMENTS OVER AGREEMENT

If the Employer is paying rates or providing benefits in excess of those specified in this Agreement, such wages and/or benefits shall not be reduced, for the life of this Agreement, by reason of the execution of this Agreement. Such excess wages and/or benefits shall not be reduced for employees who have received such wages and/or benefits.

ARTICLE 20
SAVINGS CLAUSE

If any provision of this Agreement is in contravention of the laws or regulations of the United States or of the State of Illinois, such provisions shall be null and void, but all other provisions of this Agreement shall continue in full force and effect and both parties agree to discuss any Article or Section so affected.

ARTICLE 21
SALE OF DEALERSHIP

When and if the Employer sells or transfers its business to new ownership, the Employer shall be obligated to its employees for all accumulated vacation pay and other benefits of employment up to the time of sale or transfer. The new employer shall be obligated for all accrued seniority and benefit provisions of the bargaining agreement as of the date of assumption of ownership and providing for full continuity of employment.
Notice of a proposed sale or transfer shall be given in writing to the Union at least ten (10) days in advance of the closing of a sale or transfer.

The Employer is prohibited from transferring or selling all or any part of its business if it in any way violates this Agreement or any existing laws.

At any time, without Union approval, the employer may transfer ownership among members of the Walsh owned entities.

ARTICLE 22
SHOP MEETINGS

Regular meetings of all service personnel are deemed by the Employer and the Union to be an absolute necessity for the common interest and benefit of all parties concerned. Therefore all service employees are **requested and urged** to attend these service meetings outside of the Employer's regular working hours.

Proper notice of such meetings of at least one (1) week in advance will be given to all service employees, and such meetings will be limited to one (1) per month. **Employees shall be paid their applicable rate for all time attending such meetings**.

When the Employer conducts meetings during an employee's lunch period, the Employer shall provide lunch to the employees. Any time spent after the employees' regular lunch period shall be paid at the employees' applicable rate of pay.
If an Employee is directed in writing by management to attend and attends a meeting on their regularly scheduled day off, the employee shall be paid a minimum of a four (4) hour call in to attend said meeting at their applicable rate of pay.

ARTICLE 23
FAMILY AND MEDICAL LEAVE

All employees will be entitled to take family and medical leave in a manner consistent with the Family and Medical Leave Act of 1993 (FMLA). The Employer reserves the right to exercise all options available to employers pursuant to the FMLA and to develop and administer a policy consistent with the FMLA. When vacation time has already been scheduled, or when the employee is on workers' compensation leave and receiving workers compensation benefits, the employee shall not be required to use any scheduled or accrued vacation time during the FMLA leave. The employer shall post its FMLA policy.

Employees wanting further information on this policy should contact their supervisor.

ARTICLE 24
DURATION OF AGREEMENT

THIS AGREEMENT shall continue in full force and effect from **JULY 1, 2019** to and including **JUNE 30, 2022**. Notice of a desire by either party to modify or terminate this Agreement shall be given at least sixty (60) days prior to the expiration date hereof. In the event that notice is not given by either party within the above time, then the Agreement shall continue from year to year according to its original terms.

EMPLOYER:	UNION:
BILL WALSH AUTOMOTIVE	AUTOMOBILE MECHANICS' UNION LOCAL 701, IAM&AW, AFL-CIO
By: Glen Cowie	By: Ken Thomas
Dated: 7/12/19	Dated: 7/12/19

This contract is subject to ratification by the bargaining unit members before taking effect.

APPENDIX "A"

WAGES

	7/1/19	7/1/20	7/1/21
Base Pay Rate	$23.57 ($0.20 increase)	$23.77 ($0.20 increase)	$23.97 ($0.20 increase)
40.0 to 44.9 booked hours per week, retro to hour one	$23.92 ($0.35 increase)	$24.12 ($0.35 increase)	$24.32 ($0.35 increase)
45.0 to 49.9 booked hours per week, retro to hour one	$24.27 ($0.35 increase)	$24.47 ($0.35 increase)	$24.67 ($0.35 increase)
50.0 to 54.9 booked hours per week, retro to hour one	$24.67 ($0.40 increase)	$24.87 ($0.40 increase)	$25.07 ($0.40 increase)
55.0 to 59.9 booked hours per week, retro to hour one	$25.12 ($0.45 increase)	$25.32 ($0.45 increase)	$25.52 ($0.45 increase)
60.0 and up booked hours per week, retro to hour one	$25.62 ($0.50 increase)	$25.82 ($0.50 increase)	$26.02 ($0.50 increase)
Base Pay Hours for a forty-hour week	34	34	34
IncentiveTechnician weekly base pay	$801.38	$808.18	$814.98

1. **The Base Pay Rate is paid to Journeyman technicians for all paid time off, training time and all other non-productive time.**

2. **Base Pay equals 34 times their applicable rate for all incentive technicians for 40 hours worked**

3. Each journeyman technician shall receive twenty cents ($.20) per hour in addition to his regular hourly rate for each current certification stripe. Journeyman bodymen shall receive twenty cents ($.20) per current certification stripe. Including ICAR & PPG Certifications, up to the total required by the manufacturer. At any time that certification cannot be validated, the additional wages ($.20/hr.) will be rescinded until certification can be verified. It is incumbent upon the journeyman to provide such verification. Verification may be certified or verified by phone; that certification is forthcoming

4. **When the employee is off a day or more during a week for a compensable reason such as vacation, training, funeral, etc., the billed hours will be prorated. This proration will be in full days only.**

Apprentice: (Hourly Only)

1st 6 months	**60%**	of Journeyman Flat-Rate
2nd 6 months	**64%**	of Journeyman Flat-Rate
3rd 6 months	**68%**	of Journeyman Flat-Rate
4th 6 months	**72%**	of Journeyman Flat-Rate
5th 6 months	**76%**	of Journeyman Flat-Rate
6th 6 months	**80%**	of Journeyman Flat-Rate
7th 6 months	**84%**	of Journeyman Flat-Rate
8th 6 months	**88%**	of Journeyman Flat-Rate
9th 6 months	**92%**	of Journeyman Flat-Rate
10th 6 months	**96%**	of Journeyman Flat-Rate

Thereafter advance to Journeyman after apprentice schedule ends.

Mechanical Apprentice Wages

Start Apprentice at 60% of journeyman base rate with 4% increases for each 6-month training period. If any apprentice currently falls between tiers with this change, they will be paid on the upper tier.

Body Shop Journeyman

Effective	**Base Pay**
7/1/2019	$23.29
7/1/2020	$23.54
7/1/2021	$23.79

$0.25 annual wage adjustment each contract year on 7/1 to Body Shop Journeyman current wages.

Body Shop Apprentice

Begins at 60% of body shop journeyman wages with 5% increases every 6 months

(Hourly Only)

1st six months =	**60% of Body shop Journeyman**
2nd six months =	**65% of Body shop Journeyman**
3rd six months =	**70% of Body shop Journeyman**
4th six months =	**75% of Body shop Journeyman**
5th six months =	**80% of Body shop Journeyman**
6th six months =	**85% of Body shop Journeyman**
7th six months =	**90% of Body shop Journeyman**
8th six months =	**95% of Body shop Journeyman**

Thereafter advances to Journeyman after Apprentice schedule ends.

Lube Techs

Current rate of $12.15 per hour plus $0.15 annual wage adjustment each contract year on 7/1.

Semi-Skilled Techs

Current rate of $15.50 per hour plus $0.15 annual wage adjustment each contract year on 7/1.

APPENDIX "B"

Definition of Journeyman Technician

The definition of a Journeyman technician is an employee that has demonstrated an ability to diagnose and repair all aspects of automotive and light truck problems that routinely happen in a dealership setting. The technician should be proficient in the diagnosis and repair of electrical, fuel, drivability, engine, transmission (standard as well as automatic), driveline, brake, anti-lock brake, suspension, exhaust, steering, four wheel differential and transfer cases, air bag, passenger restraint systems, on board computers, interior trim, accessories and the replacement of all related parts that are necessary in the day to day operations of a new car dealer. The Journeyman Is expected to maintain a general knowledge in these areas up to the current model year as long as appropriate and defined training has been provided.

The journeyman should be able to perform these tasks on average over a months' time period within the standard efficiency of 100%. If in any three (3) consecutive months or 6 months in a 12 month period, the journeyman does not meet or exceed the accepted efficiency of 100%, at management's discretion, the journeyman may be disciplined by receiving a written warning letter after being notified.

Written warning letters for efficiency will be subject to the same grievance and rebuttal letter process provided in Article 13, Section 2 of this Agreement for other types of written warnings. Upon the third or subsequent warning letter, the employee may be discharged. Warning letters for efficiency shall not be combined with any other type of warning letter for progressive discipline purposes.

This efficiency stipulation will be phased in such that the 3-month consecutive month test will be effective at the beginning of the 4th month following the **date of hire** and the 6 month test will be effective at the beginning of the 7th month following the **date of hire** for the previous 12 month period. This stipulation will not be effective for any diesel journeyman until they have been fully trained as determined by completion of manufacturer courses.

Required journeyman will have a minimum of eight (8) current ASE certifications, **If required by the manufacturer.** The journeyman will pass all necessary manufacturers tests to maintain "journeyman", "qualified" or "master" technician level. The Journeyman will also be certified to perform Air Conditioning repairs as prescribed by law. Any lapse of an ASE will be made up at the following test dates.

APPENDIX "C"

Mechanical Apprentice Program Requirements

The apprentice program is broken up into ten 6-month segments. As specified by contract at each juncture the apprentice can be moved up in scale as a percent of the full Journeyman's pay schedule so long as two senior journeyman and the manager agree that the apprentice has met all requirements in that section. Should there be any dispute among the three it shall be the judgment of the majority of the three as to whether the apprentice deserves moving onto the next phase. To complete a 6-month section the apprentice will require the signature on a form of two senior journeymen and the manager. The document will simply state that the apprentice has met (or not met) the specified requirements. If the decision is made that the apprentice has not met the requirements the apprentice will remain at that level until all requirements are met. Those areas that are lacking will be specified on the form with recommendations by the senior technicians as to where the weaknesses are. The apprentice will have 90 days to rectify the deficiencies. Whenever possible the apprentice is encouraged to work with and follow the guidance of Journeyman technicians. Apprentices are also encouraged to take ASE certification tests based on the same schedule of skills to be learned but remains at the Apprentices discretion.

First Six Month Requirements

1. Technician can perform oil changes as necessary on current model vehicles.
2. Technician can reset all oil monitor lights and switches
3. Technician can demonstrate proficiency on both the tire machine and wheel balancer
4. Technician can perform basic alignments using current equipment
5. Technician can routinely meet oil change and tire rotation times as specified by company policy.
6. Technician can replace standard single or double tensioners belts
7. Technician is knowledgeable in completing warranty documents so the dealership is able to recover all monies due them

Second Six-Month Requirements

1. Technician completes and passes **appropriate Manufacturer Certifications and** one ASE certification tests **if required by the manufacturer** in first full year of employment. Which tests are optional for technician.

2. Technician is capable of using current Factory supplied diagnostic tools as prescribed by the manufacturer.
3. Technician is capable of replacing all filters on vehicle including in tank fuel filters.
4. Technician is certified in AC work and is proficient in the use of factory approved AC machines
5. Technician can use all flush equipment
6. Technician can inspect and diagnose cabin air filters as well as engine air filters

Third Six Month Requirements

1. Technician completes and passes **appropriate Manufacturer Certifications and** one **additional** ASE certification test **if required by the manufacturer**
2. Technician can replace any "hang" on components (i.e. alternators, starters, air compressors, etc.) to engine as well as all "tin items" (oil pan, valve cover etc)
3. Technician can demonstrate basic understanding of automotive electronics
4. Technician can perform all maintenance packages
5. Technician can sustain within 15% the expected efficiency on jobs performed
6. Technician can perform all basic duties necessary to a proper New Vehicle Preparation

Fourth Six Month Requirements

1. Technician completes and passes **appropriate Manufacturer Certifications and** one **additional** ASE certification test **if required by the manufacturer.**
2. Technician is able to follow basic wiring diagrams
3. Technician has completed all necessary factory training at the basic levels
4. Technician can perform all facets of front and rear wheel alignments
5. Technician can diagnose and replace all front end components
6. Technician can resolve simple diesel engine mechanical problems

Fifth Six Month Requirements

1. Technician completes and passes **appropriate Manufacturer Certifications and** one **additional** ASE certification test **if required by the manufacturer.**
2. Technician can diagnose and replace all exhaust problems
3. Technician completes basic fuel and drivability training

4. Technician can demonstrate proficiency in reading and following wiring diagrams.
5. Technician can identify and repair simple wiring shorts
6. Technician can demonstrate knowledge of restraint and air bag problems

Sixth Six Month Requirements

1. Technician completes and passes **appropriate Manufacturer Certifications and** one **additional** ASE certification test **if required by the manufacturer.**
2. Technician is able to overhaul standard four, six- and eight-cylinder engines.
3. Technician can remove and reinstall transmission, front and rear differential assemblies
4. Technician can repair most suspension, exhaust, brake, tire and wheel, steering system issues
5. Technician is familiar with diesel fuel and electrical systems
6. Technician demonstrates proficiency in anti-locking brake systems

Seventh Six Month Requirement

1. Technician completes and passes **appropriate Manufacturer Certifications and** one **additional** ASE certification test **if required by the manufacturer.**
2. Technician can demonstrate proficiency in intermediate electrical and fuel problems
3. Technician can rebuild automatic transmission
4. Technician can rebuild front and rear differentials
5. Technician can diagnose and remove most add on components
6. Technician can do general repairs within 5% of established efficiencies

Eighth Six Month Requirement

1. Technician completes and passes **appropriate Manufacturer Certifications and** one **additional** ASE certification test **if required by the manufacturer.**
2. Technician can isolate and repair advanced fuel, drivability and electrical problems
3. Technician can take most vehicles from diagnosis to completion with a proper repair.
4. Technician can diagnose, disassemble and repair dual cam, turbocharged and state of the art at the time engine assemblies
5. Technician is able to diagnose and repair alternative fuel system problems

Ninth month Six Month Requirement

1. Technician completes and passes **appropriate Manufacturer Certifications and** one **additional** ASE certification test **if required by the manufacturer.**
2. Technician can resolve standard fuel and diesel fuel engine issues
3. Technician is able to address and resolve most issues specific to a Hybrid Vehicle
4. Technician is proficient in the repair of intermittent computer generated problems which may occur on any on board 'computer" at the time
5. Technician can perform general repairs within warranty posted times with a general efficiency at 100%

Tenth Month Six Month Requirement

1. Technician is able to perform all aspects of the aforementioned previous developmental stages and is able to do it within normal expected boundaries of efficiency and productivity.
2. Technician must be able to perform at industry standards without an excess of comebacks. Industry standard of 2 comebacks in 100 vehicles repaired will apply.
3. Technician must be able to do the above on average for the last six months of apprenticeship
4. Thereafter made a journeyman.

APPENDIX "D"

SUBSTANCE ABUSE POLICY

Bill Walsh Automotive Group

Drug-Free Workplace Policy Statement

The following rules represent the company's ongoing policy concerning substance abuse. These are effective immediately and will be enforced uniformly with respect to all employees, as indicated.

Policy statement

It is the policy of the Bill Walsh Automotive Group (BWAG) that the unlawful manufacture, distribution, dispensing, possession or use of a controlled substance (including alcohol **and/or any cannabinoids**) by employees in the workplace is prohibited. The illegal use of controlled substances can seriously injure the health of employees, adversely impair the performance of their duties and endanger the safety and well being of fellow employees and others.

1) All employees are prohibited from being under the influence of alcohol, **cannabinoids** or illegal drugs during working hours.
2) The sale, possession, transfer or purchase of illegal drugs, **alcohol or cannabinoids** on company property or while performing company business is strictly prohibited.
   Such actions will be reported to appropriate law enforcement officials.
3) The use, sale, or possession of illegal drugs, **alcohol or cannabinoids** while on duty is cause for termination.
4) No alcoholic beverage **or cannabinoids** will be brought or consumed on company property except in connection with a company-authorized function.
5) No prescription drug will be brought or consumed by any individual other than the one for whom it is prescribed. Such drugs will only be used in the manner, combination and quantity prescribed.
6) Any employee whose off-duty abuse of alcohol, **cannabinoids** or illegal or prescription drugs results in excessive absenteeism or tardiness or is the cause of accidents or poor work will be subject to discipline, including termination.
7) For the purposes of this rule, an alcoholic beverage is any beverage that may be legally sold or consumed and has an alcohol content in excess of 3% by volume.
8) Drug means any substance other than alcohol **or cannabinoids** capable of altering an individual's mood, perception, pain level or judgment. A prescription drug is any substance prescribed for individual consumption by a licensed medical practitioner. An illegal drug is any drug or controlled substance the sale or consumption of which is illegal.

9) Each employee will be tested for substance abuse (i.) if he/she has been observed using a prohibited substance on the job, (ii.) if he/she exhibits a severe and prolonged reduction in productivity, (iii.) if he/she is involved in a workplace related accident, or (iv) if the company has other reasonable cause for testing him/her.
10) An employee who fails to submit to required testing will be subject to discipline, including termination.

Purpose of Policy

The purposes of the policy as set forth above is:

1. To establish and maintain a safe, healthy working environment for all employees.
2. To ensure the reputation of the company and its' employees within the community and industry at large.
3. To reduce the number of accidental injuries to person and property.
4. To reduce absenteeism, tardiness and improve productivity.

The company regrets any inconvenience or problems that the policy may cause, but believes that the overall benefit to the company and the employees makes it both necessary and helpful.

Drug Testing

The Bill Walsh Automotive Group will, at its discretion, regularly conduct both random and cause related drug tests on all employees at BWAG's expense. Any employee refusing to participate in these drug tests will be terminated immediately as a disciplinary violation. Any newly hired employee who is within the 90-day probationary period who tests positive for alcohol or illegal drugs will be terminated.

The following steps will be enforced for tests whose results show a positive appearance of alcohol, cannabinoids or illegal drugs in any non-probationary employee.

First positive testing

The employee will be suspended for seven (7) calendar days without pay. The employee will be re-tested for the appearance of alcohol**, cannabinoids** or illegal drugs, at a later date to be determined by BWAG. This re-testing will be done at BWAG's expense. The employee may not use vacation time or personal days for the suspended days.

Second positive testing

The employee will be suspended for fourteen (14) calendar days without pay. The employee must enter a BWAG approved drug/alcohol rehabilitation program, which will report to BWAG and BWAG's appointed doctor the employee's progress in the program. The employee will not be allowed to use vacation or personal days for the suspended days. The employee will not receive holiday pay if the suspension is over a holiday period. The employee will be re-tested randomly every sixty days or other such period as BWAG deems necessary for the appearance of alcohol or illegal drugs. The tests will be conducted and interpreted by a doctor/agency appointed by BWAG and last for a period of not less than one (1) year after the occurrence of the second positive testing. All expenses of the rehabilitation program will be at the employee's expense and additional drug/alcohol testing will be performed at BWAG's expense.

Third positive testing

The employee is automatically terminated from employment at BWAG.

Any newly hired employee who is within the 90-day probationary period who tests positive for alcohol or illegal drugs will be terminated.

Any employee found with illegal drugs, alcohol**, or cannabinoids** in their possession while on BWAG property will be immediately terminated.

APPENDIX "E"

Retirement Benefits

A. The Employer shall **contribute into** the BWAG 401k for each week for which employees in all job classifications covered by this Agreement are entitled to receive pay under this Agreement as follows:

a. The Employer's contribution shall be **increased to a 50% match of employee contributions up to three percent (3%) thus making the Employer's maximum contribution one- and one-half percent (1 ½ %).**

b. The employee must **contribute into the BWAG 401k to receive this benefit.** If the employee chooses not to contribute to the 401k then the Employer has no obligation to make the 401k contribution or otherwise compensate the employee in lieu of making a 401k contribution. **(Except for "e" below)**

c. The Employer shall continue contributions based on a forty (40) hour workweek while an employee is off work due to paid vacations or paid holidays.

d. Contributions for a full-time employee are payable from the first day of employment after attaining plan eligibility on either July 1 or January 1 following one year of employment with the BWAG and age 21.

e. If an employee has not met the 401k eligibility requirements above then the Employer will add $**10.00** per week to the employee's gross wages in lieu of the 401k contribution **until he is eligible.**

APPENDIX "F"

Body Shop Apprentice Requirements

The apprentice program is broken up into **Eight** 6-month segments. As specified by contract at each juncture the apprentice can be moved up in scale as a percent of the full Journeyman's pay schedule so long as two senior journeyman and the manager agree that the apprentice has met all requirements in that section. Should there be any dispute among the three it shall be the judgment of the majority of the three as to whether the apprentice deserves moving onto the next phase. To complete a 6-month section the apprentice will require the signature on a form of two senior journeymen and the manager. The document will simply state that the apprentice has met (or not met) the specified requirements. If the decision is made that the apprentice has not met the requirements the apprentice will remain at that level until all requirements are met. Those areas that are lacking will be specified on the form with recommendations by the senior technicians as to where the weaknesses are. The apprentice will have 90 days to rectify the deficiencies. Whenever possible the apprentice is encouraged to work with and follow the guidance of Journeyman technicians. Apprentices are also encouraged to take **any Manufacturer Required** certification tests based on the same schedule of skills to be learned but remains at the Apprentices discretion.

Factory training and ICAR Training as required throughout apprenticeship

Proficiency required at end of each 6-month period

Four-year apprenticeship program

Begins at 60% of body shop journeyman wages with 5% increases every 6 months

(Hourly Only)

1st six months = 60%

2nd six months = 65%

3rd six months = 70%

4th six months = 75%

5th six months = 80%

6th six months = 85%

7th six months = 90%

8th six months = 95%

Thereafter advances to Journeyman after Apprentice schedule ends.

First Six Month Requirement

1. **Sand and mask vehicles**
2. **R&R small parts and Bumpers (front and rear fascia assemblies)**
3. **Mix primer and/or sealer**
4. **Prime small parts and bumpers**
5. **Perform clay bar and/or detail work**
6. **R&R interior trim**
7. **Wind noise diagnosis and repair**
8. **Water leak diagnosis and repair**

Second Six Month Requirement

1. **Wet sand and buff as necessary**
2. **Repair small damage (per body shop tech)**
3. **R&R exterior trim**

Third Six Month Requirement

1. **Learn frame machine set up**
2. **Medium repairs of damage (per body shop tech)**

Fourth Six Month Requirement

1. **Repair all dents and scratches**
2. **Mix paint**
3. **Paint small parts (example: mirrors, hinges, door handles)**
4. **Paint small areas on used cars**
5. **Disassemble damaged vehicles (under body shop tech supervision)**
6. **Bedliner installation**

Fifth Six Month Requirements

1. **Perform light mechanical repairs (per body shop tech)**
2. **Electrical diagnosis and repair**

Sixth Six Month Requirement

1. **Welding of steel**

2. **Brazing**
3. **Pull structural damage**

Seventh Six Month Requirement

1. **Major structural body repairs**
2. **All paint procedures**

Eighth Six Month Requirement

1. **Welding aluminum**
2. **All body type repairs**