

COLLECTIVE AGREEMENT

BETWEEN

RICHMOND CHRYSLER DODGE JEEP LTD.

AND

**AUTOMOTIVE LODGE 1857, INTERNATIONAL ASSOCIATION OF
MACHINISTS AND AEROSPACE WORKERS**

EFFECTIVE DECEMBER 7, 2013 TO AND INCLUDING DECEMBER 6, 2017

THIS AGREEMENT MADE AND ENTERED INTO BY AND BETWEEN:

RICHMOND CHRYSLER DODGE JEEP LTD.

(Hereinafter referred to as the Company)

- AND -

**AUTOMOTIVE LODGE 1857, INTERNATIONAL ASSOCIATION OF
MACHINISTS AND AEROSPACE WORKERS**

(Hereinafter referred to as the Union)

**EFFECTIVE FROM:
DECEMBER 7, 2013 TO AND INCLUDING DECEMBER 6, 2017**

All parties to this agreement hereby commit themselves to the fullest cooperation with the object of maintaining efficient and uninterrupted service in the plant(s) of the Company.

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SECTION 1 - PURPOSE

- 1.01** The purpose of this Agreement is to maintain a harmonious relationship between the Company and the employees; to define clearly the rates of pay and other conditions of employment; to provide for an amicable method of settling differences which may from time to time arise; to maintain an efficient operation and to ensure that the operation is not interrupted as a result of labour disputes between the parties hereto. It is acknowledged by the parties hereto that the foregoing matters are in the mutual interest of the Union, the employees and the Company.

SECTION 2 - UNION SECURITY AND RECOGNITION

- 2.01** This Agreement applies to employees in the bargaining unit for which the Union is certified under the Labour Code.
- 2.02** Any person performing work with the tools of a trade or classification covered by this Agreement shall, if working more than fifty (50) percent of a pay period with said tools, be considered part of the bargaining unit. No employee in the bargaining unit will be displaced as a result of this paragraph.
- 2.03** The Company recognizes the Union as the exclusive bargaining agent for the employees covered by this Agreement.
- 2.04** All employees within the bargaining unit as defined by the Certificate of bargaining authority, who are members of the Union, or who may, during the term of this Agreement, become members of the Union, shall as a condition of employment retain membership in good standing for the duration of this Agreement. In the event that any employee affected by the foregoing fails to pay his/her monthly dues, initiation and/or reinstatement fee, the Company shall discharge such employee within five days of receipt of written notice from the Union that he/she has not complied with this paragraph and/or that he/she is in arrears in accordance with the Union constitution.
- 2.05** The Company shall be free to hire new employees who are not members of the Union with the provision that all new employees upon being hired shall be required to sign an application for membership in the Union and a checkoff authorization before commencing work. The application for membership and the checkoff authorization for deduction of monthly Union dues and initiation or reinstatement fee shall be completed by the employee and immediately be returned to the Company's personnel department which will, without any undue delay, forward the application for membership and checkoff authorization to the Union Office. The authorization and application for membership forms will be supplied by the Union. Union dues shall be deducted from the wages of any employee who works the major portion of any calendar month. Statutory Holidays and vacations are considered days worked for the purpose of this Section.

- 2.06** Upon receipt of a signed authorization from the employee, the Company agrees to deduct and pay over to the Secretary Treasurer of the Union any initiation fee, reinstatement fee, the monthly dues of the Union and/or any other amounts that may be specified by the Union from time to time. The Company agrees to make such deductions from the employee's first pay cheque each month and to forward these deductions (together with a list of the employees and the amount deducted from each employee) to the Union office in such a way that they are received in the Union office by the end of the month for which the deductions were made. In the event of an omission of employees from the checkoff list of Union dues deductions, the Company shall state the reason for such omission.
- 2.07** The Union recognizes and agrees that the Company's obligation to deduct Union dues and/or Union initiation or reinstatement fees under this article is expressly limited to making such deductions as are permitted by law and by the valid written assignment of each employee.
- 2.08** The Union shall indemnify the Company and hold it harmless against any and all suits, claims, demands, and liabilities that may arise by reason of any action taken by the Company for the purposes of complying with any section of this article.
- 2.09** When hiring new employees, the Company will give consideration to calling the Union office. The Company may, at its sole discretion, hire or refuse to hire a person referred to it by the Union.
- 2.10 Harassment**

The Company and the Union recognize the right of employees to work in an environment free from harassment as set out in the B.C. Human Rights Code and agree that harassment will not be tolerated in the work place.

SECTION 3 - MANAGEMENT RIGHTS

- 3.01** The Union recognizes and agrees that except as expressly restricted or modified by this Agreement, all of the rights, powers, and authority which the Company had prior to the signing of this Agreement are retained solely and exclusively by the employer.
- 3.02** Without limiting the generality of Section 3.01, it is agreed that the Company has the following rights:
- (A) The hiring, direction of, and assignment of work to the employees;
 - (B) The right to promote, demote, transfer and lay off employees;
 - (C) The right to suspend, discipline and discharge employees for just cause;
 - (D) The evaluation of job performance;
 - (E) The establishment of job classifications;
 - (F) The making, publication, and enforcement of rules for the promotion of safety, efficiency and discipline, and for the protection of employees, customers, records, equipment, inventory and operations;

- (G) Determination of the number of employees to be employed at any time and the duties to be performed;
- (H) Scheduling daily and weekly hours of work.

3.03 Except as expressly provided herein, the exercise by the Company of any right, power, or discretion, preserved or vested in the Company by this Agreement shall be final and shall not be subject to any limitation or restriction, however this paragraph shall not be construed as barring an employee from recourse to the grievance procedure herein.

SECTION 4 - UNION REPRESENTATION

- 4.01** The Union representative(s) shall be allowed access to the Company's premises during the lunch period on routine matters for the purpose of communicating with employees who are on their lunch breaks, or at any other time during normal business hours for the purpose of conducting other routine business, provided the Union first obtains the Company's permission, which permission shall not be withheld unreasonably.
- 4.02** Neither the Union nor employees will engage in Union activities during working hours, except as expressly permitted by this Agreement.
- 4.03** No person shall solicit membership in the Union or in any other labour organization, or collect money for other support for the Union or for any other labour organization on the job or during an individual's working hours on the job or during an individual's working hours on the Company's premises.
- 4.04** New employees shall be introduced to their department shop steward on their first day of work.

SECTION 5 - STRIKES AND WORK STOPPAGES

- 5.01** There shall be no strikes, lockouts, walk-outs, work stoppages, slow downs, or interruptions of work of any kind for any purpose, except as permitted by the Industrial Health and Safety Regulations under the Workers' Compensation Act, while this Agreement is in force.
- 5.02** The Union will not authorize encourage or condone, and will make all reasonable efforts to prevent the occurrence of any strikes, walk-outs, work stoppages, slow downs, or interruptions of work of any kind while this Agreement is in force. In the event that any strike, walk-out, work stoppage, slow down or interruption of work of any kind should occur while this agreement is in force, the Union will make every reasonable effort to persuade the employees to cease engaging in such activity and return to normal work.

SECTION 6 - HOURS OF WORK

- 6.01** The regular working day shall consist of eight consecutive hours scheduled between the hours of 7:00 a.m. and 6:00 p.m. The regular working week shall consist of forty (40) hours, with two (2) consecutive days off, one being Sunday.

- 6.02** The determination of regular starting and stopping times for work shall be made exclusively by the Company and may be changed by the Company from time to time to suit its varying needs and the needs and practices of its customers, upon three working days notice to employees affected by the change.
- 6.03** Nothing in this Section shall be construed as a guarantee of work or pay, or of hours of work per day or per week, or of days of work per week. This Section, so far as it addresses working hours is intended only to outline the normal or regular hours of work.
- 6.04** Employees shall be given a half (1/2) hour unpaid lunch break and two (2) ten (10) minute paid breaks each day. No employee shall be required to work during his/her designated lunch period.
- 6.05** Employees shall be allowed necessary time during working hours for the purpose of returning tools, parts, and equipment belonging to the Company to the stores or crib before the end of each shift.
- 6.06** Any scheduled shift which ends after 6:00 P.M. shall be considered a second shift for which all employees working on this shift shall receive a shift premium of one dollar (\$1.00) for each hour worked on this shift.

For employees hired after August 1st, 1997, any scheduled shift which ends after 9:00 p.m. shall be considered a second shift for which they will receive a shift premium of one dollar (\$1.00) for each hour worked.

- 6.07** Employees under Schedule "A" may not be laid-off during a work week, but may be laid-off without notice at the completion of the work week, except that short-term lay-offs (with at least one hour's notice) may be carried out and will not be considered a violation of this agreement provided that no employee will receive less than thirty (30) hours pay in a week as a result of such short term lay-offs. Subject to other employees being available who could perform the work available, short term lay-offs will not apply until probationers are laid off.

SECTION 7 - WAGES AND OVERTIME

- 7.01** Except as otherwise provided herein, wages shall be paid in accordance with Schedule "A" hereto.
- 7.02** The Company may, at its discretion, pay wages to an employee at a rate higher than that specified in Schedule "A".
- 7.03** An employee performing work classified at a higher rate of pay shall receive such higher rate while occupying the said classification, provided the employee works more than two (2) consecutive hours in the higher classification.
- 7.04** Wages shall be paid twice monthly with a maximum of five (5) working days' pay held back. Employees will be given a statement of all hours, indicating rate of pay, overtime hours, earnings, vacation accrual and deductions, covering each pay period. Wages shall be paid during working hours.

- 7.05** Time worked in excess of eight (8) hours per day shall be considered overtime, provided the excess time is approved by the Company.
- 7.06** Time worked in excess of forty (40) hours per week, but excluding from the calculation hours worked in excess of eight (8) in a day, shall be considered overtime provided the excess time is approved by the Company.
- 7.07** Overtime shall be paid at the rate of one and one-half (1 1/2) times the regular wage rate for hours worked in excess of eight (8) hours in a day. Overtime will be paid at a rate of double the regular wage rate of the employee concerned for hours worked in excess of ten (10) in a day.
- 7.08** Overtime will be paid at a rate of one and one-half (1 1/2) times the regular wage rate of the employee concerned for hours worked in excess of forty (40) hours in a week excluding from the calculation hours worked in excess of eight (8) in a day. Overtime shall be paid at a rate of double the regular wage rate of the employee concerned for hours worked in excess of forty-eight (48) in a week, excluding from the calculation hours worked in excess of eight (8) in a day, and for hours worked on Sundays.
- 7.09** Notwithstanding anything to the contrary in this Section, overtime for work during stocktaking periods not more than twice per year will be paid at the employee's regular straight time rate for the first four (4) hours of overtime work on a Saturday and one and one-half (1 1/2) times the employee's regular straight time for subsequent overtime work on Saturday and Sunday.
- 7.10** No premiums shall be included with rates of pay in the calculation of overtime pay.
- 7.11** Employees may be required to work overtime, provided that they are given at least two (2) hours prior notice.
- 7.12** All employees working on Saturday shall receive eight (8) hours pay for seven and one-half (7 1/2) hours of work. In order to receive the above premium an employee is required to complete the seven and one-half (7 1/2) hour shift.

SECTION 8 - STATUTORY HOLIDAYS

- 8.01** All employees shall receive eleven (11) statutory holidays and one (1) 'floater' day with pay at their regular straight time rate. The 'floater' day will be granted on a day or half (1/2) day(s) by the company on a day or (1/2) day(s) mutually acceptable to the company and the employee.

New Years' Day	Family Day	Good Friday
Victoria Day	Canada Day	B.C. Day
Labour Day	Thanksgiving Day	Remembrance Day
Christmas Day	Boxing Day	

or any other holiday proclaimed by the Provincial or Federal Government when the Company is forced by legislation to close down its operation.

- 8.02** Notwithstanding Section 8.01, an employee shall not be paid for a statutory holiday unless he/she has worked his/her last regularly scheduled work day before the statutory holiday and has worked his/her first regularly scheduled work day after the statutory holiday, unless the Company and employee mutually agree otherwise. In cases of sickness the Company may require the employee to provide a doctor's certificate. Statutory holiday pay will not be paid to an employee who is on layoff on the statutory holiday, providing the layoff exceeds five consecutive working days.
- 8.03** When a statutory holiday falls on an employee's regular day off, he/she shall take off the closest regularly scheduled working day prior to or following such statutory holiday at his/her regular straight time rate. If the Company decides to open its business on either of these days it shall give two weeks notice of such decision to the employees, and such employees to be retained to work will be requested to work on the following terms:
- (A) First, on a voluntary basis;
 - (B) Second, by seniority in the classification.
- 8.04** An employee who works on a statutory holiday shall be paid at one and one-half (1 1/2) times his/her regular straight time rate in addition to any statutory holiday pay provided under this Section.

SECTION 9 - ANNUAL VACATIONS

- 9.01** Employees shall be entitled to annual vacations as set out in this Section. Each employee's vacation year commences with the anniversary date of his/her employment. Vacation pay shall be calculated at the appropriate percentage of gross wages during the vacation year in which the vacation was earned.
- 9.02** Upon completion of one (1) year of continuous service, an employee shall be entitled to ten (10) consecutive working days paid vacation, to be paid at a rate of four (4%) percent.
- 9.03** Upon completion of three (3) years of continuous service, an employee shall be entitled to fifteen (15) working days paid vacation, to be paid at a rate of six (6%) percent.
- 9.04** Upon completion of ten (10) years of continuous service, an employee shall be entitled to twenty (20) working days paid vacation, to be paid at a rate of eight (8%) percent.
- 9.05** Upon completion of twenty (20) years continuous service, an employee shall be entitled to twenty-five (25) working days paid vacation, to be paid at the rate of ten (10%) percent.
- 9.06** Except for the first fifteen (15) days of vacation in a year, employees may not take vacations to which they are entitled in continuous periods of more or less than one (1) week unless mutually agreed by the Company and the employee.
- 9.07** The Company will post vacation schedules in each department during the first week of January in each year. Employees shall select their vacation periods by March 1st, and the Company shall confirm the vacation scheduling by April 1st in each year. Conflicts will be resolved by seniority.

- 9.08** Vacation must be taken within the twelve (12) months following the vacation year in which it was earned. Vacation entitlement cannot be banked or carried over from year to year.

SECTION 10 - LEAVES OF ABSENCE

- 10.01** A leave of absence without pay may be granted to one employee for the purpose of attending to Union business, provided that, in the opinion of the Company, the Company's work requirements will allow for such leave. The Union will request such leave at least one (1) month in advance of the first day of the leave requested, or such lesser period as may be agreed to by the Company and the Union.
- 10.02** In the case of death in the immediate family, an employee shall be granted up to three (3) day's leave of absence with pay. The term "immediate family" shall mean spouse, parents, sons, daughters, brothers, sisters, grandparents, mother-in-law and father-in-law.
- 10.03** Employees who are required by subpoena to serve as jurors or witnesses in any court shall be granted leave of absence for the required days of attendance. An employee granted leave under this Section shall be paid an amount equal to the regular straight time pay he/she would have received if he/she had worked as scheduled, less any amount of money received for jury or witness duty.
- 10.04** An employee with ten (10) or more years' continuous employment may be granted up to one (1) month's leave of absence, without pay, for personal reasons, upon written application. Such leave may be granted at the employer's discretion.

SECTION 11 - GRIEVANCE PROCEDURE

- 11.01** The purpose of this Section is to provide a procedure for the final and conclusive settlement without stoppage of work of all disputes between the parties hereto respecting the interpretation, application, operation or alleged violation of this Agreement or the dismissal or discipline of an employee covered by this Agreement.

Except as provided in Section 11.03, all grievances must be filed in writing with the Shop Steward and the Company within five (5) working days of the incident giving rise to the grievance. The procedure for settling disputes as follows:

STEP 1:

The grievor(s), with the appropriate Shop Steward in attendance, will submit the grievance in writing to the foreperson or department manager within five (5) working days after the incident giving rise to the grievance. The grievor, Shop Steward and foreperson or manager will discuss the grievance at that time. The foreperson or manager will give his/her decision to the grievor in writing within three (3) working days following the presentation of the written grievance to him/her.

STEP 2:

If the foreperson or manager does not render a decision within three (3) working days following presentation of the written grievance, or if no settlement is reached within that time, the Shop Steward of the Union and the grievor will present the grievance in writing, signed by the grievor and the Shop Steward, to the general manager or designate within five (5) working days from the time by which the foreperson or manager gave or was required to give a decision in writing. The general manager or designate shall meet with the Shop Steward within two (2) working days following presentation of the signed grievance under this step and he/she shall deliver a written response within two (2) working days following such meeting.

STEP 3:

In the event that the general manager or designate does not render a decision within two (2) working days following his/her meeting with the Shop Steward described in Step 2, or if no settlement is reached within that time, then the grievance will be discussed by the highest Company official or officials, designated by the Company to handle such matters and the Union Business Representative.

STEP 4:

Failing agreement, the grievance may be submitted to Arbitration as defined herein this Article commencing at Article 11.06.

- 11.02** The Shop Steward shall be allowed a reasonable amount of time during working hours to investigate and/or process submitted grievances with no loss of pay or benefits.
- 11.03** A policy grievance may be initiated by the Company or the Union at any time by the submission of a written grievance to the Business Representative of the Union or a manager, as the case may be. It shall be subject to the provisions of this Section and shall commence at Step 2.
- 11.04** Time limits set out in this Section may be extended by mutual agreement of the Company and the Union, to be confirmed in writing, such agreement not to be unreasonably withheld. Failure of the Company to answer a grievance within the time limits specified in Steps 1 or 2 automatically advances the grievance to the next step.
- 11.05** Any agreement reached between the Company and the Union under the grievance procedure at any stage in the grievance procedure shall be final and binding upon the Company and the Union and the grievor.
- 11.06** Where a matter is referred to arbitration in accordance with this Section, it shall be heard by a single arbitrator to be agreed upon by the parties within ten (10) working days of the referral to arbitration. In the event that the Company and the Union are unable to agree to an arbitrator within the time prescribed, either party may request the Minister of Labour for the Province of British Columbia to appoint an arbitrator.

11.07 An arbitrator shall not have jurisdiction to add to, delete from, change or modify any of the provisions of this Agreement or make any decision inconsistent with the provisions of this Agreement. The arbitrator shall not have jurisdiction to award costs to either party.

11.08 The Company and the Union shall each bear one-half (1/2) of the cost of the arbitrator. Each party shall bear its own costs.

SECTION 12 - PROBATIONARY EMPLOYEES

12.01 New employees shall serve a probationary period which shall not exceed three calendar months but which may, at the Company's discretion, be less than three months.

12.02 The employment of a probationary employee may be terminated by the Company at any time during his/her probationary period for any reason, at the discretion of the Company, but nothing in this paragraph shall be construed as barring an employee from recourse to the grievance procedure herein.

SECTION 13 - SENIORITY

13.01 Prior to August 1st, 1985, seniority shall mean the length of continuous employment with the Company. Effective August 1st, 1985, seniority shall mean the length of continuous membership in the Union while employed with the Company.

13.02 An employee who is promoted out of the bargaining unit will be credited with fifty (50%) percent of his/her seniority accumulated while in the bargaining unit upon his/her return. Seniority will not be accumulated while out of the bargaining unit.

13.03 An employee shall lose all seniority and have no rights under this Agreement if he/she:

(A) Voluntarily resigns or quits;

(B) Is discharged for just cause and not reinstated as a result of grievance or arbitration procedures;

(C) When laid off, fails to report to work within three (3) working days of being recalled by telephone and registered letter;

(D) Is laid off for a continuous period of:

(1) Three (3) months if employed continuously for less than a year before the layoff;

(2) Six (6) months if employed continuously for more than a year but less than five (5) years before the layoff; or

(3) Nine (9) months if employed continuously for more than five (5) years before the layoff.

- (E) Is absent without leave from work for five (5) days without providing the Company with a reasonable excuse during that time;
- (F) In the case of absence due to sickness or accident or while covered by Workers' Compensation, fails to report for work immediately when he/she is declared fit for work;
- (G) Physically assaults a customer, a patron, or a non-bargaining unit person on the work site without provocation justifying the assault;
- (H) Deliberately falsifies work, time cards, or Company records;
- (I) Pilfers or steals the Company's property; or pilfers or steals a customer's property from the Company's premises.

13.04 The Company will provide the Union with a current seniority list of the employees in the bargaining unit upon the request of the Union, not more than once every three (3) months.

SECTION 14 - LAYOFF AND RECALL

14.01 In layoffs and recall, the principle of seniority shall be followed, provided that only employees who possess the qualification and ability which are necessary to perform the available work will be retained or recalled.

SECTION 15 - GENERAL

15.01 The Company will provide protective clothing and equipment to all employees whose duties entail work that may be injurious to their clothing and/or person as required by the Industrial Health and Safety Regulations under the Workers' Compensation Act.

Employees in the classifications of Lube Person, Apprentice, Journeyperson Mechanic, Certified Bodyperson and Painter, who have worked a minimum of one (1) year for the Company and are required by WCB or the Employer to have approved safety footwear, shall be entitled on his/her anniversary date to an allowance for safety footwear upon providing a proper proof of purchase receipt.

The total maximum that an employee may claim under this article for Boot and Tool Allowance is five hundred dollars (\$500.00).

Employees in the classifications of Parts Driver or Wash Person upon qualification, as set out above, will receive a maximum allowance for safety footwear of one hundred and fifty dollars (\$150.00), upon providing a proper proof of purchase receipt.

15.02 All uniforms and coveralls required by the Company to be worn by employees shall be supplied free of charge by the Company.

- 15.03** Employees are required to take reasonable care of clothing, equipment, and tools supplied by or owned by the Company and prevent wasteful use.
- 15.04** The Company will provide washing facilities including washbasins, hot and cold water, hand cleanser and towels.
- 15.05** Clothes lockers of suitable size shall be provided by the Company for the protection of employees' clothes and personal belongings.
- 15.06** The Company will provide lunch space(s) of sufficient size to accommodate the employees.
- 15.07** The Company will take all reasonable steps to ensure that the work place is adequately heated and ventilated.
- 15.08** Employees required by the Company to report for work outside the Company's premises shall be paid for all travelling time and will be reimbursed for transportation and reasonable incidental expenses.
- 15.09** Employees required by the Company to report for work outside the City limits, which necessitates their being absent from their homes overnight, shall be paid for all travelling time up to a maximum of eight (8) hours in each twenty-four (24) hours required to travel to and from the job, and will be reimbursed for reasonable transportation, hotel and meal expenses. In addition, a premium bonus of twenty-five cents (\$.25) per hour shall be paid to the employees for all time actually spent on the job. Where travelling time is paid under this Section, it shall be paid at the employee's regular straight time rate.
- 15.10** No employee shall undertake any work outside the Company's premises which could be construed in any way as competitive with the Company. Violations of this Section shall be subject to discipline by the Company, or the Union or both. Following investigation, violators may be warned, suspended or terminated by the Company at the Company's discretion. Repeated violation shall be deemed to be just cause for dismissal and may result in suspension from the Union.
- 15.11** No employee shall leave the premises for any purpose during his/her working hours without first securing permission from his/her foreperson or department manager. Where an employee is required by the Company to work outside the Company's premises, the foreperson or manager shall give such employee definite instructions as to his/her duties and the requirements for permission to leave.
- 15.12** Refusal by an employee to sign any authorization for deduction from wages, except as provided in this Agreement, shall not be cause for dismissal.
- 15.13** The Company shall not require any employee to cross a legal picket line.
- 15.14** The employer shall provide, at no cost to the employee, tool insurance as follows:
- (A) Maximum coverage - \$25,000.00
 - (B) Deductible \$1000.00 to be paid by the employee.

- (C) The insurance shall cover loss by fire, or theft, upon evidence provided as per normal insurance regulations. The mysterious disappearance of tools shall not be covered. Insurance shall cover tools on the premises of the Company, or while being used by the employee while outside the Company's premises under the direction of the Company.
- (D) Employees who do not provide up-to-date inventory lists will not be covered under this article. In these situations the employee will not be entitled to tool replacement, under this article.
- 15.15** The parties agree to the exclusion of Section 50 subsection (2) and (3) of the British Columbia Labour Relations Code.
- 15.16** A labour-management relations committee shall be established, consisting of two employees, to be elected by the members of the bargaining unit, and two representatives of the employer. The committee shall meet monthly, and may meet on the request of any Committee member, for the purpose of discussing matters of mutual concern. Such meetings shall not exceed two (2) hours per month, except by unanimous vote of the Committee, and may be held during working hours. The Committee shall establish an agenda prior to each meeting, and discussion will be limited to topics on the agenda. Time spent by employees during working hours in carrying out the functions of the Committee in accordance with this Section shall be considered time worked.
- 15.17** The Company agrees to provide adequate space, in a permanent location, acceptable to the Union, for a bulletin board. The bulletin board shall be supplied by the Union, to remain the property of the Union for the sole use by the Union for the purpose of conveying information by notice or letter to its members in the plant(s). The Union agrees that the bulletin board shall not be used for the dissemination of political propaganda or advertising matter not relating directly to Union business.
- 15.18** If required by law, the Company agrees to employ a person who will act as a first aid attendant. If such person is a member of the bargaining unit he/she will be paid thirty dollars (\$30.00) per week, while acting in such capacity, in addition to the employee's regular wage rate.
- 15.19** The Company agrees to pay an amount equal to three (3) days of weekly indemnity payment, in addition to regular benefits, to employees who are on weekly indemnity benefits and have been off work for a period of at least four (4) calendar days due to illness.
- 15.20** The Company agrees to recognize Maternity/Paternity leave benefits in accordance with the provisions of the Employment Standards Act of B.C.
- 15.21** The Company has the right to introduce any technological change as defined below into its operations. However, the Company will endeavour to give the Union reasonable notice of any technological change which likely will result in employees being displaced from their jobs.

Technological Change Definition:

"Technological Change" for the purposes of this Agreement means:

- (A) The introduction by the Company into the workplace, undertaking or business of equipment or material of a different nature or kind than that previously used by the Company in the workplace, undertaking or business, or
- (B) a change in the manner, method or procedure in which the Company carries on the work, undertaking or business that is related to the introduction of that equipment or material,
- (C) it is, however, agreed that "technological change" does not include normal layoffs resulting from a decrease in the amount of work to be done.

Employees who are displaced from their jobs as a direct result of technological change shall be given an opportunity to fill any vacancy for which they have the necessary seniority and ability. Should no vacancy exist, displaced employees shall have the right to displace less senior employees provided they have the qualifications and ability to efficiently perform the requirements of the jobs.

15.22 Training

All employees attending training programs on behalf of the Company, or as an employment requirement, excluding apprenticeship schools, shall be entitled to full regular wages. The Company shall be responsible for the cost of the program examination fees, and for travel, accommodation and meals if travelling out of the Lower Mainland. Any allowance received from government or other agencies shall be deducted from the "full regular wages".

Any employee undertaking training on his/her sole initiative, though it be related to his/her employment, will not be entitled to payment of wages for such training. The cost of the program may be reimbursed by the Company if prior mutual agreement is reached.

With the prior approval of the Company, an employee may undertake training work at home that will be paid at straight-time rates. It is understood and agreed that payment for such "work at home" is subject to successful completion with a passing score and meeting the recommended completion time of the given program.

15.23 Harassment Free Workplace

The Company will ensure a Harassment free workplace. This will include but not limit conduct that has the purpose or the effect of substantially interfering with an individual's work performance or creating an intimidation, hostile, humiliating or offensive working environment.

SECTION 16 - BENEFITS

16.01 The Company will make available to the employees the following plans:

- (A) Group Life Insurance;
One (1) times annual earnings, up to a maximum of \$350,000.
- (B) Weekly Indemnity;
67% of weekly earnings to the EI maximum (\$625.00) on the basis of pay for the first day of accident, the fourth day of illness, for seventeen (17) weeks.

- (C) Long-term Disability;
To provide a benefit of 66.7% of the first \$2,250.00 of monthly earnings plus 50% of the balance of monthly earnings to a maximum benefit of \$3,000.00 per month.
- (D) Medical Services Plan and Extended Health Benefits;
As currently provided and effective December 7, 2013 to include optical plan that provides two hundred and fifty dollars (\$250.00) every two (2) years for employees only.

Eye exams will be covered once every two (2) years to a maximum of seventy-five (\$75.00) dollars.
- (E) Dental Plan;
Plan A 80% - Frequency of services: 6 months
Plan B 50%
Plan A & B combined annual maximum - \$1500.00
- (F) Accidental Death and Dismemberment.
As currently provided.

16.02 Premiums for such plans will be paid sixty percent (60%) by the Company and forty percent (40%) by the employee. The employee's contribution shall be deducted from his/her wages. The employee's share of the benefit plan premiums shall be allocated on the following basis:

- (A) 1st to pay 100% of the Weekly Indemnity premium.
- (B) 2nd to pay 100% of the Long Term Disability premiums.

Any additional monies shall be utilized toward the other benefits.

16.03 If an employee is off work due to a layoff or sickness, the Company shall pay its share of the premiums for the first calendar month during which the layoff or sickness occurs. If the employee wishes to retain coverage during subsequent months of layoff or sickness, the employee must pay the entire premiums and must make arrangements with the Company for payment of the premiums.

16.04 When an employee is on Workers' Compensation, the Company shall continue to pay its share of the premiums provided that the employee continues to pay his/her share of the premiums.

16.05 Doctor's Certificates

When a doctor's certificate is required to support a claim for benefits under Article 8.02, the cost of such certificate shall be borne by the Company.

SECTION 17 - SAVINGS

17.01 Should any part hereof or any provision herein contained be rendered or declared invalid by reason of any existing or subsequently enacted legislation or by any decree of a court of competent jurisdiction,

such invalidation of such part or portion of this Agreement shall not invalidate the remaining portions and such remaining portions shall continue in full force and effect.

SECTION 18 - DURATION

18.01 This Agreement shall be effective from December 7th, 2013 to December 6th, 2017 and from year to year thereafter subject to the right of either part to the Agreement, within four months immediately preceding the date of the expiry of this Agreement, or immediately preceding the last day of July in any year thereafter, by written notice, to require the other Party to the Agreement to commence collective bargaining.

Should either party give written notice aforesaid, this Agreement shall thereafter continue in full force and effect and neither party shall make any change in the terms of the said Agreement (or increase or decrease the rate of pay of any employee for whom collective bargaining is being conducted or alter any other term or condition of employment) until:

- (A) The Union shall give notice to strike (or until the Union goes on strike) or,
- (B) The Company shall give notice of lockout (or the Company shall lock out its employees) or,
- (C) The Parties shall conclude a renewal or revision of this Agreement or enter into a new Collective Agreement,

whichever is the earliest.

SIGNED AT _____, B.C.

SIGNED AT _____, B.C.

THIS ____ DAY OF _____, 2014.

THIS ____ DAY OF _____, 2014.

FOR THE COMPANY:

FOR THE UNION:

RICHMOND CHRYSLER DODGE JEEP LTD.

**AUTOMOTIVE LODGE 1857
INTERNATIONAL ASSOCIATION OF
MACHINISTS AND AEROSPACE
WORKERS**

UNION REPRESENTATIVE

CLASSIFICATIONS AND WAGE RATES - SCHEDULE "A"

<u>CATEGORY:</u>	<u>EFFECTIVE:</u> Dec. 7/2013 <u>PER HOUR</u>	<u>EFFECTIVE:</u> Dec. 7/2014 <u>PER HOUR</u>	<u>EFFECTIVE:</u> Dec. 7/2015 <u>PER HOUR</u>	<u>EFFECTIVE:</u> Dec. 7/2016 <u>PER HOUR</u>
CERTIFIED JOURNEYPerson MECHANICS	\$ 33.12	\$ 33.53	\$ 34.03	\$ 34.54
CERTIFIED JOURNEYPerson MECHANICS (Chrysler Skill Level 2 training achieved while performing warranty work will be paid):	\$ 33.45	\$ 33.87	\$ 34.37	\$ 34.89
CERTIFIED JOURNEYPerson MECHANICS (Chrysler Skill Level 3 training achieved while performing warranty work will be paid):	\$ 33.78	\$ 34.20	\$ 34.71	\$ 35.23

APPRENTICES:

Apprentices may be employed at the trade in the ratio of one (1) apprentice to every four (4) Journeypersons. Any change of this ratio due to shortage of qualified mechanics must be mutually agreed to by both Parties.

1st 6 months	50% of Journeyperson rate
2nd 6 months	55% of Journeyperson rate
3rd 6 months	60% of Journeyperson rate
4th 6 months	65% of Journeyperson rate
5th 6 months	70% of Journeyperson rate
6th 6 months	75% of Journeyperson rate
7th 6 months	80% of Journeyperson rate
8th 6 months	90% of Journeyperson rate

Apprentices attending the required Provincial Apprenticeship School(s) shall receive seventy percent (70%) of their regular rate of pay in addition to any Government allowance(s) received while attending such school(s).

Lead Hand – Service Department

An employee appointed by the Company as a Lead Hand in the Service Department shall be paid a rate of \$55.00 each pay period (two weeks), or portion thereof if less than two weeks when acting as the Lead Hand

<u>CATEGORY:</u>	<u>EFFECTIVE:</u> Dec. 7/2013 <u>PER MONTH</u>	<u>EFFECTIVE:</u> Dec. 7/2014 <u>PER MONTH</u>	<u>EFFECTIVE:</u> Dec. 7/2015 <u>PER MONTH</u>	<u>EFFECTIVE:</u> Dec. 7/2016 <u>PER MONTH</u>
<u>CONTROL TOWER OPERATOR</u>	\$ 3,800.19	\$ 3,847.69	\$ 3,905.41	\$ 3,963.99

* Plus the Following Bonus:

- 1.575% Customer Pay Labour
- 1.575% Internal Labour
- CSI Bonus of .25% of Customer Pay Labour
- (Note: CSI is based on 3 month at or above regional average.)

SERVICE SALESPERSON

For Wage rates please refer to Letter of Understanding #7.

SERVICE SALESPERSON TRAINEE

1st 6 months	70% of Service Salesperson's Base Salary
2nd 6 months	75% of Service Salesperson's Base Salary
3rd 6 months	80% of Service Salesperson's Base Salary
4th 6 months	85% of Service Salesperson's Base Salary
5th 6 months	90% of Service Salesperson's Base Salary
6th 6 months	95% of Service Salesperson's Base Salary
Thereafter	100% of Service Salesperson's Base Salary

Service Salesperson Trainee will receive the same incentive program as a Service Salesperson.

	<u>EFFECTIVE:</u> Dec. 7/2013 <u>PER HOUR</u>	<u>EFFECTIVE:</u> Dec. 7/2014 <u>PER HOUR</u>	<u>EFFECTIVE:</u> Dec. 7/2015 <u>PER HOUR</u>	<u>EFFECTIVE:</u> Dec.7/2016 <u>PER HOUR</u>
<u>LUBE AND GENERAL SERVICEPERSON</u>	\$ 14.61	\$ 14.79	\$ 15.01	\$ 15.24
Duties to include:	Lube/Oil/Top-Up Fluids Mount, balance and repair tires Light Bulbs - Exterior Wiper Blades Minor trim work General housekeeping duties Other duties as mutually agreed by the parties			
<u>WASHERS AND LOT PERSONS</u>	\$ 12.70	\$ 12.86	\$ 13.05	\$ 13.25
<u>QUALIFIED PARTSPERSON</u>	\$ 29.26	\$ 29.63	\$ 30.07	\$ 30.52

PARTS APPRENTICES:

1st 6 months	50% of Qualified Partsperson
2nd 6 months	55% of Qualified Partsperson
3rd 6 months	60% of Qualified Partsperson
4th 6 months	65% of Qualified Partsperson
5th 6 months	70% of Qualified Partsperson
6th 6 months	75% of Qualified Partsperson
7th 6 months	80% of Qualified Partsperson
8th 6 months	85% of Qualified Partsperson

After the 8th six month period and successful completion of the B.C. Partsperson examination, Parts Apprentice qualifies as "Partsperson" and paid accordingly.

Parts Apprentices attending the Provincial Apprenticeship School(s) shall receive 70% of their regular rate of pay in addition to any government allowance(s) received while attending such school(s).

	<u>EFFECTIVE:</u> Dec. 7/2013 <u>PER HOUR</u>	<u>EFFECTIVE:</u> Dec. 7/2014 <u>PER HOUR</u>	<u>EFFECTIVE:</u> Dec. 7/2015 <u>PER HOUR</u>	<u>EFFECTIVE:</u> Dec.7/2016 <u>PER HOUR</u>
<u>TRUCK DRIVERS:</u>	\$ 13.80	\$ 13.97	\$ 14.18	\$ 14.39
<u>STOCK CLERK</u>	\$ 15.03	\$ 15.22	\$ 15.45	\$ 15.68

EFFECTIVE:	EFFECTIVE:	EFFECTIVE:	EFFECTIVE:
Dec. 7/2013	Dec. 7/2014	Dec. 7/2015	Dec.7/2016
<u>PER HOUR</u>	<u>PER HOUR</u>	<u>PER HOUR</u>	<u>PER HOUR</u>

PARTS DEPARTMENT INCENTIVE:

The Partsperson and Stock Clerk group is to have an incentive program to be based on 1% of Parts Department Gross Profit per Month.

The Truck Drivers are to have an incentive program to be based on .65% of Parts Department Gross Profit per Month.

MINORS

Minors between the ages of fifteen and eighteen may be employed in the Parts Department in the ratio of one (1) for each five (5) persons employed in the Stock Department for a probationary period of six (6) months at the truck drivers rate.

BODY SHOP JOURNEYPERSONS

Wages as per Letter of Understanding #1

BODY SHOP PREP-PERSON

\$ 14.52	\$ 14.70	\$ 14.92	\$ 15.14
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NOTE:

No provision of this agreement will be used to reduce wages or remove working conditions presently in force, it being understood that staff picnics, parties or bonuses shall not be deemed to have reference to said "working conditions". Any improved working conditions introduced by the Employer shall be excluded from the provisions of this clause.

PENSION CONTRIBUTIONS - SCHEDULE "B"

Applicable to all Classifications and Wage Rates

Pension Plan

- A. Commencing with the first day of May, 2011, and for the duration of this Collective Agreement, the Company agrees to make payment to the I.A.M. Labour-Management Pension Fund (Canada) ("the Pension Fund") for each employee performing work in a job classification covered by this Collective Agreement as follows:
1. For all hours or portion thereof for which an employee receives pay, the Company shall make a contribution in accordance with the Contribution Schedule "B" to the Pension Fund.
 2. For the purpose of this Article, each hour paid for, as well as, hours of paid holidays and other hours for which pay is received by the employee, in accordance with the Collective Agreement, shall be counted as hours for which contributions are payable.
 3. Contributions for a new, temporary, probationary, part-time and full-time are payable from the first day of employment.
- B. The Company and Union further agree as follows:
1. The payments to the Pension Fund shall be made to the I.A.M. Labour-Management Pension Fund (Canada) which was established in Canada under the Trust Agreement dated February 1, 1970 and has been signed by the Company and the Union.
 2. The Pension Plan adopted by the Trustees of the said Pension Fund shall at all times conform with the requirements of *applicable pension benefits legislation* and the *Income Tax Act* so as to enable the Company at all times to treat contributions to the Pension Fund as a deduction for Federal income tax purposes.
 3. All contributions shall be made at such times and in such manner as the Trustees require; and the Trustees shall have the authority to have an independent Certified Public Accountant audit the payroll and wage records of the Company for the purpose of determining the accuracy of contributions to the Pension Fund.
 4. If the Company shall fail to make its contributions to the Pension Fund by the fifteenth day of the following month and such default shall continue for thirty (30) working days the Company shall be liable for all expenses incurred in enforcing payment of the contributions, including reasonable attorney's fees and arbitration fees.
- C. The parties further acknowledge that no other agreement between the Company and the Union regarding pensions or retirement is in effect or will be effective during the period covered by the said Collective Agreement without the written consent of the I.A.M. Labour-Management Pension Fund (Canada). Signed copies of any renewal or extension agreements will be promptly furnished to the Pension Fund office and if not consistent with this Agreement, can be used by the Trustees as a basis for termination of participation of the Company.
- D. It is understood and agreed by both parties that, upon making its contributions to the Pension Fund in accordance with this Collective Agreement and the Trust Agreement, the Company is relieved of any and all obligations in regard to the Pension Fund.

This will confirm the agreement between the Parties that the following Pension Plan Contributions to be directed to the Pension Fund will be funded by redirecting four (4%) percent of each classifications wage rates as outlined in Schedule "A" of this agreement.

	<u>EFFECTIVE:</u> Dec. 7/2013 <u>PER HOUR</u>	<u>EFFECTIVE:</u> Dec. 7/2014 <u>PER HOUR</u>	<u>EFFECTIVE:</u> Dec. 7/2015 <u>PER HOUR</u>	<u>EFFECTIVE:</u> Dec.7/2016 <u>PER HOUR</u>
<u>CATEGORY:</u>				
CERTIFIED JOURNEYPerson MECHANICS	\$ 1.32	\$ 1.34	\$ 1.36	\$ 1.38
CERTIFIED JOURNEYPerson MECHANICS (Chrysler Skill Level 2 training achieved while performing warranty work will be paid):	\$ 1.34	\$ 1.35	\$ 1.37	\$ 1.40
CERTIFIED JOURNEYPerson MECHANICS (Chrysler Skill Level 3 training achieved while performing warranty work will be paid):	\$ 1.35	\$ 1.37	\$ 1.39	\$ 1.41
<u>APPRENTICES:</u>				
1st 6 months	50% of Journeyperson rate			
2nd 6 months	55% of Journeyperson rate			
3rd 6 months	60% of Journeyperson rate			
4th 6 months	65% of Journeyperson rate			
5th 6 months	70% of Journeyperson rate			
6th 6 months	75% of Journeyperson rate			
7th 6 months	80% of Journeyperson rate			
8th 6 months	90% of Journeyperson rate			
 <u>CONTROL TOWER OPERATOR</u>	 \$ 0.88	 \$ 0.89	 \$ 0.90	 \$ 0.91
	Plus four (4%) percent of the following Bonus plan per month to be submitted in hourly units rounded to the next highest hour.			
* Plus the Following Bonus:				
	1.575% Customer Pay Labour			
	1.575% Internal Labour			
	CSI Bonus of .25% of Customer Pay Labour			
	(Note: CSI is based on 3 month at or above regional average.)			
 <u>SERVICE SALESPERSON</u>	 \$ 0.55	 \$ 0.55	 \$ 0.55	 \$ 0.55
	Plus four (4%) percent of the following Bonus plan per month to be submitted in hourly units rounded to the next highest hour.			

Monthly Bonus based on Individual Sales paid on the 15th of each month following the month earned:

Percentage of Customer Pay Gross Profit generated as follows:

Effective Labour Rate CP	Payment Level
\$0 – \$85.99	.25%
\$86 - \$90.99	.5%
\$91 - \$95.99	.75%
\$96 - \$100.99	1.0%
\$101 - \$105.99	1.25%
\$106 - \$110.99	1.5%
\$111 +	1.75%
Plus	
% of Sales	Payment Level
\$0 - \$25,000.99	2%
\$25,001 - \$30,000.99	4%
\$30,001 - \$35,000.99	6%
\$35,001 - \$39,999.99	8%
\$40,000 +	10%

- Warranty, Service Contract, and Internal work 1% of total sales
- Bonus:

Product Sold Personally CP	Payment Level
Wheel Alignment	\$5.00
85 Point Inspection	\$5.00
Tire	\$3.00
Wiper Blades	\$2.00
Dealer Rewards	\$6.00

Monthly Bonus Based Total Service Department Team Performance:

- Percentage of Customer Sales Generated as follows:

% Of Sales	Payment Level
\$0 - \$70,000.99	.25%
\$70,001 - \$80,000.99	.5%
\$80,001 - \$90,000.99	.75%
\$90,001 - \$95,000.99	1.0%
\$95,001 +	1.25%

- \$200 Bonus for attainment of department monthly Gross Profit Forecast

SERVICE SALESPERSON TRAINEE

1st 6 months	70% of Service Salesperson's Base Salary
2nd 6 months	75% of Service Salesperson's Base Salary
3rd 6 months	80% of Service Salesperson's Base Salary
4th 6 months	85% of Service Salesperson's Base Salary
5th 6 months	90% of Service Salesperson's Base Salary
6th 6 months	95% of Service Salesperson's Base Salary
Thereafter	100% of Service Salesperson's Base Salary

Service Salesperson Trainee will receive the same incentive program as a Service Salesperson.

	EFFECTIVE: Dec. 7/2013 <u>PER HOUR</u>	EFFECTIVE: Dec. 7/2014 <u>PER HOUR</u>	EFFECTIVE: Dec. 7/2015 <u>PER HOUR</u>	EFFECTIVE: Dec.7/2016 <u>PER HOUR</u>
<u>LUBE AND GENERAL SERVICEPERSON</u>	\$.58	\$.59	\$.60	\$.61
<u>WASHERS AND LOT PERSONS</u>	\$.51	\$.51	\$.52	\$.53
<u>QUALIFIED PARTSPERSON</u>	\$ 1.17	\$ 1.19	\$ 1.20	\$ 1.22

Plus four (4%) percent of the following Incentive plan per month to be submitted in hourly units rounded to the next highest hour.

PARTS APPRENTICES:

1st 6 months	50% of Qualified Partsperson
2nd 6 months	55% of Qualified Partsperson
3rd 6 months	60% of Qualified Partsperson
4th 6 months	65% of Qualified Partsperson
5th 6 months	70% of Qualified Partsperson
6th 6 months	75% of Qualified Partsperson
7th 6 months	80% of Qualified Partsperson
8th 6 months	85% of Qualified Partsperson

<u>TRUCK DRIVERS:</u>	\$.55	\$.56	\$.57	\$.58
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Plus four (4%) percent of the following Incentive plan per month to be submitted in hourly units rounded to the next highest hour.

<u>STOCK CLERK</u>	\$.60	\$.61	\$.62	\$.63
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Plus four (4%) percent of the following Incentive plan per month to be submitted in hourly units rounded to the next highest hour.

PARTS DEPARTMENT INCENTIVE:

The Partsperson and Stock Clerk group is to have an incentive program to be based on 1% of Parts Department Gross Profit per Month.

The Truck Drivers are to have an incentive program to be based on .65% of Parts Department Gross Profit per Month.

MINORS

Minors between the ages of fifteen and eighteen may be employed in the Parts Department in the ratio of one (1) for each five (5) persons employed in the Stock Department for a probationary period of six (6) months at the truck drivers rate.

<u>EFFECTIVE:</u> Dec. 7/2013 <u>PER HOUR</u>	<u>EFFECTIVE:</u> Dec. 7/2014 <u>PER HOUR</u>	<u>EFFECTIVE:</u> Dec. 7/2015 <u>PER HOUR</u>	<u>EFFECTIVE:</u> Dec.7/2016 <u>PER HOUR</u>
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BODY SHOP JOURNEYPERSONS

\$ 1.14	\$ 1.14	\$ 1.14	\$ 1.14
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OR

Four (4%) percent of the current Wages as per Letter of Understanding #1 if greater than the above amount.

BODY SHOP PREP-PERSON

\$.58	\$.59	\$.60	\$.61
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LETTER OF UNDERSTANDING #1

between

Richmond Chrysler Dodge Jeep Ltd.

and

**International Association of Machinists and Aerospace Workers
Automotive Lodge 1857**

Subject: ICBC Rate

The Parties understand that the rate for bodywork performed is dictated by ICBC and may fluctuate up or down depending on the decisions or determinations that ICBC makes.

The current rate of compensation from ICBC is \$56.00 and may fluctuate to \$58.00. While Richmond Chrysler Dodge Jeep Ltd. is receiving a rate in this range, Body Shop employees will continue to receive their current rate as well as any general increases that occur in keeping with this Agreement. Should the ICBC rate go beyond the \$58.00 rate then the Body Shop employees will receive the appropriate percentage increase.

Should the rate from ICBC be reduced at any time the Body Shop employees will have their rate reduced by the appropriate percentage. However, the Body Shop Journey Person rate shall not be less than \$28.50 per hour.

Signed and agreed this _____ day of, _____ 2014.

Richmond Chrysler Dodge Jeep Ltd.

**International Association of Machinists and
Aerospace Workers, Automotive Lodge 1857**

LETTER OF UNDERSTANDING #2

between

Richmond Chrysler Dodge Jeep Ltd.

and

**International Association of Machinists and Aerospace
Workers Automotive Lodge 1857**

Subject: Cell Phone Use

This will confirm the agreement between the parties with regard to the growing concern around cell phone use in the workplace.

- a) It is agreed that cell phones shall not be used during working hours unless an emergency should arise.
- b) Employees shall not work on customers vehicles while on an emergency phone call.
- c) Employees shall be allowed to use their cell phones during their break periods.

Signed and agreed this _____ day of, _____ 2014.

Richmond Chrysler Dodge Jeep Ltd.

**International Association of Machinists and
Aerospace Workers, Automotive Lodge 1857**

LETTER OF UNDERSTANDING #3

between

Richmond Chrysler Dodge Jeep Ltd.

and

**International Association of Machinists and Aerospace
Workers Automotive Lodge 1857**

Subject: Statutory Holiday Pay – Salaried Employees

This will confirm that the Company has agreed that Service Advisers and the Control Tower Operator, who are paid a monthly salary, shall be paid Statutory Holiday pay based on their total compensation as referred to in Schedule "A" of this Agreement. Statutory Holiday shall be calculated based on the employee's average daily earnings in the thirty (30) day period immediately prior to the Statutory Holiday observed.

Statutory Holidays for the purposed of the above shall be those Statutory Holidays referred to in Section 8 of the Collective Agreement.

Signed and agreed this _____ day of, _____ 2014.

Richmond Chrysler Dodge Jeep Ltd.

**International Association of Machinists and
Aerospace Workers, Automotive Lodge 1857**

LETTER OF UNDERSTANDING #4

between

Richmond Chrysler Dodge Jeep Ltd.

and

**International Association of Machinists and Aerospace
Workers Automotive Lodge 1857**

Subject: Transition of the Classification of Control Tower Operator to Service Booker

This will confirm the agreement between the parties with regard to the transition of the classification of “Control Tower Operator” to that of “Service Booker”.

The parties have agreed to a transitional time period of twenty-four (24) months with the option to extend this period by mutual agreement.

As part of this agreement Mr. Darryl Goodall who is currently employed in the position of “Control Tower Operator” will receive the adjusted wage rate of twenty-six dollars and forty-four cents (\$26.44) per hour replacing the current pay scale outlined in the Collective Agreement.

When the above agreed duration expires or earlier if Mr. Darryl Goodall decides to vacate the position, the “Control Tower Operator” classification will be replaced with the classification of “Service Booker”.

Signed and agreed this _____ day of, _____ 2014.

Richmond Chrysler Dodge Jeep Ltd.

**International Association of Machinists and
Aerospace Workers, Automotive Lodge 1857**

LETTER OF UNDERSTANDING #5

between

Richmond Chrysler Dodge Jeep Ltd.

and

**International Association of Machinists and Aerospace
Workers Automotive Lodge 1857**

Subject: Semi-Retired Members

The above named Parties agree to advocate that the Employees of Richmond Chrysler Dodge Jeep Ltd. retire at the statutory retirement age of sixty-five (65) as endorsed by the Canadian Labour Congress.

However in consideration of the desire of some employees to work on a casual basis after retirement and the critical shortage of skilled Trades people available to fill job vacancies, the parties have come to this agreement that will allow these members to continue working.

Semi-retired workers will not displace regular full-time employees, and where there is sufficient work a full-time employee shall be hired.

Members in this category will be compensated as follows:

- Regular Hourly Rate, and any applicable Overtime or Premiums as set out in the Collective Agreement.
- Company Pension Plan Contribution or the equivalent rate will be added to the hourly rate, for those individuals that no longer qualify for Pension Plan Contributions.
- Vacation pay will be accrued as per the Collective Agreement.
- Statutory Holidays will be paid as per the Collective Agreement

Signed and agreed this _____ day of, _____ 2014.

Richmond Chrysler Dodge Jeep Ltd.

**International Association of Machinists and
Aerospace Workers, Automotive Lodge 1857**

LETTER OF UNDERSTANDING #6

between

Richmond Chrysler Dodge Jeep Ltd.

and

**International Association of Machinists and Aerospace
Workers Automotive Lodge 1857**

Subject: Clause 6.07

The twenty-seven (27) hour guarantee will be changed to thirty (30) hours. This change will be reviewed by the Parties on the anniversary date of the Collective Agreement.

Signed and agreed this _____ day of, _____ 2014.

Richmond Chrysler Dodge Jeep Ltd.

**International Association of Machinists and
Aerospace Workers, Automotive Lodge 1857**

LETTER OF UNDERSTANDING #7

between

Richmond Chrysler Dodge Jeep Ltd.

and

**International Association of Machinists and Aerospace
Workers Automotive Lodge 1857**

Subject: Service Advisors Pay Plan

The plan below will replace the existing terms of the Collective Agreement related to Service Advisors. It will be effective January 1, 2014.

Salary:

- Salary of \$2,400 per month paid on the last day of each month.

Monthly Bonus based on Individual Sales paid on the 15th of each month following the month earned:

Percentage of Customer Pay Gross Profit generated as follows:

Effective Labour Rate CP	Payment Level
\$0 – \$85.99	.25%
\$86 - \$90.99	.5%
\$91 - \$95.99	.75%
\$96 - \$100.99	1.0%
\$101 - \$105.99	1.25%
\$106 - \$110.99	1.5%
\$111 +	1.75%

Plus

% of Sales	Payment Level
\$0 - \$25,000.99	2%
\$25,001 - \$30,000.99	4%
\$30,001 - \$35,000.99	6%
\$35,001 - \$39,999.99	8%
\$40,000 +	10%

- Warranty, Service Contract, and Internal work 1% of total sales
- Bonus:

Product Sold Personally CP	Payment Level
Wheel Alignment	\$5.00
85 Point Inspection	\$5.00
Tire	\$3.00
Wiper Blades	\$2.00
Dealer Rewards	\$6.00

Monthly Bonus Based Total Service Department Team Performance:

- Percentage of Customer Sales Generated as follows:

% Of Sales	Payment Level
\$0 - \$70,000.99	.25%
\$70,001 - \$80,000.99	.5%
\$80,001 - \$90,000.99	.75%
\$90,001 - \$95,000.99	1.0%
\$95,001 +	1.25%

- \$200 Bonus for attainment of department monthly Gross Profit Forecast

Benefits: The standard policy as per the Collective Agreement

6 Month Wage Assurance:

- During the transition period only (January 1, 2014 thru June 30, 2014) Richmond Chrysler will pay a minimum of \$170 per day calculated on a monthly basis. i.e. If Advisor works 20 days the wage assurance will be \$3,400. If earnings are \$3,401... no wage assurance is payable. If earnings are \$3,000 \$400 in wage assurance will be paid.

This plan will be reviewed by the Parties on the anniversary date of the Collective Agreement.

Signed and agreed this _____ day of, _____ 2014.

Richmond Chrysler Dodge Jeep Ltd.

International Association of Machinists and Aerospace Workers, Automotive Lodge 1857
