AUTOMOBILE MECHANICS' LOCAL 701 UNION AND INDUSTRY WELFARE FUND PARTICIPATION AGREEMENT
[Premier Plus Plan; BARGAINING UNIT EMPLOYEES ONLY]

This Agreement shall be entered into by and between **R&M Diesel,Inc.:** (hereinafter referred to as the "Employer") and the **Automobile Mechanics' Local No. 701 Union and Industry Welfare Fund**, who intend to enter into a written agreement required by Section 302(c) of the LABOR-MANAGEMENT RELATIONS ACT OF 1947, as amended, to permit the Fund to receive contributions on behalf of eligible employees of said Employer.

1. The Employer agrees to make contributions on behalf of eligible employees in an amount as required by, and defined in, the Collective Bargaining Agreement for the **Premier Plus Plan** of Benefits. Eligible employees are limited to employees who are members of the bargaining unit defined in paragraph 2.
2. Eligible employees in the case of bargaining unit employees shall be defined in the same manner as those employees eligible under the Rules of the Plan as interpreted by the Board and/or the Collective Bargaining Agreement.
3. This Agreement shall remain in full force and effect for the term of the current Collective Bargaining Agreement between the Employer or area wide Employers and the Union and shall be automatically renewed from time to time for terms coterminous with those of the aforementioned Collective Bargaining Agreements. The rate at which contributions are to be made during any renewed term shall be that set by the Board of Trustees.
4. The Employer acknowledges the Trust Agreement creating the Automobile Mechanics' Local No. 701 Union and Industry Welfare Fund. Said Trust Agreement is incorporated herein as if fully set forth in this document. The Employer further ratifies and confirms the appointment of the Employer Trustees together with their successor Trustees designated in the manner provided in said Agreement and Declaration of Trust.
5. The Employer further acknowledges that the Plan of Benefits shall be interpreted and amended by the Board of Trustees from time to time and fully recognizes the authority of the Trustees to amend, interpret or adopt additional provisions of the Trust Agreement and Plan of Benefits acknowledging the Trustees' authority to so act in administering the Plan of Benefits for the Fund.
6. An Employer desiring to terminate this Agreement must notify the Fund in writing sixty (60) days prior to the termination date of the existing Collective Bargaining Agreement. If the Employer fails to give timely notice to the Trustees, the Employer shall be bound to the provisions of this Agreement for the period of the next Collective Bargaining Agreement and thereafter until proper notice is given but in no event less than three years unless terminated by the Trustees. The rate at which contributions are to be made during any renewed term shall be that set by the Board of Trustees.

In witness whereof, the Employer and the Trustees have caused this Participation Agreement to be executed on their behalf by duly and authorized officers on the below date.

Agreed:

R&M Diesel, Inc.:
Print or type the Employer's complete name

Mike S Gagliano
Print name of Owner/Authorized Officer

Signature of Owner/Authorized Officer — *Date* 7-4-19

8/8/19
Steve Bukovac, Fund Manager

Authorized by the Board of Trustees of the Automobile Mechanics' Local 701 Union and Industry Welfare Fund

Note: A signed copy of the participation agreement will be provided to the Employer subsequent to review and approval.

00000-0A

INDEPENDENT AUTO/TRUCK REPAIR AGREEMENT
JULY 1, 2019 - JUNE 30, 2020

This Agreement, made and entered into by and between **R&M Diesel, Inc.** ., hereinafter called the "Employer" and AUTOMOBILE MECHANICS' UNION LOCAL NO. 701, International Association of Machinists and Aerospace Workers, AFL-CIO, of Chicago and vicinity, hereinafter called the "Union". It is negotiated for the purpose of specifying wage schedules, hours of work, conditions of employment, adjustment of complaints between the Employer and its employees such as, but not limited to, mechanics, bodymen, painters, apprentices, mechanic helpers, body shop helper and lube rack technicians (hereinafter sometimes referred to as "employee" or "employees"), and for the further purpose of preventing strikes, lockouts and other disturbances, thus insuring and perpetuating harmonious relations between the Employer and the Union.

ARTICLE 1 - UNION RECOGNITION

Section 1. Bargaining Unit. The Employer recognizes the Union as the exclusive bargaining agent for all mechanics, bodymen, painters, apprentices, mechanics helpers, body shop helper, and lube rack technicians.

The Employer shall notify the Union (by fax to the Union Office) of the name, classification and date of hire of all newly hired employees within the bargaining unit covered by this Agreement. Before the newly hired employee is eligible to report for work, the newly hired employee shall secure authorization cards at the Union office for dues check-off and coverage under the Automobile Mechanics Local 701 Health and Welfare and Pension Plans. Within the first two months of employment after the probationary period the newly hired employee will be required to attend an Orientation and Safety Meeting at the Union Hall.

Section 2. Union Security Clause. Each employee covered by this Agreement shall, as a condition of employment, become and remain a member in good standing of the Union not later than the thirtieth calendar day following the employee's date of employment or the date of execution of this Agreement, whichever is later.

Section 3. Dues Remittance. The Employer agrees to deduct from the pay 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 within

twenty (20) days of the current month, accompanied by a statement containing the name(s) the employee(s) and the amounts withheld from each.

Section 4. Non- Discrimination. The Employer and the Union agree not to discriminate against any employee because of race, color, creed, disability, national origin, sex or age, as defined by law.

ARTICLE 2 - CLASSIFICATIONS

Section 1. Journeyman Mechanics. The term "Journeyman Mechanic" shall apply to any person of skill satisfactory to the Employer who repairs automobiles, trucks or parts thereof, and to any person who uses any piece of equipment, that is, mechanical, electrical or any other method used in diagnosing, checking, and/or inspection of an automobile, truck or parts thereof.

Apprentices will not do the following Journeymen work, tune-ups, brake work, major electrical, transmissions and adjustments of transmissions.

Section 2. Journeyman Bodymen and Painters. The term "Bodyman" or "Painter" shall apply to any person who either performs a combination of work duties or specializes in body repair work, frame work, chassis/mechanical and electrical repair work, interior and glass work or paint work in the repair or reconditioning of automobile or truck bodies or parts thereof.

Section 3. Body Shop Helper. The term "Body Shop Helper" shall apply to any person involved in the repair of automobiles or trucks in the Body Shop Department and whose duties are limited to sanding, masking, buffing, polishing, shop clean-up, and parts delivery to bodyman or painter.

Section 4. Mechanic Helpers. The term Mechanic Helper" shall apply to any person involved in the repair of automobiles or parts, who grease automobiles or parts, minor inspections, adjustment and/or repair, mechanic helpers shall not be permitted to perform work requiring a journeyman mechanic.

Section 5. Apprentices. The term "Apprentice" applies to any person hired for the purpose of learning the trade of automobile mechanic, or body/painter repair. The Employer agrees to train the apprentice who shall, during his four (4) year apprenticeship, be put on work commonly known as mechanic's work, body and/or paint work, so that at the end of this apprenticeship the employee shall be a full-fledged qualified journeyman mechanic, bodyman or painter.

Section 6. Lube Rack Technicians. The term "Lube Rack Technicians@ applies to any person hired to change engine oil, lubricate chassis, rotate tires, replace wiper arm/blade and inserts, replace windshield washer and coolant overflow containers, replace oil filters, fill any fluids, perform vehicle inspections, and replace body moldings, scripts and emblems. A Lube Rack Attendant shall not use any tools to perform any other duties. Lube Rack Attendants may perform other miscellaneous tasks such as snow removal from cars, pushing cars into the shop area or delivering parts, except in those instances where such work is recognized as within the jurisdiction of another union.

Section 7. Employees Not Classified. Any work not falling within one of the above classifications will be classified and a rate for that work shall be established which is mutually satisfactory to the Employer, the Union and the employee involved.

Section 8. Apprentices and Helpers may be employed in the ratio of not more than one (1) to each three (3) Journeyman Mechanics in the repair facility, or one (1) for each three (3) Bodymen/Painters in a Body Shop. The Service facility and or the Body Shop shall always be entitled to a minimum of one (1) apprentice or one Helper provided there is at least one (1) journeyman.

ARTICLE 3 - SENIORITY

Section 1. Definition. Seniority means the length of continuous service with this Employer. In laying off employees or returning them to work after a layoff, seniority shall be observed.

Section 2. Layoff and Recall. In a decrease or increase in the number of journeymen mechanics, Journeymen bodymen, apprentices, helpers, or lube rack technicians, when two employees are capable of doing the job, the one with less seniority shall be laid off first and recalled in reverse order. The Employer shall notify the employee of a layoff no later than the end of the employee's last scheduled workday.

Section 3. Break in Seniority. Voluntary resignation, discharge for cause, or absence in excess of six (6) months as a result of a layoff shall break the seniority of any employee, except where a written leave of absence has been granted by the Employer, with a copy sent to the Union. 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 months seniority, whichever is less. If an employee is laid off as a result of not choosing a shift realignment, seniority will be lost after a period of 12 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 4. Probation. An employee shall be considered a probationary employee until the employee has worked thirty work (30) days. During this probationary period the employee shall be entitled to all provisions of the agreement except seniority, but if employment continues beyond thirty 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.

The Employer shall remit Welfare and Pension contributions and pay the wage set forth in Appendix A during the probationary period.

Section 5. 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.

	Effective JULY 1 2019
Bodymen & Painters	40% of labor billed
Body Shop Helper	$19.50
Journeyman Mechanics	$34.00
Mechanic Helper	$19.00
Lube Rack	$13.50

Apprentices shall be paid the following percentage of the current mechanic rate:

First ---------	six months	60%	Fifth ---------	six months	80%
Second ----	six months	65%	Sixth---------	six months	85%
Third --------	six months	70%	Seventh ---	six months	90%
Fourth ------	six months	75%	Eighth ------	six months	95%

Thereafter advanced to Journeyman

Section 2. Wage Guarantee.

Journeyman Mechanics, Apprentice Mechanics, and Helper shall be guaranteed forty (40) times their hourly rate as specified in Article 4.

Journeyman Bodyman & Painters shall be guaranteed the same as Journeyman Mechanics.

The guarantee shall be based upon the calendar week. An employee reporting for work on Monday who has not been notified not to report for work not later than the last day of the previous work week shall be entitled to the guarantee in accordance with this Article.

It is mutually understood and agreed that if the employer is paying rates (EXAMPLE 50/50 FOR BODYMEN) in excess of those specified in this Agreement, such wages shall not be reduced for the life of this Agreement.

For all body and paint work there shall be a repair order attached to the vehicle showing the time and money the employee will be paid to repair the vehicle. In addition, the Insurance Company's estimate shall be made available to the Bodymen & Painters when requested.

Section 2. Classes of Instruction. All Journeyman Mechanics, Journeyman Bodymen and Apprentice=s, at the request of the Employer or the employee, shall spend a minimum of 2 days per year attending a school or training program if such training is available to the employer.

ARTICLE 5 - HOURS OF WORK - GUARANTEE - OVERTIME

Section 1. Hours of Work. 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 four (4) consecutive days Monday

through Saturday. The first shift shall not begin prior to 6:00 a.m. and shall end no later than 6:00 p.m. Saturday shifts shall end no later than 11:59 p.m. Starting times shall be uniform within the work week. 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. Shifts may not overlap unless each mechanic is assigned their own rack. If an employee works any shift that ends after 6 p.m. or works a work week including a Saturday, the employee shall receive an additional $1.00 for every clock hour or booked hour, if greater, that week, in addition to the incentive pay or guarantee otherwise payable. Whenever there is an opening on any shift or work week, the opening shall be filled by seniority. An employee who does not volunteer may choose a lay off rather than work an evening or Saturday shift. Such an employee shall have recall rights for twelve (12) months and may fill any opening on any shift in seniority order. 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. If the majority of employees elect to go on a reduced work week rather than be placed on layoff status, that decision shall be final and binding on the employees for thirty (30) days. At the end of thirty (30) days a new vote will be taken. The agreed upon reduced work week shall never be lower than thirty-two (32) hours per week and shall apply to all employees in that department.

Section 3. Overtime. 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 time and one-half the hourly rate for the employee's classification. For work on a holiday, the employee shall receive two times the hourly rate for the employee's classification. No employee shall be forced to take time off for overtime worked. There shall be no overtime on overtime.

Section 4. Guarantee. All employees coming under this Agreement shall be guaranteed a work week of forty (40) hours, Monday through Friday, or Tuesday through Saturday. All contractually paid days off shall be considered as days worked.

ARTICLE 6 - HOLIDAYS OBSERVED

Section 1. The following are paid holidays:

New Year's Day	Memorial Day	Fourth of July
Labor Day	Thanksgiving Day	Christmas Eve
Christmas Day	New Year's Eve	Employee's Birthday

Where any of the above holidays fall on days Monday through Saturday and by Federal or State Laws, and/or by proclamation are designated to be observed on a different day, the day so named shall become the observed holiday under the terms of this Agreement and paid for as such.

If a Holiday falls on a Saturday, the last scheduled work day Monday through Friday shall be observed and paid for as such.

If a Holiday falls on a Sunday, the next scheduled work day Monday through Friday shall be observed and paid for as such.

Section 2. Holiday Pay. When any one of the above-mentioned holidays falls within or is observed during the work week, employees shall be paid eight (8) hours or (10) hours, whichever is applicable, times their respective hourly rates. No holiday pay shall be paid unless the employee works his scheduled work day immediately before and immediately after each such holiday respectively unless excused by the Employer. This holiday pay shall not be used to make up any guarantee.

Section 3. Holiday 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 hourly rate, plus the day=s pay which equals triple time.

ARTICLE 7 - VACATIONS

Section 1. The vacation period shall be year round. Vacations shall be chosen by seniority unless another method is agreed upon between the Employer and the employees. The regular vacation periods of employees may be switched by mutual agreement between the employee and Employer.

Section 2. One (1) week vacation on the first anniversary of their date of hire.

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

Three (3) weeks vacation on the eighth (8) anniversary of their date of hire.

Four (4) weeks vacation on the fifteenth (15) anniversary of their date of hire.

Section 3. Vacation pay for all employees shall be computed on the basis of forty (40) hours per week times their regular hourly rate of pay in effect at the time vacation is taken.

Vacation pay will be paid to all employees before they take their vacation. When an employee dies his/her beneficiary will be paid any vacation pay including his pro-rata share due him/her.

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 on his next date of hire anniversary.

Section 5. Vacation Rules.

Vacations shall be chosen at least two weeks prior to the actual vacation. Vacations shall be selected by seniority within each classification. 10% of the employees in each classification shall be allowed off per week work and or day.

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.

Employees off from work due to a compensable injury shall earn vacation time and pay during the time such employee receives worker's compensation benefits up to a maximum period of one (1) year. Employees who are laid off or are off due to a non-compensable 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.

One week of vacation may be taken one (1) day at a time.

Section 6. 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 7. Beneficiary. When an employee dies, the employee's designated Union Pension beneficiary will be paid any vacation pay due.

ARTICLE 8 - COMPLAINTS

Section 1. Procedure. 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:

Step One:

(A) The employee shall present the dispute to the Employer's representative, 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 grievance within five (5) 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 shall, at the request of either party, be submitted to arbitration. Either party may request the Federal Mediation and Conciliation Service for a panel of seven (7) arbitrators who shall be members of the National Academy of Arbitrators. Arbitration hearings shall be commenced as soon as convenient. Each party shall pay one-half (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 visiting employees, and adjusting complaints individually or collectively.

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, Step 3, by failing to agree to 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, and the Teamsters' Joint Council No. 25, I.B.T.

Section 3. It shall be a violation of this Agreement for employees to refuse to go through or work behind a picket line authorized by any Union other than Local No. 701, IAM&AW, and the Teamsters' Joint Council No. 25, I.B.T.

Section 4. Notwithstanding any other provision of this Agreement to the contrary, if the Employer is a participant in either fund and fails to remit the monthly Welfare Fund or Pension Fund contributions herein provided within twenty (20) days after a notice of delinquency is mailed to the Employer via Certified Mail by the Administrator of the Welfare or Pension Funds, the Union, without the necessity of giving any other notice, shall have the right to strike or take other legal action during the period that any delinquency exists. If any such action is taken by the Union, the Employer shall be responsible to the employees for any resulting loss of any Welfare or Pension benefits.

Section 5. Notwithstanding any other provision of this Agreement to the contrary, if the Employer fails to remit to the Union the dues which the Employer has been authorized to deduct as provided in Article 1, Section 3, within twenty (20) days after a notice of delinquency is mailed via Certified Mail to the Employer, by the Union, the Union, without the necessity of giving any other notice, shall have the right to strike or take other legal action during the period that any delinquency exists.

Section 6. The Union shall not have the right to strike if the Employer notifies the Union, or, if applicable, the Administrator of the Pension and/or Welfare Fund, in writing, that a dispute exists concerning the amount of or liability for such contributions, provided the Employer agrees to and does commence the complaint procedure as specified in Article 8. When the complaint has progressed to Step 3 of the complaint procedure, but the Employer refuses to arbitrate the issue, then this Section 6 shall be null and void and the Union shall have the right to strike.

ARTICLE 10 - MANAGEMENT RESPONSIBILITY

Section 1. Warning Notices. Except where employees are discharged for theft, drunkenness, use of illegal drugs on the job site, refusal to do work for which they were employed or for other reasons mutually agreed to between the Employer and the Union, employees will be given at least two (2) written "warning notices" (not together), and an additional third letter of termination, with a copy to the Union, before the employee is discharged. Any warning notice shall be invalid after twelve (12) months from the date of issuance.

Warning notices must be presented to the employee and a certified 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.

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.

Section 2. Sub-contracting. The Employer agrees that it will not subcontract work which the employees in the unit are capable of performing. 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 3. Safety Standards. The Employer shall be responsible for providing proper equipment in order to maintain normal safety standards under Federal or State law. The Employer shall conform to reasonable safety standards as prescribed by OSHA. 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.

Section 4. Uniforms. The Employer shall pay one-half (2) of the expense of cleaning coveralls or uniforms up to and including five (5) changes per week. The Employer shall be responsible for the other half and all the expense including set-up fees, and for additional changes above five (5) when it requires an employee to use more than five. 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 four inch sleeve.

Section 5. Jury Duty. Employees required to perform jury duty service shall be paid their regular hourly rate for time so spent provided the employee endorses the jury duty paycheck and turns it over to the Employer. Jury duty pay for any employee will be limited to a maximum of four (4) weeks in any one contract year.

Section 6. Funeral Leave. When an employee's spouse, child, sister, brother, mother, father, legal guardian, mother-in-law, father-in-law, or Grandparents 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) or ten (10) hours whichever applies, times the hourly rate for the employee's classification.

ARTICLE 11 - 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 tool box 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 recommended that the employee retain a copy of such inventory for the employee's own protection.

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.

ARTICLE 12 - COMPENSATION CLAIMS

An employee who is injured on-the-job shall receive pay at the applicable hourly rate for all hours absent, until such time that compensation begins from the workmen=s compensation carrier.

ARTICLE 13 - 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 14 - PAYMENTS & BENEFITS 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 15 - 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 16 - CREDIT UNION

The Employer agrees to deduct from the employee's regular paycheck and to forward to the Credit Union such sums as the employee may authorize in writing. The deductions will be forwarded to Credit Union 1 via A.C.H. electronic transfer.

The Employer shall not be obligated to make such Credit Union deductions unless the majority of the employees are willing to participate and the officers of the Credit Union agree to accept such participation.

ARTICLE 17 - SALE OR TRANSFER TO SUCCESSOR

When and if the Employer sells or transfers its assets or business to new ownership, the Employer shall be obligated to provide to employees all accumulated vacation pay and other benefits of employment up to the time of sale or transfer. As a condition of the sale or transfer the employer will obligate the purchaser or transferee to sign and assume the remainder of the bargaining agreement. The purchaser or transferee will be obligated for all provisions of the bargaining agreement as of the date of ownership or transfer, thus providing for full continuity of employment, accrued seniority and benefits for the bargaining unit employees.

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 its business if it in any way violates this Agreement or any existing laws.

ARTICLE 18 - EXPANSION OF BUSINESS

In the event that the owner (signature to this agreement), partners, stockholders or beneficial owners of the company perform or participate in the formation of another company which engages or will engage in the same or similar type of business enterprise in the jurisdiction of this Union and employs or will employ the same or similar classifications of employees covered by this Collective Bargaining Agreement, than the business shall be manned in accordance with the referral provisions herein and covered by all the terms of this contract

ARTICLE 19 - TRAINING

In order to provide for professional training and skill development of Apprentice Technicians, the Employer shall participate in the Automobile Mechanics' Union Local No. 701 Apprenticeship Training and Skill Development Fund as a contributing Employer.

As a contributing Employer, the Employer shall have all rights and privileges provided by the Program provided that they maintain their contributions in accordance with the terms of this Article.

The Employer shall contribute, via a separate designated check, into the **"Mechanics' Local 701 Training Fund"** the sum five **($5.00)** dollars per week per employee working under the current collective bargaining agreement.

Payments 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 the Employer. This shall apply to new employees from the date of hire.

(b) The obligation to make the above contributions shall continue during periods when the employee is not performing a direct service for the Employer due to fringe benefits outlined in this Agreement such as vacations, jury duty, etc.

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

ARTICLE 20 - HEALTH & WELFARE FUND

The Employer shall contribute the sums below per week for each employee to the Automobile Mechanics' Union Local No. 701 Health and Welfare Fund:

Effective July 1, 2019 $307.00

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 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.

(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 re-qualify 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.

ARTICLE 21 – LOCAL 701 DEFINED CONTRIBUTION PLAN

1.The Employer agrees to become a Contributing Employer to the Mechanics' Local No.701 Union and Industry Defined Contribution Plan for all its employees who are working under this Agreement. The Employer agrees to deduct from the Employee's regular paycheck and forward such deferrals to the Plan in the following amount and manner:

(a) The Employer will make authorized weekly pre-tax deductions of a specified percentage of the employee's current earnings for each pay period ("salary deferral deductions"). The Employer shall deduct such sums as the Employee may authorize in writing. **The Employer shall notify the Mechanics' Local No.701 Union and Industry Defined Contribution Plan immediately of any newly hired employee.** All employees covered by this Agreement will be automatically enrolled at a fixed salary deferral percentage of 3% from their pre-tax wages unless the employee affirmatively elects otherwise. Employees may change their deferral deduction percentage annually during open enrollment.

(b) Such salary deferral deductions are required to be remitted to the Plan by the Employer and must be sent to:

Mechanics' Local No.701 Benefit Fund Office
Defined Contribution Plan
361 S. Frontage Road, Suite #100
Burr Ridge IL, 60527

Or such other address as the Trustees may require.

(c) All such salary deferral deductions shall be remitted to the Plan as soon as administratively practicable but in no event later than the fifteenth (15) day of the month following the pay period for which the deductions are made.

(d) In the event the Plan allows for loans to participants, the Employer agrees to make deductions from the employee's wages of any monthly amount required by the Plan to pay back a loan taken from the Plan by the employee. Such amounts will be deducted and remitted to the Plan in accordance with paragraphs (a), (b) and (c).

(e) The Employer agrees to maintain and abide by any salary deferral election form provided by the employee to the Employer and to provide the Trustees of the Plan with all compensation and other data needed for the Trustees to administer the Plan in accordance with the terms of the Plan and applicable law.

(f) The Employer agrees to be bound by, and hereby assents to the Declaration of Trust for the Plan to be established by the Trustees of the Plan.

(g) This Article contains the entire understanding between the Employer and the Union for the participation of this group of employees in the Plan. No oral or written modification of this Article shall be binding unless agreed to in writing by the Union and Employer and assented to in writing by Trustees of the Plan. The Employer and Union agree that no grievance procedure, settlement, or arbitration shall be binding on the Trustees of the Plan. The Union and Employer acknowledge that the Trustees of the Plan may require the execution of a Participation Agreement prior to, or as part of, an Employer's participation in the Plan.

(h) This Agreement shall become effective upon its acceptance by the Trustees of the Plan. No employee salary deferral deductions shall be deducted until notification of acceptance by the Trustees of the Plan.

(i) The Employer and Union agree that except as specifically provided herein, the terms of the Declaration Trust Agreement, will control the operation and administration of the Plan.

(j) The Employer agrees to provide the information and certifications required by the Trustees to monitor compliance with the Plan, the Declaration of Trust and applicable law, including compensation and other information regarding all Bargaining Unit employees of the Employer. If the Employer fails to comply with Sections 401(a)(4), 410(b) and 401(k) of the Internal Revenue Code, or if the Plan is top-heavy with respect to the Employer's employees, or if the Employer fails to provide information, certifications or additional sums required by the Trustees, the participation of the Employer's' employees shall terminate. In addition, the Trustees may in their discretion terminate an Employer's Participation Agreement at any time upon 60 days written notice.

ARTICLE 22 - DURATION OF AGREEMENT

This agreement shall continue in full force and effect from **JULY 1, 2019** to and including **JUNE 30, 2020.** 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.

SIGNED:

EMPLOYER:

AUTOMOBILE MECHANICS UNION
LOCAL 701, IAM&AW, AFL-CIO

By: _____

By: Ken Thomas

Dated: 7-4-19

Dated: 6/28/19

EMPLOYER:
Sign if Appendix A-1 Pension Fund applies

_____

APPENDIX A-1

INDEPENDENT AUTO/TRUCK REPAIR AGREEMENT
7/1/19 - 6/30/2021

PENSION FUND

The Employer shall contribute the sums below per week for each employee to the Pension Fund:

Effective July 1, 2019 - $198.00 per week per employee

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

(a) The amount per week, per employee shall be contributed for any week in which an employee performs any service for the Employer even when performing emergency service outside of the bargaining unit because of illness or vacation replacement. 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, such as, vacations, jury duty, etc.

(c) If an employee is absent because of a verified 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) If an employee takes time off on his own other than his regular vacation, the Employer shall not be obligated for Pension Fund payments for the week/weeks such employee is absent from work.

(f) Subject to any applicable Federal law, an employee must return and remain at work for thirty (30) work days to re-qualify for twenty-six (26) or thirteen (13) weeks of Pension Fund contributions for the same illness or injury. If an employee comes back 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 or illness as established by this Article.