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Title: **New Car Dealer Committee and Automobile Mechanics Union, International Association of Machinists and Aerospace Workers (IAM&AW), AFL-CIO, Local 701 (2001)**

K#: **6920**

Employer Name: **New Car Dealer Committee**

Location: **Chicago IL**

Union: **Automobile Mechanics Union, International Association of Machinists and Aerospace Workers (IAM&AW), AFL-CIO**

Local: **701**

SIC: **5511**

NAICS: **441110**

Sector: **P**

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STANDARD AUTOMOTIVE AGREEMENT

AUGUST 1, 2001 - JULY 30, 2005

This Agreement is made and entered into this _____ day of _____ 2001, by and between the New Car Dealer Committee (hereinafter "NCDC" or "Employer"), and Automobile Mechanics' Local 701, International Association of Machinists and Aerospace Workers, AFL-CIO, of Chicago and vicinity (hereinafter "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 technicians, body shop technicians, apprentices, lube rack technicians and semi-skilled technicians (hereinafter "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.

The Employer is a multi-employer bargaining group consisting of those members identified in Appendix A-6 and those employers who the parties subsequently agree to join the multi-employer group.

ARTICLE I 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, lube rack technicians, and semi-skilled technicians.

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 the thirtieth (30) 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 fifteen (15) days after the last day of each month, accompanied by a statement containing the names of the employees 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 Technicians. The term "Journeyman Technician" shall apply to any person of skill satisfactory to the Employer who repairs automobiles or parts and to any person who uses any piece of equipment, that is, technical, electrical or any other method used in diagnosing, checking, and/or inspection of an automobile or its parts. Employees working on or in the Employer's new and minor used car reconditioning departments shall not necessarily be deemed journeyman technicians.

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 upsells shall be performed by that technician.

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 reconditioning of automotive and/or truck bodies, chassis or parts thereof.

Section 3. Semi-Skilled Body Shop Technician. The term "Semi-Skilled Body Shop Technician" 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 Body Shop Technicians.

Section 4. Semi-Skilled Technician. The term "Semi-Skilled Technician" shall apply to any person involved in the repair of automobiles or parts, who grease automobiles or parts, or who is engaged in new car make-ready, minor inspections, adjustment and/or repair, or minor used car reconditioning. Semi-skilled technicians shall not be permitted to perform work requiring a Journeyman technician. A representative list of duties that may be performed by Semi-Skilled Technicians:

1. Chassis and body lubrication
2. Replace transmission oil, axle oil, engine oil, and engine oil filter
3. Wheel rotation, wheel bearing repacking
4. Replace air cleaner and element
5. Replace fuel filter
6. Replace all water hoses (including thermostats)
7. Clean and replace emission control system (P.C.V. only)
8. Replace any bulb (excluding those that require dashboard disassembly)
9. Clean and replace battery and/or cable(s)
10. New car pre-delivery, including minor adjustments and accessories installation, but excluding A.C. installation
11. Replace shock absorbers and struts
12. Rattles, squeaks, door and window adjustments and alignments, wind noises, water and dust leaks
13. Adjust or replace external drive belt(s)
14. Clean or replace windshield washer pump and/or blade (provided pump is not a part of wiper motor assembly)
15. Flush and refill cooling systems

16. Lubricate or replace speedometer cable only (provided the cable can be removed without disassembling or removing any other component)
17. Replace the horn, horn relay, horn ring or button (provided it can be removed without disassembling or removing any other component)
18. Head lamp alignment
19. All door and door lock adjustments and/or striker adjustments (standard, power or electric)
20. Replace or repair the exhaust system, including exhaust manifold, muffler-tailpipe, etc.
21. Replace cigarette lighter sockets and elements
22. Replace turn signal flasher and emergency flasher unit only
23. Replace fuse(s)
24. Remove and replace clock, radio, speaker(s), and antenna (provided major components need not be removed)
25. Replace exterior and interior mirror
26. Replace weatherstrip(s)
27. Replace valve cover gasket(s)
28. Remove and reinstall brake drums for inspection
29. Remove and replace any interior or exterior moldings or trim parts (provided major components need not be removed)
30. Perform factory recalls that do not require diagnostic equipment or the disassembly of a major component
31. Wheel alignments
32. Replacement of brake pads and brake shoes only

Section 5. Apprentices. The term "Apprentice" applies to any person hired for the purpose of learning the trade of automobile and truck repair or body repair. The Employer agrees to train the apprentice who shall, during his four (4) year apprenticeship, be put on work commonly known as technician's 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. Apprentice technicians will

not be allowed to work unless a Journeyman Technician is present and working.

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 after each six (6) months according to subsequent progressions as outlined in Appendix A.

Section 6. Lube Rack Technician The term "Lube Rack Technician" 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 Technician shall not use any tools to perform any other duties. Lube Rack Technician's 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. 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.

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 car 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, semi-skilled technicians, or lube rack technicians, when two employees are capable of doing the job, the one with least product line seniority shall be laid off first and recalled in reverse order, provided the employer has submitted a current product line seniority list to the Union via certified mail. The Employer shall notify the employee of a layoff no later than the end of the employee's last scheduled workday.

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.

Section 4. Break in Seniority. Voluntary resignation, discharge for cause, or absence in excess of six (6) months for any 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 twelve (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 5. Probation. An employee shall be considered a probationary employee until the employee has worked forty-five (45) work days. During this probationary period the employee shall be without seniority, but if employment continues beyond forty-five (45) 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 thirty (30) calendar days of employment.

The Employer shall remit Welfare and Pension contributions and 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: 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.

On jobs such as radio R&R, which require the employee to reassemble a car with either a loaner part or no part so that the customer may continue to drive the car 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 car returns to have the new or repaired part installed, the employee shall be paid the full amount again to reinstall the part.

All car and truck reconditioning and all factory warranty work shall be considered to be internal work. Such work, and work that is performed for police, city and any other contract work, shall be considered the same as factory warranty work and shall be compensated on the incentive basis according to the time allowance in the printed "Manufacturer's Time Standard Manual".

(b) Truck Work. For all work performed on trucks 1 ton and over, and stretch limousines, fifty cents (.50) per booked hour shall be added to the employee's weekly earnings.

(c) Incentive Premium Pay. If the work week is reduced because of a contractually excused day or hours spent in school/training, the premium pay normally payable after 40 hours as specified in Appendix A shall be adjusted as follows: all references to the \$1.00 premium payable after 40 hours shall be disregarded and employees shall be paid the \$1.00 per booked hour premium for all hours booked after 32, 24, 16, or 8 hours, whichever applies, provided that the employee works the remaining scheduled work days during that work week unless excused by the Employer.

(d) 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.

Body Shop technicians on the incentive percentage basis shall continue to be compensated on the percentage basis in effect as of July 1, 1994.

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

When the parties agree or if no technicians in the 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 Technician's clock hour rate set forth in Appendix A for each clock hour.

Section 2. Manufacturer's Time Standard Manual. The Manufacturer's Time Standard Manual for each make and year of car is the authorized manual for purposes of this Agreement.

If the Manufacturer's Time Standard Manual rates are revised to the extent that a technician's earnings are reduced, the changed rates shall be subject to re-examination and reasonable adjustment. The Employer shall make every reasonable effort to notify the manufacturer and to adjust the rate appropriately.

If there is work to be done 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.

If the Employer has been using other repair manuals or methods in excess of those specified in this Section, for such repairs other than Factory Warranty repairs, such rates shall not be reduced by reason of the execution of the Agreement. (See Article 19)

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. Check or Inspection Work. If the technician does 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 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.

Section 4. Minimum Pay. Technicians working on a flat rate shall be paid for one-half ($\frac{1}{2}$) hour of work when the total time on any total job ticket for customer work only is less than one-half ($\frac{1}{2}$) hour. This shall not apply to any factory warranty work or lubrication and oil changes.

An employee working on the incentive basis shall be paid the minimum of one-tenth ($\frac{1}{10}$ th) of one (1) hour for an oil change. This shall not apply to work performed on the lubrication rack or work connected with grease work.

Section 5. 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 30%. 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)Menus: Customer Pay Menus: Should the dealership desire to establish or change it's customer pay menu, the dealership must request to negotiate, with its bargaining unit employees, a separate menu of customer pay items, including labor charges to the customer, parts charges to the customer and labor hours paid to the technician on said items. Upon such request by the dealership, up to two shop technicians shall meet with the dealership 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. Should factory prices or other matters out of the control of the parties change the negotiated menu, either party may request renegotiation of the menu under the above terms.

(c)Hi-Tech Pay: Where the Employer and bargaining unit employee agree on a customer pay menu under the terms of Article 4 wages, Section (b), and the employer has in place a variable pricing menu under which customers are charged a premium for Hi-Tech work, the technicians shall be paid an additional 20% of the difference between the premium rate and the factory warranty rate for any Hi-Tech work performed. This provision applies only to work such as major electrical (including diagnostic work), driveability, transmissions and heavy engine work.

Section 6. Non-Franchised Vehicles. Employees working on automobiles not franchised to be sold by the Employer shall be paid not less than the hourly rate for their wage classification while on such work.

Section 7. 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 "team up" on jobs in the shop, provided the employees involved or affected agree by a majority vote conducted under the auspices of the Union and the Employer.

Section 8. 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 the hourly 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.

Section 9. Come-Back Work. 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.

If a job comes back within a period of thirty (30) working days and has to be done again because of the employee's fault, the employee shall do the job over without additional compensation, but shall be entitled to the weekly base pay. Any employee required to perform come-back work away from the Employer's premises shall be paid not less than the minimum hourly rate for time so spent. This shall be subject to review by the Union.

Section 10. A.S.E. Requirements. Apprentices hired after August 1, 1997, must receive A.S.E. certifications and/or factory certifications required by the Employer before they are promoted to Journeyman Technician. The Employer shall notify the Apprentice when hired of those certifications required for promotion. The Employer shall reimburse all employees for the actual cost of all tests required by the Employer and necessary to achieve any A.S.E. or factory certification.

Within thirty (30) days after date of hire the Employer must notify the Union in writing with the number of A.S.E. certifications and/or factory certifications that are required for promotion. The Employer must have the employee sign the letter and the Employer must forward the letter via certified mail to the Union.

Section 11. Apprentice Ratio. Apprentices may be employed in the ratio of not more than one (1) to each three (3) Journeyman Technicians in the Service Department, and one (1) for each three (3) Body shop technicians in the Body Shop Department. The Service Department and the Body Shop Department shall each be entitled to a minimum of one (1) apprentice.

Section 12. Classes of Instruction. All Journeyman and Apprentice Technicians shall spend a minimum of two (2) days per calendar year attending a school or training program. Training shall include but not be counted against the two (2) day minimum per calendar year if available, new model updates, new technology updates, mechanical or technical development, video taped presentations, computer based training, or distance learning.

An employee attending class shall have the option of clocking in and out at the dealership. The employee shall be paid for the time, if any, traveling from and to the dealership, and for class time. For each major part of a full day spent traveling and at class the employee shall receive eight (8) hours of pay at the hourly rate. For each major part of a half-day spent traveling and at class the employee shall receive four (4) hours of pay or the clocked hours, if greater.

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 paid during travel when such travel exceeds one-hundred (100) miles.

Subsection (a) Non-classroom training: All training, whether at home or at the dealership shall be compensated at the hourly rate of pay.

Section 13. 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 and the Union in writing.

Section 14. Debooking. Debooking will be allowed for a period of thirty (30) working days. The technician will be shown the reason for the debooking at the time of debooking.

ARTICLE 5

HOURS OF WORK - BASE PAY - 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, or a flexible work week consisting of any five days Monday through Saturday. Only new hires and volunteers are subject to the flexible work week. Any new or current employee who is hired on a Monday through Friday or Tuesday through Saturday work week shall not at any later date be required to work a flexible work week.

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 technician is assigned their own rack. If an employee works any shift that ends after 6 p.m., 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 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 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 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 overtime pay in the following amounts:

(a) Flat rate/ Hourly rate Employees: Time and one half the employee's regular hourly rate.

(b) Incentive Employees: Applicable incentive rate plus one-half the hourly rate of pay for the employee's classification.

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 a daily or weekly base pay. No employee shall be forced to take time off for overtime worked. There shall be no overtime on overtime.

Section 4. Base Pay Rules.

(a) Employees working on hourly rate shall be guaranteed forty (40) times their hourly rate each week. Incentive employees' base pay shall be calculated and earned on a daily basis as set forth in Appendix A.

(b) 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.

(c) The weekly base pay for all incentive 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) for each holiday listed in Article 6, Section 1.

(e) The base pay shall be based upon the calendar week. If an employee reports for work on the employee's first scheduled workday, but had not been notified not to report for work prior to the end of the employee's last scheduled work day, the employee shall be entitled to the weekly base pay.

An employee called back for work during any week in which the employee was laid off and who reports for work shall be entitled to the full week's base pay. Employees subject to layoff in excess of one week may be called back during a given work week and shall be entitled to a pro-rata base pay based on days worked.

(f) 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.

Section 5. Call-in and Reporting Pay For a Non-Regular Scheduled Day. Incentive employees shall be paid a minimum of four (4) hours work at time and one-half (1-1/2) their regular hourly rate, or one-half (1/2) their hourly rate added to each booked hour, whichever is greater. Hourly rate employees shall be paid a minimum of four (4) hours work at time and one-half (1-1/2) their regular hourly rate.

ARTICLE 6 HOLIDAYS OBSERVED

Section 1. Holidays. Holidays celebrated each year of the Agreement shall be as follows:

2001:

Labor Day -----	Monday	09/03/01
Thanksgiving-----	Thursday	11/22/01
Day Before Christmas-----	Monday	12/24/01
Christmas-----	Tuesday	12/25/01
Day Before New Year's-----	Monday	12/31/01

2002:

New Year's Day-----	Tuesday	01/01/02
Memorial Day-----	Monday	05/27/02
Independence Day-----	Thursday	07/04/02
Labor Day-----	Monday	09/02/02
Thanksgiving Day-----	Thursday	11/28/02
Day Before Christmas-----	Tuesday	12/24/02
Christmas Day-----	Wednesday	12/25/02
Day Before New Year's-----	Tuesday	12/31/02

HOLIDAYS OBSERVED CONTINUED

2003:

New Year's Day-----	Wednesday	01/01/03
Memorial Day-----	Monday	05/26/03
Independence Day-----	Friday	07/04/03
Labor Day-----	Monday	09/01/03
Thanksgiving Day-----	Thursday	11/27/03
Day Before Christmas-----	Wednesday	12/24/03
Christmas Day-----	Thursday	12/25/03
Day Before New Year's-----	Wednesday	12/31/03

2004:

New Year's Day-----	Thursday	01/01/04
Memorial Day-----	Monday	05/31/04
Independence Day-----	Saturday	07/04/04
Labor Day-----	Monday	09/06/04
Thanksgiving Day-----	Thursday	11/25/04
Day Before Christmas-----	Friday	12/24/04
Christmas Day-----	Saturday	12/25/04
Day Before New Year's-----	Friday	12/31/04

2005:

New Year's Day-----	Saturday	01/01/05
Memorial Day-----	Monday	05/30/05
Independence Day-----	Monday	07/04/05

If the Employer and employees agree to substitute another day(s) in lieu of working on the Day before Christmas and/or the Day before New Year's, the holiday overtime pay will not be applicable on the day worked.

Floating Days: The employee may select by seniority two (2) days, with pay, during the contract year. In no event shall the number of employees off on such floating day exceed ten percent (10%) of the employees in the bargaining unit in any given classification per department and product line if separate seniority lists are followed. Employees must be employed prior to August 1, of each year and after August 1, of each year to be eligible for this day. The employee shall notify the Employer of his choice at least two (2) working days prior to taking off such floating day. Unused floating days will be paid at, the end of the contract year (August 1), or at the employees resignation and/or termination.

Section 2. Holiday Pay. When any one of the above-mentioned holidays falls within or is observed during the work week, employees working on the incentive basis shall be paid eight (8) hours or (10) hours, whichever is applicable, times their respective hourly (not incentive) rates. Employees employed on an hourly rate 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 base pay.

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 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 or two (2) times the hourly rate, whichever is greater, plus the holiday pay set forth in Appendix A.

ARTICLE 7 VACATIONS

Section 1. Vacation Period. The vacation period shall be year round and chosen according to seniority. Vacation pay will be paid 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 on or before March 31. Vacation requests shall be granted in order of seniority for requests made on or before March 31. Requests made after March 31, each year will be granted on a first come, first served basis.

Section 2. During the 1991-97 Standard Automotive Agreement, vacation eligibility was converted from a May 1 - April 30 schedule to an anniversary date schedule. All new hires and those previously converted shall be on an anniversary date schedule as set forth below in (a). For those Employers who did not make this conversion, the schedule in Section (b) should be used for determining vacation eligibility and will be maintained for those employees who were not converted.

(a) Vacation Schedule - Employees on an Anniversary Vacation Schedule (converted) or Employees Hired on or after July 1, 1992. All employees on an anniversary vacation schedule (converted) and employees hired on or after July 1, 1992 shall receive:

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.

(b) Vacation Schedule - Employees not on an anniversary schedule (not converted) or employees hired before July 1, 1992.

Employees employed for less than eight (8) years shall be entitled to two (2) weeks of vacation with pay.

Employees employed for eight (8) years as of May 1st of any year during the life of this Agreement shall be entitled to three (3) weeks of vacation with pay. When an employee's anniversary date is after May 1st, the employee shall receive two (2) weeks as of May 1st and an additional week of vacation to be taken on or after the anniversary date. In any following year, the total of three (3) weeks shall be paid as of May 1.

Employees employed for fifteen (15) years as of May 1st of any year during the life of this Agreement shall be entitled to four (4) weeks of vacation with pay. If an employee's anniversary date is after May 1st, the employee shall receive three (3) weeks as of May 1st and an additional week of vacation to be taken on or after the anniversary date. In any following year, the total of 4 weeks shall be paid as of May 1.

(c) Vacation Rules.

Unless expressly authorized by the company, no more than ten (10%) of the employees in any one classification per shift may be absent for vacation at any one time.

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 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 one (1) year.

Employees 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.

One week of vacation may be taken one (1) day at a time, subject to the sole discretion of the Employer.

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. An employee must be employed for at least six (6) months to be eligible for 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 the next May 1st or date of hire, whichever applies, for every month of service since the last May 1st or date of hire, whichever applies.

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

Section 5. Vacation Pay. Vacation pay for all employees shall be computed on the basis of forty (40) times their regular hourly rate of pay for each week of vacation (See Appendix A).

Section 6. Beneficiary. When an employee dies, the employee's designated Union Welfare 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: 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) 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 NCDC (New Car Dealer Committee) and Local 701.

Step Four:

The independent review board shall be comprised of an independent umpire chosen and mutually agreed upon by the NCDC and Local 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 5 Arbitration.

Step 5 Arbitration:

Any grievance which remains unsettled after having been fully processed pursuant to the first four 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 four 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.

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, B.T.

Section 4. Notwithstanding any other provision of this Agreement to the contrary, if the Employer 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
EMPLOYEE RESPONSIBILITY

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). Any employee who does so may be disciplined. After the issuance of one (1) written warning letter a second offense may result in termination. It is further agreed that no employee may work on the employee's own car or on any other employee's car on the premises of the Employer unless a Repair Order covering such work is properly issued.

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.

ARTICLE 11
WELFARE FUND

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

Effective August 1, 2001-----	\$118.00
Effective August 1, 2002-----	\$118.00
Effective August 1, 2003-----	\$118.00
Effective August 1, 2004-----	\$124.00(*)

*In the fourth year the contributions may be increased up to \$6.00 per week per employee if required by a majority vote of the fund trustees to maintain benefits and reserves of the fund.

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. 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) *NCDC members agree to sign any Participation Agreement required by the Welfare Fund which is not inconsistent with this Agreement.*

ARTICLE 12
PENSION FUND

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

Effective August 1, 2001-----	\$45.00
Effective August 1, 2002-----	\$45.00
Effective August 1, 2003-----	\$45.00
Effective August 1, 2004-----	\$45.00

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. The above does not include payment of accrued vacation at the time of termination.
- (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 requalify 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.

- (g) NCDC members agree to sign any Participation Agreement required by the Pension Fund which is not inconsistent with this Agreement.

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.

Section 2. Warning Letters. Except where employees are discharged for theft; drunkenness, consumption or use of controlled substance on the job, or illegal drugs on the job site in accordance with the substance abuse policy set forth in Appendix A-5; 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 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 employees 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 I, 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. 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. 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 7. Uniforms. The Employer shall pay one-half (1/2) of the actual expense of coveralls or uniforms up to and including five (5) changes per week. The Employer shall pay all the expense 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 dealership) in a color approved by the dealership and having at least a 4 inch sleeve.

Section 8. 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 9. Funeral Leave. When an employee's spouse, child, sister, brother, mother, father, legal guardian, mother-in-law, father-in-law, 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 hourly rate for the employee's classification for employees working eight (8) hour shifts, or ten (10) hours times hourly 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.

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 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 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 \$40,000.00 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.

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, except as the supplemental agreements are changed or eliminated by mutual agreement between the Employer's members 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 hourly 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
CREDIT UNION

The employer agrees to deduct from the employee's regular paycheck and forward to the Local 701 Credit Union, such sums as the employee may authorize in writing. Such deduction shall be made and forwarded on a weekly basis to the Local 701 Credit Union via automatic electronic deposit ACH. If the employer does not have such electronic deposit capability, deposits shall be made on a weekly basis.

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 22
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.

ARTICLE 23 **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 by the Union and the Employer 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.

ARTICLE 24 **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 Dealership reserves the right to exercise all options available to employees pursuant to the FMLA and to develop and administer a policy consistent with the FMLA. When vacation time has already been scheduled, the employee shall not be required to use any scheduled vacation time for the purpose of FMLA. The employer shall post its FMLA policy.

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

ARTICLE 25
DURATION OF AGREEMENT

THIS AGREEMENT shall continue in full force and effect from AUGUST 1, 2001 to and including JULY 30, 2005. 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:

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

By: _____
James F. Hendricks
NCDC Representative

By: _____
Herbert G. Elam
Directing Business Representative

Dated: _____

Dated: _____

APPENDIX "A-1"
WAGE RATES EFFECTIVE AUGUST 1, 2001
INCENTIVE SYSTEM

Journeyman Tech.			
1st 40	41 +	8 Hour Day	10 Hour Day
Booked	Booked	Holiday	Holiday
<u>Hours</u>	<u>Hours</u>	<u>Pay (*)</u>	<u>Pay (*)</u>
\$23.25	\$24.25	\$177.20	\$221.50

Incentive Body shop tech.

\$16.80 per booked hour		
\$20.80 frame time hour	\$177.20	\$221.50
	(\$22.15 for Hourly, holiday and vacation)	

HOURLY RATE / CLOCK RATE / VACATION RATE

Journeyman Tech.	\$22.15	\$177.20	\$221.50
Semi-Skilled Tech.	\$13.15	\$105.20	\$131.50
	(Add \$.50 every contract year)		
New-Hire	<u>Start</u>	<u>6mo.</u>	<u>12 mo.</u>
Semi-Skilled Technician	\$11.65	\$12.15	\$12.65
		8 x Hourly Rate	
		10 x Hourly Rate	
	(Add \$.50 every contract year)		
Lube Rack Technician	\$7.00	8 x Hourly Rate	10 x Hourly Rate
	(add \$.25 each contract year)		
Semi-Skilled Body Shop	\$6.50	8 x Hourly Rate	10 x Hourly Rate
	(add \$.25 each contract year)		

APPRENTICE RATES

1st six months	60% of \$18.60-----	\$11.16/hr.
2nd six months	65% of \$18.60-----	\$12.09/hr.
3rd six months	70% of \$18.60-----	\$13.02/hr.
4th six months	75% of \$18.60-----	\$13.95/hr.
5th six months	80% of \$18.60-----	\$14.88/hr.
6th six months	85% of \$18.60-----	\$15.81/hr.
7th six months	90% of \$18.60-----	\$16.74/hr.
8th six months	95% of \$18.60-----	\$17.67/hr.

Thereafter advance to Journeyman after apprentice schedule ends.

WEEKLY BASE PAY INCENTIVE SYSTEM

Base pay shall be calculated and earned on a daily basis.

Journeyman Technician & Journeyman Body Shop Technicians

Regular Week

\$744.00

Evenings & Saturdays

\$744.00 plus the \$1.00 for the night shift/Saturday premium set forth in Article 5, Section 1

*If an employee works on a holiday, see Article 6, Section 4

APPENDIX "A-2"
WAGE RATES EFFECTIVE AUGUST 1, 2002
INCENTIVE SYSTEM

	Journeyman Tech.		
1st 40	41+	8 Hour Day	10 Hour Day
Booked	Booked	Holiday	Holiday
<u>Hours</u>	<u>Hours</u>	<u>Pay (*)</u>	<u>Pay (*)</u>
\$24.25	\$25.25	\$185.20	\$231.50

Incentive Body shop tech.

\$17.30 per booked hour		
\$21.30 frame time hour	\$185.20	\$231.50
(\$23.15 for Hourly, holiday and vacation)		

HOURLY RATE / CLOCK RATE / VACATION RATE

Journeyman Tech.	\$23.15	\$185.20	\$231.50
Semi-Skilled Tech.	\$13.65	\$109.20	\$136.50
	(Add \$.50 every contract year)		
New-Hire	<u>Start</u>	<u>6mo.</u>	<u>12 mo.</u>
Semi-Skilled Technician	\$11.65	\$12.15	\$12.65
	(Add \$.50 every contract year)		
Lube Rack Technician	\$7.00		
	(add \$.25 each contract year)		
		8 x Hourly Rate	10 x Hourly Rate
Semi-Skilled Body Shop	\$6.50		
	(add \$.25 each contract year)		
		8 x Hourly Rate	10 x Hourly Rate

APPRENTICE RATES

1st six months	60% of \$19.40-----	\$11.64/hr.
2nd six months	65% of \$19.40-----	\$12.61/hr.
3rd six months	70% of \$19.40-----	\$13.58/hr.
4th six months	75% of \$19.40-----	\$14.55/hr.
5th six months	80% of \$19.40-----	\$15.52/hr.
6th six months	85% of \$19.40-----	\$16.49/hr.
7th six months	90% of \$19.40-----	\$17.46/hr.
8th six months	95% of \$19.40-----	\$18.43/hr.

Thereafter advance to Journeyman after apprentice schedule ends.

WEEKLY BASE PAY INCENTIVE SYSTEM

Base pay shall be calculated and earned on a daily basis.

Journeyman Technician & Journeyman Body Shop Technicians

Regular Week

\$776.00

Evenings & Saturdays

\$776.00 plus the \$1.00 for the night shift/Saturday premium set forth in Article 5, Section 1

*If an employee works on a holiday, see Article 6, Section 4

APPENDIX "A-3"
WAGE RATES EFFECTIVE AUGUST 1, 2003
INCENTIVE SYSTEM

	Journeyman Tech.		
1st 40	41 +	8 Hour Day	10 Hour Day
Booked	Booked	Holiday	Holiday
<u>Hours</u>	<u>Hours</u>	<u>Pay (*)</u>	<u>Pay (*)</u>
\$25.25	\$26.25	\$193.20	\$241.50

Incentive Body shop tech.			
\$17.80 per booked hour			
\$21.80 frame time hour		\$193.20	\$241.50
		(\$24.15 for Hourly, holiday and vacation)	

HOURLY RATE / CLOCK RATE / VACATION RATE

Journeyman Tech.	\$24.15	\$193.20	\$241.50
Semi-Skilled Tech.	\$14.15	\$113.20	\$141.50
	(Add \$.50 every contract year)		
New-Hire	<u>Start</u>	<u>6mo.</u>	<u>12 mo.</u>
Semi-Skilled	\$11.65	\$12.15	\$12.65
Technician			
	(Add \$.50 every contract year)		
Lube Rack	\$7.00	8 x Hourly	10 x Hourly
Technicians	(add \$.25 each contract year)	Rate	Rate
Semi-Skilled	\$6.50	8 x Hourly	10 x Hourly
Body Shop	(add \$.25 each contract year)	Rate	Rate

APPRENTICE RATES

1st six months	60% of \$20.20-----	\$12.12/hr.
2nd six months	65% of \$20.20-----	\$13.13/hr.
3rd six months	70% of \$20.20-----	\$14.14/hr.
4th six months	75% of \$20.20-----	\$15.15/hr.
5th six months	80% of \$20.20-----	\$16.16/hr.
6th six months	85% of \$20.20-----	\$17.17/hr.
7th six months	90% of \$20.20-----	\$18.18/hr.
8th six months	95% of \$20.20-----	\$19.19/hr.

Thereafter advance to Journeyman after apprentice schedule ends.

WEEKLY BASE PAY INCENTIVE SYSTEM

Base pay shall be calculated and earned on a daily basis.

Journeyman Technician & Journeyman Body Shop Technicians

Regular Week

\$808.00

Evenings & Saturdays

\$808.00 plus the \$1.00 for the night shift/Saturday premium set forth in Article 5, Section 1

*If an employee works on a holiday, see Article 6, Section 4

APPENDIX "A-4"
WAGE RATES EFFECTIVE AUGUST 1, 2004
INCENTIVE SYSTEM

Journeyman Tech.			
1st 40	41+	8 Hour Day	10 Hour Day
Booked	Booked	Holiday	Holiday
<u>Hours</u>	<u>Hours</u>	<u>Pay (*)</u>	<u>Pay (*)</u>
\$26.50	\$27.50	\$203.20	\$254.00

Incentive Body shop tech.

\$18.30 per booked hour

\$22.30 frame time hour	\$203.20	\$254.00
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(\$25.40 for Hourly, holiday and vacation)

HOURLY RATE / CLOCK RATE / VACATION RATE

Journeyman Tech.	\$23.40	\$203.20	\$254.00
Semi-Skilled Tech.	\$14.65	\$117.20	\$146.50
	(Add \$.50 every contract year)		
New-Hire	<u>Start</u>	<u>6 mo.</u>	<u>12 mo.</u>
Semi-Skilled Technician	\$11.65	\$12.15	\$12.65
	(Add \$.50 every contract year)		
Lube Rack Technician	\$7.00	8 x Hourly Rate	10 x Hourly Rate
	(add \$.25 each contract year)		
Semi-Skilled Body Shop	\$6.50	8 x Hourly Rate	10 x Hourly Rate
	(add \$.25 each contract year)		

APPRENTICE RATES

1st six months	60% of \$21.20-----	\$12.72/hr.
2nd six months	65% of \$21.20-----	\$13.78/hr.
3rd six months	70% of \$21.20-----	\$14.84/hr.
4th six months	75% of \$21.20-----	\$15.90/hr.
5th six months	80% of \$21.20-----	\$16.96/hr.
6th six months	85% of \$21.20-----	\$18.02/hr.
7th six months	90% of \$21.20-----	\$19.08/hr.
8th six months	95% of \$21.20-----	\$20.14/hr.

Thereafter advance to Journeyman after apprentice schedule ends.

WEEKLY BASE PAY INCENTIVE SYSTEM

Base pay shall be calculated and earned on a daily basis.

Journeyman Technician & Journeyman Body Shop Technicians

Regular Week

\$848.00

Evenings & Saturdays

\$848.00 plus the \$1.00 for the night shift/Saturday premium set forth in Article 5, Section 1

*If an employee works on a holiday, see Article 6, Section 4

APPENDIX "A-5"
SUBSTANCE ABUSE POLICY

The following is the sole and exclusive substance abuse policy for the members of Automobile Mechanics Union Local 701, IAMAW (hereafter referred to as the Union) employed by _____ (hereafter referred to as the Company).

ARTICLE I: PURPOSE

The Company and the Union agree that it is in the best interests of both parties and all employees to maintain a drug-free and alcohol-free workplace. Being under the influence of drugs or alcohol poses risks to employees and customers, is inconsistent with the Company's obligation to provide a safe, drug and alcohol free workplace, and interferes with the efficient operation of the dealership. For these reasons, it is the purpose of this policy to establish and maintain a work environment free from the effects of drug and alcohol use, recognizing that both drug and alcohol abuse are illnesses which can be treated. Accordingly, both parties agree that it is the intent of this policy to deal initially with violations of the policy by treatment and education, rather than through discipline or termination.

ARTICLE 2: DEFINITIONS

Drugs mean illegal drugs which include any substance which an individual may not sell, use, possess or distribute under the laws of the State of Illinois or the federal government. The drugs covered by this definition are:

Amphetamines	Barbiturates	Benzodiazepines	Cannabinoids
Cocaine	Methadone	Methaqualone	Opiates
Phencyclidine	Propoxyphene		

Drugs also includes any prescription drug being used by any person other than the person for whom the drug was prescribed by a licensed medical practitioner, any prescription drug not legally obtained, or any prescription drug being used in a manner other than the manner and quantity prescribed or being used for a purpose not prescribed.

Alcohol means the intoxicating agent in fermented and distilled liquors, including but not limited to beer, wine, and whiskey, which, when consumed, can produce intoxication.

Possess means to have on one's person, personal effects, or in one's personal vehicle while on Company property. Possess is not intended to include unopened containers of alcohol.

Company property means any office, plant, shop, parking lot or vehicle owned and operated by the Company and/or its customers.

ARTICLE 3: USE, POSSESSION, SALE OR DISTRIBUTION

The intentional use, possession, sale or distribution of any drug (as defined in Article 2 of this policy) or alcohol, or being under the influence of any drug or alcohol, is prohibited on Company property or while on duty for the Company and are grounds for immediate discharge.

ARTICLE 4: DRUG AND ALCOHOL TESTING

Section 1. Current employees shall not be tested for drugs or alcohol unless the Company has reasonable suspicion to believe that an employee is under the influence of drugs or alcohol or as otherwise provided for in this policy.

A. Under the influence shall mean that an employee is affected during working hours by drugs or alcohol in a manner that causes observable

physical symptoms or actions which are generally recognized as symptomatic of or consistent with the symptoms of drug/alcohol abuse.

B. Reasonable suspicion shall be established where Company supervisors who are trained in the detection of drug and alcohol abuse reasonably believe that an employee is under the influence as defined above.

Reasonable suspicion shall not be based solely on third party observation or reports. Additionally, reasonable suspicion shall be established any time an employee is involved in a workplace accident which involves damage to property in excess of \$500 (five hundred dollars).

C. The employee shall be taken out of service until the test results are known. If the test results are negative, the employee shall be compensated for all time lost.

D. The observations of a trained supervisor that result in an employee being required to take a drug or alcohol test must be reduced to writing within twenty-four (24) hours of the time these observations were made. A copy of this written observation shall be provided to the Union.

E. The Company will provide training for its supervisors and managers in the detection and identification of drug and alcohol abuse through a certified agency and training certificates shall be forwarded to the union by certified mail.

Section 2. There shall be no random drug testing, nor shall there be any drug/alcohol testing for any other reasons or by any other methods than those stated in this policy except when mandated by law or statute.

Section 3. All drug testing shall be performed by a laboratory currently certified by the National Institute on Drug Abuse (NIDA) in accordance with the following procedures:

- A. Drug testing shall be by urinalysis using enzyme Multiplied Immunosassay Technique (EMIT).
- B. Urine samples will be tested using a split sample procedure.
- C. There shall be a strict chain of custody maintained for all samples. Specimen containers shall be sealed and labeled in the presence of the employee immediately after providing the sample. The employee shall write his/her social security number across the labeled containers.
- D. Samples may be checked to prevent tampering or substitution. Under no circumstances, however, shall the employee be required to provide the sample while under the direct observation of any other person.
- E. Any positive test result shall be confirmed by Gas Chromatography/Mass Spectrophotometry (GC/MS). Any positive test results obtained in violation or contradiction to this policy shall be invalid and shall be treated as a negative result.
- F. The threshold limits for urinalysis (EMIT) and confirmatory (GC/MS) test results being considered positive shall be those as currently established by the United States Department of Health and Human Services (HHS).
- G. In reporting a positive test result, the laboratory shall state the specific substance(s) for which the test is positive and shall provide the quantitative results of both the screening and the GCMS confirmation test. All positive test results must be reviewed by the certifying scientist or laboratory director and certified as accurate. Should the results be reviewed by Medical Review Officer, he/she must be a physician trained in pharmacology.
- H. If a positive test result is reported, the employee may request that the split sample be forwarded to another NIDA certified laboratory for re-testing, at the employee's expense. The employee must make such a request within 72 hours of being notified of the positive test result. If the result of the split sample testing comes back negative the employee shall

be reinstated and made whole for all losses, including the cost of the second test.

Section 4. Alcohol testing shall be by breathalyzer, where available. The threshold limits for breathalyzer test results being considered positive shall be .04. Alcohol testing will be by blood test if a breathalyzer is not available.

Section 5. The Company shall pay the full cost of all initial and confirmatory drug or alcohol tests or any other tests ordered by it. An employee who requests additional testing of a split sample shall bear the cost of such testing.

Section 6. Any employee subject to drug/alcohol testing shall be given a copy of this policy prior to being tested and the Union shall be advised when an employee is to be tested.

Section 7. Employees testing negative for drugs or alcohol shall be returned to work with no loss of pay, benefits or seniority.

ARTICLE 5: DRUG/ALCOHOL TREATMENT

Section 1. Employees who voluntarily come forward seeking treatment, shall be offered enrollment in a drug/alcohol treatment program as an alternative to discharge/discipline. They shall be entitled to receive treatment benefits pursuant to the terms of the Local 701 Health and Welfare Fund. An employee will be offered rehabilitation only once in lieu of disciplinary action unless extraordinary circumstances warrant otherwise.

Section 2. A professional diagnostician shall interview the employee and determine whether inpatient or out-patient treatment is required. The employee must enter the treatment program within 72 hours from the time that the positive test results were made known to him/her, or twenty-

four (24) hours from receipt of the determination from the diagnostician, which ever comes first.

Section 3. If it is necessary for an employee to be off work to receive this treatment, he/she shall be given an unpaid leave of absence of up to forty five (45) days during which time the Company shall continue to pay Health and Welfare and Pension contributions as provided in the collective bargaining agreement.

ARTICLE 6: RETURN TO WORK

Section 1. The Company shall reinstate an employee who is off work to receive drug or alcohol treatment provided that:

- A. The employee submits a physicians's statement certifying he/she has successfully completed the treatment program; and
- B. The employee is released to return to work within forty-five (45) calendar days from the date that he/she began the treatment, unless evidence satisfactory to both parties is presented to grant an extension.

Section 2. If required as part of his/her treatment program, an employee who has returned to work must attend follow-up (aftercare) treatment sessions as long as deemed medically necessary by the supervising physician. The Company may make reinstatement to work conditional on the employee attending these meetings.

Section 3. An employee returning to work following treatment for drug or alcohol abuse will be subject to follow-up testing on a random basis up to 3 times in the 18 months following his/her return work.

Section 4. An employee who, at any time after having returned to work from a treatment program, tests positive for drugs/alcohol again shall be subject to immediate discharge.

Section 5. Employees shall accumulate seniority while on leave for drug/alcohol treatment if they successfully complete the treatment and return to work.

ARTICLE 7: RECORD KEEPING AND SEARCHES

Section 1. All records pertaining to an employee's testing or treatment for alcohol/drug abuse shall be kept strictly confidential, and shall not be revealed by the Company to anyone except under the following circumstances:

- A. Written consent is first secured from the employee;
- B. As required by law; or
- C. To defend against any grievance, arbitration, claim, lawsuit or any other action brought by an employee to challenge a test, test result, or any action taken by the Company pursuant to this policy. The Company agrees that should it be necessary to reveal the results of a drug test pursuant to this paragraph that the company will take every action possible to restrict access to the information to those individuals, agencies or courts with a need to know the information. The Company agrees that it will not reveal the identity of employees tested absent court order, protective order, or upon request of the Union pursuant to the grievance procedure.

Section 2. Employees personal effects (tool boxes, lunch boxes, clothes, persons, vehicles, etc.) shall be free from Company searches absent reasonable suspicion to believe that illegal drugs or alcohol will be found. An employee will be notified of the basis for any requested search and shall have the right to be present during any such search.

cooperate with personnel performing the test, attempts to alter any sample, or failure to provide a sufficient amount of urine or breath for testing without a medical reason for such failure);

C. Refuses to participate in alcohol or drug treatment administered in accordance with this policy after testing positive for alcohol or drugs;

D. Fails to successfully complete the treatment program.

Section 2. The Company shall not take any adverse action against any employee because of his/her participation in a treatment program on a one time basis.

ARTICLE 9: OTHER

Section 1. Nothing in this policy shall limit or remove any rights of employees or the Company under the collective bargaining agreement or any state or federal laws.

Section 2. The Company agrees to hold the Union harmless and to bear any expenses incurred by the Union in defending litigation arising out of the employer's activities in carrying out this drug/alcohol testing policy.

Section 3. Neither the Company nor the Union shall make any changes in this policy or its administration without prior written consent from the other party.

APPENDIX "A-6" NCDC MEMBERS

A current list of NCDC dealers are on file with Automobile Mechanics' Local # 701 and the NCDC Representative James F. Hendericks

This was omitted out of Art. 13 -

Management Responsibility - Sect. 2

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 forty-five (45) days after the work was completed by the technician.