

COLLECTIVE AGREEMENT

between

RICHPORT FORD LINCOLN LTD.

and

NATIONAL AUTOMOBILE, AEROSPACE,
TRANSPORTATION AND GENERAL WORKERS UNION
OF CANADA (CAW-CANADA) LOCAL 114



May 1, 2009 to April 30, 2012

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ARTICLE 1 - RECOGNITION

1.01 Union is Exclusive Bargaining Agent

The Company recognizes the Union as the sole and exclusive bargaining agency for its employees, as defined in Article 1.02 hereof, for the purpose of determining all working conditions and conditions of employment as contained in this agreement.

1.02 Definition of Employee

The term "employee" as used in and for the purpose of this Agreement shall include all employees as set out in the certification issued on August the 19th, 1997, under the Labour Code of British Columbia, and except Lot Persons.

1.03 Retention of Bargaining Unit Work

Company personnel (whose regular jobs are not in the bargaining unit) shall not work on any jobs which are included in the bargaining unit or on any jobs for which the bargaining unit has established a classification and wage rate except where such work is in keeping with the current practice, or for the purposes of stocktaking twice per year, or for emergency and incidental situations, or instruction and experimentation and testing new products, processes and equipment. It is understood that no employee will lose any scheduled hours because of such situations.

1.04 Work Retention and Sub-Contracting

The Company shall not contract out work that has regularly been done by members of the bargaining unit that would result in the layoff of an employee. In cases where an experienced and qualified employee is not available on a timely basis to perform work that is regularly done, the work may be contracted out.

ARTICLE 2 - RESERVATIONS TO MANAGEMENT

2.01 Management Rights

The Union recognizes the right of the Company to demote, transfer or discipline any employee subject to the provisions of the grievance procedure.

2.02 Consistent to the Provisions of this Agreement

The Union further recognizes the right of the Company to operate and manage its business in all respects, subject only to the provisions of this Agreement.

ARTICLE 3 - UNION SECURITY

3.01 Union Dues

(a) Deduction of Union Dues

The Company agrees to deduct once each month, from the earnings of each

employee covered by this Agreement, upon receipt of an authorization, signed by each employee, such sum by way of monthly dues and/or assessments, as may be fixed by the Local Union in writing at least thirty (30) calendar days prior to the date that the change is to take effect. The total amount so deducted, with an itemized statement of same in duplicate, shall be forwarded to the Union, prior to the fifteenth (15th) day of the month, immediately following the month in which the deductions were made in the manner provided for in Sub-Section (b) hereof.

(b) Remittance of Union Dues

Cheques shall be made payable to the Local Union Secretary-Treasurer and forwarded to the Local Union.

(c) New Employees introduced to Shop Steward

All new employees, immediately upon being hired, will be required to complete membership application and will be introduced to the appropriate shop steward.

3.02 Maintenance of Union Membership

As a condition of employment, each employee who is currently a member must maintain Union Membership in good standing. Each employee within the bargaining unit will be required to sign the prescribed authorization form authorizing the Company to implement the provisions of Section 3.01(a) hereof, and the Union agrees to indemnify the Company and hold it harmless against any claim which may arise in complying with the provisions of this Article. Deductions for new employees will start after they have worked five (5) days in a month.

3.03 Opportunity for Union to Supply Suitable Applicants

When hiring new employees, the Company will give consideration to individuals recommended by the Union.

3.04 Access by Union Representative

The Union Representative(s) shall be allowed access to the Company's premises during the luncheon period on routine matters. When it is desirable or necessary to hold a meeting during the luncheon period, or to enter the premises at any other time when the luncheon period, with the exception of posting Union notices, permission shall be first obtained from the General Manager or designate.

3.05 Shop Steward Activities

When the Company finds it necessary to lay off (long term) or discharge a Shop Steward, the Union shall be notified prior to such layoff or discharge. In the case of a long term layoff, the Company agrees to give four (4) hours' notice to the Union.

3.06 Protection Against Discipline for Refusal to Sign Authorization

Refusal on the part of any employee to sign any authorization for deduction except as provided in this Agreement shall not be cause for dismissal.

3.07 Notifying Union prior to Certain Changes

The Company agrees to notify the appropriate Shop Steward, prior to discharging, laying off, transferring, or demoting any employee covered by this agreement.

3.08 Notice Board

The Company agrees to provide a notice board for the exclusive posting of Union notices and such other information the Union wishes to communicate to its members. The Union agrees that defamatory and libellous statements concerning the Company and its Customers shall not be placed on the notice board.

3.09 Employer to Provide Copy of Collective Agreement

The Employer agrees to provide a copy of the collective agreement to all employees covered by this collective agreement.

ARTICLE 4 - HOURS OF WORK

4.01 Work Week

(a) Work Day

The regular work day is defined as eight (8) or ten (10) consecutive hours, exclusive of one-half (½) hour unpaid lunch period, between 7:00 a.m. and 7:00 p.m.

Work Week

The regular work week is defined as forty consecutive (40) hours between Monday and Saturday.

(b) Employees who work their entire shift of eight (8) or (10) hours on a Saturday, will receive a bonus payment equal to one-half (½) hour at the employee's regular straight time rate.

4.02 No Work During Lunch Period

Employees shall be given a half (½) hour unpaid lunch break. No employee shall work during his/her lunch period except in cases of a client emergency. When this is required, Management will discuss the matter with the employee prior to it occurring and the employee will be entitled to a replacement lunch at a mutually agreeable time. Should an employee, because of the direct instructions of his/her Supervisor, not receive an unpaid lunch break, then the employee will be paid the appropriate rate of pay in lieu of the lunch break.

4.03 Cleanup Time

Employees shall be allowed sufficient time during working hours to return tools, parts, etc. to the stores or crib before the end of each shift.

4.04 Rest Periods

The Company agrees to grant all employees covered by this Agreement two (2) fifteen (15) minute rest periods, each day, one in the forenoon and the other in the afternoon without loss of pay. Should an employee, because of the direct instructions of his/her Supervisor, not receive rest period, then the employee will be paid the appropriate rate of pay in lieu of the rest period.

ARTICLE 5 - OVERTIME

5.01 Definition of Overtime

Time worked in excess of eight (8) hours per day, for an eight hour shift, and time worked in excess of ten (10) hours per day, for a ten hour shift, shall be considered overtime provided the overtime is pre-approved by way of Company Policy.

Time worked in excess of forty (40) hours per week shall be considered overtime provided the overtime is pre-approved by way of Company Policy.

5.02 Overtime Rates

For an employee on an eight (8) hour shift, overtime shall be paid at the rate of time and one-half ($1\frac{1}{2}x$) for the first two (2) hours worked after the end or prior to the start of the regular shift and double time for any hours beyond the first two hours.

For an employee on a ten (10) hour shift, overtime shall be paid at the rate of double time (2X) for all hours worked in excess of ten (10) per day.

5.03 Notification

Employees shall be expected to work reasonable periods of overtime where circumstances warrant, provided that they are given at least two (2) hours prior notice of scheduled overtime or by mutual agreement between the employee and his/her Supervisor. In cases where overtime is required, the Company shall first ask for volunteers and then failing that on the basis of reverse seniority subject to ability to do the work.

ARTICLE 6 - VACATIONS

6.01 Vacation Time

- (a) Three years or less, according to Part 4 of the Employment Standards Act.
- (b) Beginning the third year of employment, holiday pay is calculated at 6% (employee can take three weeks holiday after their third completed year of employment).
- (c) Beginning the ninth year of employment, holiday pay is calculated at 8% (employee can take four weeks of holiday after their ninth completed year of employment).

- (d) Beginning the nineteenth year of employment, holiday pay is calculated at 10% employee can take five weeks after their nineteenth completed year of employment).

Vacation must be taken within twelve (12) months following the vacation year in which it was earned. All employees are encouraged to schedule and take their vacation. There will be no carry over of vacation or pay out of vacation without the specific agreement of the Employer which will be reviewed on a case by case basis.

6.02 Vacations in Advance of the Employee's Anniversary Date

By mutual consent, an employee who has completed a minimum of fifty (50) percent of his/her service time requirement in his/her vacation year (i.e. employee anniversary date to employee anniversary date) may arrange to take fifty (50) percent of his/her vacation with proportional vacation pay in advance of his/her anniversary date provided there are no conflicts with seniority. The employee would be paid one hundred percent (100%) of vacation pay earned to date.

6.03 Vacation Allotment

The following are the maximum numbers of employees by category who may be away at any one time:

Technician (except same specialty)	<u>2</u>
Apprentice	1
Lubeperson/Cleanup	1
Partsperson	1
Truck Driver	1
Service Advisor	1
Car Wash/Jockey	1
Service Administration	1

The Company agrees that more than the number of employees stipulated above may be away at any one time due to extra days being taken as a result of the provisions of Articles 6.01 or 6.06, provided adequate staff is available.

6.04 Vacation Scheduling

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 of each year. Conflicts will be resolved by seniority in that seniority will be the determining factor in allocating the first two (2) weeks of vacation entitlement.

Vacation must be taken within twelve (12) months following the vacation year in which it

was earned. Vacation entitlement cannot be banked or carried over from year to year except as stipulated in 6.07.

6.05 Disability During Vacation - Vacation Deferred

Where during his/her vacation an employee is otherwise entitled to disability benefits, he/she shall be entitled to take his/her vacation with pay or the portion thereof that has been displaced at another time or at the conclusion of his/her period of convalescence.

6.06 Stat Holiday During Vacation

Should a Statutory Holiday occur on a normal work day while an employee is on annual vacation, he/she shall receive an additional day off with pay at a mutually agreeable time between the employee and the Employer or, alternatively, a day's pay in lieu thereof.

6.07 Vacations Must be Taken

All employees are encouraged to schedule and take their vacation. There will be no carry over of vacation or payout of vacation without the agreement of the Employer which will be given reasonable consideration on an a case by case basis. In approving any vacation carry over or pay out the employee must have taken at least two (2) weeks vacation.

6.08 Vacation Pay on Termination

An employee who leaves the employ of the Company shall be paid vacation pay on severance on the following basis:

- (a) Any vacation pay outstanding in accordance with Article 6.01 up to the employee's last anniversary date.
- (b) A percentage of earnings earned for the period from the employee's last anniversary date to the date of termination based upon the following table:

Three (3) years or less service	4%
Beginning the fourth (4th) year of service	6%
Beginning the ninth (9th) year of service	8%
Beginning the twentieth (20th) year of service	10%

ARTICLE 7 - STATUTORY HOLIDAYS

7.01 Number of Holidays

All employees who have been an employee for at least thirty (30) calendar days and who meet the eligibility requirements of article 7.02 shall receive the following Statutory Holidays with pay as set out in article 7.02. The designated days shall be:

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

in addition to any other day proclaimed by the Provincial or Federal Government.

All employees who have been employed for one year are entitled to receive a "floater" day without pay each calendar year. The "floater" day will be taken on a day or half (2) day mutually acceptable to the Company and the employee.

7.02 Eligibility

To be eligible for the above Statutory Holiday pay, an employee must meet the requirements of Section 45 of the Employment Standards Act and Section 24 of the Employment Standards Regulations.

Section 45 (Employment Standards Act)

An employee who is given a day off on a statutory holiday or instead of a statutory holiday must be paid the following amount for the day off,

- (a) if the employee has a regular schedule of hours and the employee has worked or earned wages for at least 15 of the last 30 days before the statutory holiday, the same amount as if the employee had worked regular hours on the day off;
- (b) in any other case, an amount calculated in accordance with the regulations.

Section 24 (Employment Standards Regulations)

- (a) for an employee who does not have a regular schedule of hours and who has worked at least 15 of the last 30 days before a statutory holiday, by dividing the employee's total wages, excluding overtime wages, for the 30 day period by the number of days worked;
- (b) for an employee who has worked less than 15 of the last 30 days before a statutory holiday, by dividing the employee's total wages, excluding overtime wages, for the 30 day period by 15.

7.03 Stats During Regular Days Off

Employees shall receive another day off with pay for any Statutory Holiday that falls on their regular day off, either the day immediately prior or after the stat holiday except as mutually agreed between the employee and the Supervisor.

7.04 Pay in Addition to Overtime

All work performed on statutory holidays shall be paid at time and one half in addition to the days pay.

ARTICLE 8 - GRIEVANCE PROCEDURE

8.01 Grievance Steps

Any difference concerning the interpretation, application, administration or alleged violation of the provisions of this Agreement, which cannot be resolved between the Shop Steward and his/her immediate supervisor, shall be dealt with in the following manner:

- (a) Step 1 - The employee concerned may, within five (5) working days of the incident, in the presence of his Shop Steward, meet with the Department Manager or designate, to attempt to settle the grievance. The Department Manager or designate, shall respond within five (5) working days of the date of the Step 1 meeting. Should the response by the Department Manager occur after such a meeting rather than during the meeting, then such response shall be in writing.
- (b) Step 2 - Failing satisfactory settlement at Step 1, the Chief Shop Steward or designate may, within five (5) working days of receipt of the Company response, meet with the General Manager or designate, to attempt to settle the grievance. At this step, the Union positions shall be submitted in writing by the Chief Shop Steward or designate prior to the meeting occurring. The General Manager or designate, will render a decision, in writing, within five (5) working days following the Step 2 meeting.
- (c) Step 3 - Failing satisfactory settlement at Step 2, the local/national Union may refer the grievance to arbitration within fifteen (15) working days of the Step 2 response.

8.02 Certain Grievances to Step 2

Group, Union, Policy or Discharge Grievances shall be submitted at Step 2 of the Grievance Procedure within ten (10) working days of the incident under this section that gave rise to the grievance.

8.03 Grievor May Attend

The Grievor may elect to be present at any stage of the Grievance Procedure.

8.04 Grievance Meetings and Steward Investigation of Grievances

Grievance meetings will be held during non working hours at a time mutually agreeable to both parties. Should the parties agree that such a meeting is to be held during working hours then the appropriate shop steward and the employee will be paid for any scheduled time lost.

As a general principle, the investigation of grievances by shop stewards will be done during breaks and outside of scheduled hours of work (unpaid time). However the steward may request and the Company may grant time away from their work during regular hours without loss of wages, for the investigation of a grievance which is of an urgent nature. In doing so, the steward will avoid any disruption to operations.

8.05 Time Limits

The 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. If the time limits specified in Steps 1 are not met by the Shop Steward, the Employer may write to the local Union and request that the Local confirm if a grievance is still active. Failure to respond to such a request within five (5) days of faxing a copy of the letter to the Union office will result in the grievance being deemed to be abandoned and rights or recourse to the grievance procedure shall be at an end.

If the time limits as specified in Step 2 or 3 are not met, the grievance will be deemed to be abandoned and rights or recourse to the grievance procedure shall be at an end.

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.

ARTICLE 9 - ARBITRATION

9.01 Any grievance arising out of this agreement which cannot be settled by the Company and the Union, under the grievance procedure as per Article 8 of this agreement, shall be determined in the following manner:

(a) Within five (5) days of a grievance under step 2 being referred to arbitration, the parties will meet in an attempt to agree to a single arbitrator from the following list of names:

Ken Albertini	Joan Gordon
Dave McPhillips	Joan McEwen

(b) In the event that the Parties fail to agree on the choice of an arbitrator from the above list of names, they shall forthwith request the Director of the Collective Agreement Arbitration Bureau to appoint an arbitrator.

(c) The arbitrator shall hear the Parties, settle the terms of the question to be arbitrated, and make his/her award within fifteen (15) days from the day of the hearing. This time limit may be extended by the mutual agreement of the Parties.

(d) The decision of the arbitrator shall be final and binding on both Parties.

(e) Each Party shall bear half (2) the cost of the arbitrator and each party shall pay its own costs.

(f) The arbitrator shall not be vested with power to change, modify or alter any of the terms of this contract.

ARTICLE 10 - DISCIPLINE

10.01 Standard - Just and Reasonable Cause

The Company agrees that an employee bound by this Agreement may only be disciplined for just and reasonable cause.

10.02 Written Reasons for Suspension or Discharge

The Company shall set out its written reasons for any discipline resulting in the suspension or discharge of an employee.

10.03 Shop Steward Present

The Company agrees that if the Company chooses to implement a written warning, suspension or discharge on an employee, a shop steward shall be present provided there is one on shift at the time.

10.04 Employee Advised of a Documented Complaint

An employee will receive a copy of any documented complaint that is to be placed in his file. Where an employee is asked to sign such complaint, he does so only to acknowledge that he has been notified accordingly.

10.05 Cancellation of Recorded Complaint

Recorded complaints and letters relating to disciplinary action will be removed from an employee's personnel file after twenty-four (24) months from date of origin provided there has not been any further incidents of a complaint or disciplinary nature. Should any such incident occur then all documents shall remain on file for twenty-four (24) months from the date of the most recent incident.

10.06 Employee's Access to Their File

The Company agrees that an employee shall, upon written request to the General Manager or her designate, have access to his/her personnel files and have access to the grievance and arbitration provisions of this Agreement to dispute any entries on his/her file.

10.07 Employee Acknowledging Discipline

Whenever an employee signs a document pertaining to discipline, he/she does so only to acknowledge that he/she has been notified accordingly.

10.08 Picket Lines

An employee covered by this Agreement shall have the right to refuse to cross a legal picket line. Failure to cross a legal picket line shall not be considered grounds for disciplinary action but employees will not be paid for any lost wages for such refusal.

ARTICLE 11 - SHOP HEALTH, SAFETY AND ENVIRONMENT

11.01 Safety and Health - Responsibility

- (a) The Company agrees that it is the responsibility of the Company to make adequate provision for the safety and health of the employees during the hours of their employment.
- (b) The Union and the employees agree to cooperate fully with the Company on all matters of health, safety and the environment.

11.02 Safety Committee

- (a) It is mutually agreed that a safety committee consisting of an equal number of

employees selected by the Union and Management will meet not less frequently than once per month. Minutes of such meetings will be posted on the notice board and a copy forwarded to the Union office.

- (b) Two Union committee member will be provided time off without pay for a maximum of two (2) days per year to attend the Annual Industrial Health and Safety Seminar.
- (c) In addition to the foregoing, environmental matters which may arise from time to time shall be addressed through the Joint Health, Safety and Environment Committee.

11.03 Plant Inspections

When a plant inspection is made by an Inspector authorized to enforce the Workers' Compensation Regulations, the Factories Act, or any other act or regulations pertaining to industrial health or safety, a Union representative of the Safety Committee, if on site at the time, shall be included in the tour, and a copy of the Inspector's report shall be made available to the Safety Committee.

11.04 Regular Tests of Service Shop

The Company, in conjunction with the Safety Committee, shall monitor and provide for regular tests of exhaust levels in the facility.

11.05 Protective Clothing

- (a) Protective clothing shall be supplied by the Company to all employees whose duties entail work injurious to their clothing such as where duties entail work with Radiators, Batteries, Powerwashers or Paint. Employees are expected to take reasonable care of clothing and equipment supplied.
- (b) Boot Allowance – applicable until Dec 31/2009

Employees in the classifications of Technician and Parts Person, who have worked a minimum of one (1) year with 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 of eighty-five dollars (\$85.00) every calendar year upon providing acceptable proof of purchase.

It is understood that this allowance may not be carried over from one calendar year period to the next.

An employee when purchasing boots, may submit a receipt for up to one hundred and seventy dollars (\$170.00) which represents two calendar years of allowance. When this occurs, the employee will receive a maximum reimbursement of eighty-five dollars (\$85.00) in any calendar year.

It is understood that these employees may be disciplined for not wearing safety footwear.

11.06 Uniforms and Coveralls

All uniforms and coveralls shall be supplied free of charge to employees in the classifications of technicians, bodymen and painters by the Company. Employees are expected to take reasonable care of clothing and equipment supplied.

11.07 Washing Facilities

In keeping with the level of current practice, proper washing facilities shall include hot and cold water, hand cleanser, towels and wash basins. These shall be provided by the Company.

11.08 Lockers

In keeping with the level of current practice, clothes lockers of suitable size shall be provided by the Company for protection of the employees' clothes and personal belongings.

11.09 Lunch Space

In keeping with the level of current practice, the Company agrees to provide lunch space(s) of a sufficient size to accommodate the staff.

11.10 Adequate Heat, Ventilation and Light

The Company agrees that the plant(s) shall be heated adequately, ventilated and lighted in accordance with Provincial Regulations.

11.11 First Aid Premium

The Company agrees to pay a monthly premium of \$75.00 per month to employees designated as First Aid Persons holding an unexpired Level 2 Industrial First Aid Certificate.

The Employer, when designating employees, will consider shifts and work days that need to be covered in order to comply with the relevant legislation.

11.12 Safety Committee Access to Records

The Safety Committee shall be given access to WCB and Factories Act Inspection reports, and to the Company WCB Record Book.

11.13 Safety Screen in Parts Delivery Truck

The Company agrees that the Parts Delivery Truck shall be equipped with a safety screen at all times.

ARTICLE 12 - SENIORITY

12.01 Seniority defined

Seniority shall be defined as the length of continuous employment with the Company.

Probationary Period

Seniority for new employees will be established after successful completion of a probationary period of up to sixty (60) days worked and will be backdated to his date of commencing the probationary period.

The probationary period may be extended by mutual agreement between the Company and the Union.

12.02 Loss of employment and seniority will occur if an employee:

- (a) voluntarily leaves the employ of the Company;
- (b) overstays authorized leave of absence, unless detained for legitimate cause;
- (c) is discharged for just cause and not reinstated under the terms of this Agreement;
- (d) is recalled to work and does not report within three (3) working days of receiving notice by courier, at the last known address except when by mutual agreement between Company and Union failure to report within the specified time limit was unavoidable;
- (e) is on long term lay off for a continuous period of longer than one (1) year.
- (f) if outside the bargaining unit for more than six (6) months.
- (g) Is absent without leave from work for three (3) days without providing the Company with a reasonable excuse.

12.03 Layoff and Recall Procedure

For lay offs, other than those as set out in Article 12.09, 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.

Employees will be notified of recall by courier. An employee being recalled must return to work as soon as reasonably possible after the first notice of recall, as described above, but no longer than three (3) working days after receipt of the notice, at the last known address, except when by mutual agreement between the Company and the Union, failure to report within the specified time limits was unavoidable. A copy of the notice will be given to the Shop Steward or Union Committeeman.

It is the responsibility of laid off employees to keep the Company informed of their current address and telephone number.

The parties agree that called back for periods of two (2) weeks or less will not result in an employee's layoff date being reset for the purposes of article 12.02 (e). This will also

be the case where an employee is called back to work outside his/her classification that he/she held at the time of layoff. Employees may refuse call backs of two (2) weeks or less in duration.

12.04 Hiring While Employees on Layoffs

New Employees or non-bargaining unit employees will not be hired in a classification while employees in the same classification are on layoff provided the laid off employees possess the necessary qualifications and ability to perform the work.

12.05 Layoffs

Except as set out in article 12.09, if a layoff becomes necessary, probationary employees shall be laid off first; thereafter, the Company may either layoff employees in accordance with this Section or may confer and mutually agree with the Union upon a plan for the equitable distribution of the available work.

12.06 Notice of Layoff

Notice of layoff or pay in lieu of for long term layoffs will be in accordance with the Employment Standards Act of B.C.

12.07 Seniority Lists

The Company will prepare a seniority list of all employees and post such list within one week of ratification of the collective agreement. This list will establish seniority and classification of the employee and the employee will have thirty (30) calendar days to dispute in writing any of the information.

The Company shall supply the Union office and the Chief Steward with a seniority list every six months (i.e. January 1st and July 1st of each year). This list will contain the following information:

- employee's name
- employee's starting date
- employee's classification

12.09 Daily Guarantee

Employees under Schedule "A" may not be laid-off during a work week unless they agree to such a lay-off, but may be laid-off without notice at the completion of the work week, except that short-term lay-offs (with at least one (1) 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-two (32) 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.

Distribution of short term layoffs will be done on an equitable and rotational basis taking into account the employees abilities for the work to be performed.

ARTICLE 13 - JOB POSTING AND JOB AWARDS

13.01 Job Openings to be Posted

Job openings required to be filled (other than entry level positions, temporary jobs, or vacation relief jobs) will be posted on all Company bulletin boards for three (3) working days.

Copies of all job posting and job awards shall be supplied to the Shop Steward.

For the purpose of this Section, a temporary position shall be one which will be filled for sixty (60) days or less.

13.02 Preference to Senior Employees

Preference will be given to applications from the most senior employees who meet the qualifications and have the ability for the position.

13.03 Employee Not at Work When Job Posted

Employees who will be absent from work may request in writing to be considered for any job postings that may occur during the period of absence.

13.04 No applicants Meet the Requirements

In the event that none of the applicants meet the requirements as set out in 13.02 above, the Company may fill the vacancy from outside and in doing so will take into consideration applications provided by the Union in keeping with article 3.03 of this agreement.

13.05 Trial Period

Each successful applicant will serve a trial period, in the new position, of up to forty-five (45) days worked during which time the Employer will evaluate the suitability of the employee for the position. If the Employer deems the employee to be qualified prior to the expiry of the forty-five (45) days worked, then the Employer will waive the balance of the trial period.

No successful applicant will serve a trial period of less than five (5) days worked.

If the employee is not deemed qualified by the Employer during the trial period, he shall be returned to his previous position. An employee who is returned to his previous position will not be allowed to again post on the same position for a period of one (1) year.

While an employee is in their trial period, the Employer may fill the employees former position on a temporary basis without observing the posting procedure.

ARTICLE 14 - GENERAL PROVISIONS

14.01 Traveling Time

Employees required to report for work outside the Company's premises shall be paid for all traveling time, plus transportation and incidental expenses. This provision does not apply for education seminars or training within the Greater Vancouver Regional District.

14.02 Work That is Competitive With the Company

No employee shall undertake any work outside the Company premises which could be construed in any way as competitive with the Company. Violations of this Clause shall be subject to discipline by the Company.

14.03 Communication Committee Meetings

The Parties to this Agreement realize that, in part, the success of the dealership depends on open, honest and frank discussions from time to time on matters that may or may not be directly related to grievance-arbitration provisions of this agreement.

Accordingly the Parties agree to meet quarterly through the life of this agreement or more often (mutually agreed to) to discuss issues such as the organization of work, efficiency, productivity and promotion of the dealership. Not more than two (2) employees selected by the Union's membership from different departments within the dealership shall attend these meetings during normal business hours without loss of pay. Minutes shall be kept and a copy shall be faxed to the union office.

ARTICLE 15 - LEAVES OF ABSENCE

15.01 Paid Leave - Compassionate Leave

In the event of a death in the immediate family of an employee, the Company shall grant up to three (3) continuous days leave of absence with pay. The term "immediate family" shall mean spouse, parents, children, brothers, sisters, grandparents, mother-in-law, father-in-law. The Employer may request confirmation of the bereavement situation prior to payment occurring.

15.02 Jury Duty

If an employee is summonsed or subpoenaed for jury selection, jury duty, or as a witness, the Company will grant the employee leave of absence and will pay the difference between his/her regular pay and the monies received for jury duty. Employee must show satisfactory proof of such summons or subpoena. This paragraph shall not apply to probationary employees. The maximum amount of paid leave per situation that an employee may take under this clause is twenty (20) working days.

15.03 Leave for Union Business

If an employee of the Company should be elected or selected to act as a delegate for the Union, he/she upon sufficient notice and following approval by the Company, shall be provided a leave of absence without pay for the transaction of Union business. There

shall be no more than one employee off for such leave at any one time. Such Company approval will not be unreasonably withheld.

15.04 Leave for Personal Reasons

An employee may be granted a leave of absence without pay for sufficient reasons if he/she requests from the Company in writing and further, it is mutually agreed to between the Company and the employee. Such Company approval will not be unreasonably withheld. If the employee takes a job elsewhere during this leave of absence without joint approval of the Company and the Union, he/she will be considered as having terminated his/her employment.

15.05 Maternity or Parental Leave

Maternity and/or Parental leave will be provided as specifically provided for in the Employment Insurance legislation.

ARTICLE 16 - GROUP BENEFITS

16.01 Group Benefits – effective July 1, 2009

The full cost of premiums for Group Life insurance including dependent life, AD&D, Short term Disability and Long Term Disability at the current benefit level will be paid for by the member.

Further to also reflect that the full cost of premiums for Prescriptions, Travel insurance, Extended Health, Dental, Vision care and MSP will be fully paid for by the employer.

All employees in the Bargaining Unit shall participate in the Group Insurance benefits as a condition of continued employment. Exemption may be granted where a spouse has duplicate coverage for dental, extended health or MSP.

(a) Life Insurance:

One year's gross annual salary to a maximum of \$100,000 as defined by the previous year's T4 form, or average monthly earnings on an annualized basis if the employee has been with the employer for less than one (1) year, including commissions and bonuses. The employee must complete a waiting period of three months before coverage takes effect.

Accidental Death and Dismemberment:

Double Indemnity of one year's salary for death. Dismemberment payments will be in accordance with the schedule as set out in the carrier policy.

(b) Weekly Indemnity Income Benefits:

Of 67% of the employees average weekly earnings to the maximum weekly U.I.C. benefit as specified in the Unemployment Insurance Act and Regulations thereof in effect at the commencement of total disability. Waiting period of 4 days for sickness, nil days for accident for a maximum of 17 weeks of benefit. The employee must complete a waiting period of three months before coverage

takes effect.

(c) Long Term Disability:

Of 66.67% of the employee's average monthly earnings to a maximum of \$3,000.00 per month to take effect after the expiry of the Weekly Indemnity Benefits. L.T.D. shall continue to age 65. The employee must complete a waiting period of three months before coverage takes effect.

(d) Dental Plan:

80% Preventative Services, 80% Restorative Services, 50% Major Restorative Services based on the current B.C. Dental Fee Guide with a maximum amount per calendar year for each person insured under the plan. Waiting period of six months before coverage takes effect.

(e) Basic B.C. Medical Plan

To take effect in the month following employment.

(f) Extended Health Benefits

No lifetime maximum amount except for Out-of-Canada Referral Benefit of \$50,000. Deductible amount per calendar year of \$25. 100% reimbursement in Canada for medical services (subject to insurance policy definitions), 80% for drugs. 100% for Out of Canada Emergency services, 80% for referral. The employee must complete a waiting period of three months before coverage takes effect.

(g) Vision Care

Employees and their dependents will be entitled to \$200.00 every twenty-four (24) months to cover lenses and frames for employees and dependents.

16.02 Disabled Employee's Benefits

Where an employee is disabled, the Company will continue to pay its contribution toward the group insurance program up to a maximum of seventeen weeks.

16.03 Benefits Continue for 3 Months After Layoff

The Company agrees to continue benefits to laid off employees up to three (3) months beyond month of layoff excluding Weekly Indemnity and Long Term Disability. The foregoing will not apply should the laid off employee obtain employment elsewhere.

16.04 Tool Insurance

Fire and Theft Tool Insurance will be provided up to a maximum coverage of \$25,000 (twenty-five thousand dollars) with a deductible of \$100.00 (one hundred dollars) per incident.

This policy will only cover theft or fire of employee's tools on the Company premises or designated working place.

The employee is responsible to submit to the Company a priced inventory of his/her tools before being eligible for tool insurance.

Tool insurance will become effective upon receipt of a tool inventory.

16.05 Tool Allowance – Remains effective only until Dec 31/2009

The Company agrees to reimburse each technician who has worked a minimum of one (1) year up to one hundred and fifty dollars (\$150.00) each calendar year, upon submission of receipts for the purchase of tools required to perform his work.

It is understood that this allowance may not be carried over from a two calendar year period to the next.

A technician, when purchasing tools, may submit a receipt for up to three hundred dollars (\$300.00) which represents two calendar years of allowance. When this occurs, the employee receive a maximum reimbursement of one hundred and fifty dollars (\$150.00) in any calendar year.

16.06 Care Days – Remains effective only until Dec 31/2009

Each employee that has worked a minimum of one year will be entitled to three (3) paid days per calendar year for the purpose of illness or to provide care to an ill member of the employee's immediately family.

ARTICLE 17 - APPRENTICES

17.01 Wage Rates for 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 technicians must be mutually agreed to by both Parties.

Where Apprentices are employed, the following rates shall apply:

Technicians	
<u>1st year</u>	<u>60% of Journeyperson's rate</u>
<u>2nd year</u>	<u>70% of Journeyperson's rate</u>
<u>3rd year</u>	<u>80% of Journeyperson's rate</u>
<u>4th year</u>	<u>90% of Journeyperson's rate</u>
Diesel Apprentice Tech	
1 st year	<u>87% Diesel rate</u>
2 nd year	<u>89% Diesel rate</u>
3 rd year	<u>93% Diesel rate</u>
4 th year	<u>98% Diesel rate</u>

Service Advisor	
1 st 6 months	70% of Service Advisor Rate
2 nd 6 months	75% of Service Advisor Rate
3 rd 6 months	80% of Service Advisor Rate
4 th 6 months	85% of Service Advisor Rate
5 th 6 months	90% of Service Advisor Rate
6 th 6 months	95% of Service Advisor Rate
Thereafter	100% of Service Advisor Rate
Parts Person	
1 st 6 months	70% of Parts Person Rate
2 nd 6 months	75% of Parts Person Rate
3 rd 6 months	80% of Parts Person Rate
4 th 6 months	85% of Parts Person Rate
5 th 6 months	90% of Parts Person Rate
6 th 6 months	95% of Parts Person Rate
Thereafter	100% of Parts Person Rate

17.02 Payment While at School

The apprentice will (by way of Manpower Allowances and Employer wage subsidy) receive 95% of his/her regular wage rate while attending training school.

17.03 Apprentice Technicians Achieving Journeyman Status

Apprentices who successfully achieve their journeyman rating will be placed in the classification of Technician. At the time of becoming a Journeyman Technician, the employee will be the junior technician for the purposes of article 12.03.

It is understood that no new apprentices will be hired if there is a technician on long term layoff.

ARTICLE 18 - WAGES

18.01 Wage Schedule

- (a) The job classification and rates of pay listed in the attached Wage Schedule is agreed upon by both Parties and is part of this Collective Agreement.
- (b) The rates for the classifications set forth in this Agreement, and for any

subsequent mutually agreed upon additions thereto, are the agreed upon rates for those classifications. Any employee assigned to work in a lower classification shall maintain their regular classification rate of pay while performing such work. The Employer will attempt to minimize the time that the employee is performing work in a lower classification.

18.02 New or Changed Job Classification

- (a) If any new job classifications are established, or if there is a significant change in the job content of any job classification(s) set forth in this Wage Schedule, or if any job classification(s) have been overlooked in this Wage Schedule, the Parties hereto are agreed to negotiate a rate for the job(s) in question.
- (b) Pending final agreement on the rate, the Company shall set an interim rate for the new or amended category. If the final established rate is higher than the interim rate, the established rate shall be retroactive to the establishment of the new category or to the date of the change.
- (c) If the Parties are unable to reach agreement then the dispute will be settled through the Grievance and Arbitration procedures of this Agreement.

18.03 Payment For Working in Higher Classification

Following assignment by the Employer, any 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 any one (1) day, in the higher classification.

18.04 Payment of Wages

Payroll will change at an agreed upon time to a semi monthly basis with payment on the 15th of the month for all worked performed up until the 15th of the same month and on the last day of the month for all work performed from the 16th to the end of the month.

Anytime a payday lands on a weekend or on a holiday the cheques will be issued on the last work day prior to the 15th or end of the month.

Transition The change to a semi monthly payroll will take affect after the August 15th cut-off, regular biweekly payroll will be paid on August 21st and the End of month pay will start August 31st for all work performed after the previous cut-off.

Direct deposit will be discontinued with the transition.

18.05 Previous Salaried Employee Benefits

Employees that were previously salaried for a minimum period of three (3) consecutive years and are now within the bargaining unit as of January 1st, 1998 shall be entitled to payment during the waiting period of weekly indemnity in the event of sickness. In addition, the Employer will top up these employees weekly indemnity to the level of the normal take home pay for up to the 17 weeks of the indemnity period. This will end should the employee commence receipt of LTD benefits, whereby the employee will be eligible for benefits under the LTD plan.

The following are the people to be grandfathered under this clause:

Donna Daniels
Jon Peacey

Betty Hung
Rick Blair

Rian Murry

ARTICLE 19 - HARASSMENT

19.01 The Employer and the Union recognize the right of employees to work in a n environment free from harassment on the ground of race, colour, ancestry, place of origin, religion, marital status, family status, physical or mental disability, sex, sexual orientation or age as set out in the British Columbia Human Rights Act.

19.02 Violation of this principle by an employee shall be dealt with by way of disciplinary action up to and including discharge.

19.03 Sexual Harassment Complaints

The Parties agree that in the event of a complaint of sexual harassment it will be investigated thoroughly by both parties in confidence. Employees reporting any incident of harassment are guaranteed protection from reprisals due to the filing of such a complaint.

ARTICLE 20 - TRAINING

20.01 Pay for Attendance at Company Required Courses or Staff Meetings

- (a) Any employee that is specifically required to attend Company training courses off the property during regular working hours or courses scheduled after an employee has completed the standard work day or work week, shall be reimbursed at the applicable rate.
- (b) Any employee that is specifically required by the Company to attend mandatory staff meetings shall be paid at the applicable rate of pay.

ARTICLE 21 - PENSION PLAN

21.01 The Company will maintain the current voluntary pension plan benefit. The following contribution levels will be observed.

Employer	<u>1.0%</u>
Employee	3%

ARTICLE 22 - DURATION OF AGREEMENT

22.01 Effective Date

This Agreement shall be in full force and effect from and including the date of May 1st, 2009 by the parties and including April 30th, 2012 and shall continue in full force and

effect from year to year thereafter subject to the right of either Party to this Agreement within four (4) months immediately preceding the expiry date of April 30th, 2012 or the anniversary date in any year thereafter, by written notice to the other Party, require the other Party to commence collective bargaining with a view to the conclusion of a renewal or revision of the Collective Agreement or a new Collective Agreement.

22.02 Collective Agreement Continues

Should either Party give written notice to the other Party pursuant hereto, this Agreement shall thereafter continue in full force and effect until the Union shall give notice of strike and commence a strike or the Company shall give notice of lockout, and commence a lockout, or the Parties shall conclude a renewal or revision of the Agreement or a new Collective Agreement.

22.03 Exclusion of Section 50(2) and (3)


By agreement of the Parties hereto, the provisions of Section 50(2) and 50(3) of the Labour Relations Act of British Columbia are specifically excluded.

22.04 Strikes/Lockouts

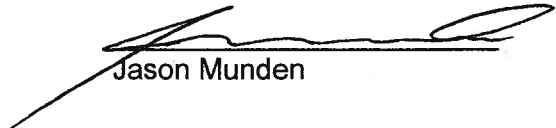
The Union agrees not to strike and the Company agrees not to lock out during the life of this Agreement.

Signed this _____ day of _____, 2009.

For the Company




Grant Hanbury



Jason Munden

For the Union



Harry Moon



Franco Delgrosso



Arne Meng

APPENDIX "A" WAGE RATES

	May 1, 2009	July 1, 2009	January 1, 2010	May 1, 2010	May 1, 2011
⁶ Journey person Technician	30.26	30.71	31.32	31.63	31.95
Journey person Diesel Technician	34.68	35.20	35.90	36.26	36.62
⁴ Lube / General Service Technician	12.50	12.69	12.94	13.07	13.20
⁵ Maintenance light Repair Technician	15.12	15.35	15.66	15.82	15.98
Service advisor	27.28	27.69	28.24	28.52	28.81
Parts person	26.99	27.39	27.94	28.22	28.50
Parts driver	11.47	11.64	11.87	11.99	12.11
Car wash / Jockey	9.73	9.88	10.08	10.18	10.28
Cashier / Reception	11.21	11.38	11.61	11.73	11.85
² Booking Clerk	16.75	17.00	17.34	17.51	17.69
Appointment Clerk	11.21	11.38	11.61	11.73	11.85
³ Warranty Clerk	16.75	17.00	17.34	17.51	17.69
Weekend Clean up person	10.66	10.82	11.04	11.15	11.26

Probation Rate

Employees while on probation will be paid a rate equivalent to 10% less than the classification rate shown above. Upon successful completion of his/her probation period the employee will assume the appropriate rate as set out above.

Premium

Motor Vehicle Inspection - 15¢/hr

² Betty Hung will have her rate adjusted to \$21.53/hr on May 1st, 2009; \$21.85/hr on July 1st, 2009, \$22.29/hr on Jan 1st, 2010, \$22.51/hr on May 1st, 2010 and \$22.74/hr on May 1st, 2011.

³ Donna Daniels, the current Warranty Clerk, will have her rate adjusted to \$25.45/hr on May 1st, 2009; \$25.83/hr on July 1st, 2009, \$26.35/hr on Jan 1st, 2010, \$26.61/hr on May 1st, 2010 and \$26.88/hr on May 1st, 2011.

- ⁴ After 1 year Lube Tech may apply for next level of maintenance/light repair Tech.. Requires management approval to move up a classification.
- ⁵ After 2 years Maintenance/Light Repair Tech may apply for next level of maintenance/light repair Tech.. Requires management approval to move up a classification.
- ⁶ Journeyperson Tech may apply for next level Apprenticeship Diesel Tech at any time. Requires management approval to move up a classification.

LETTER OF UNDERSTANDING NO. 1

between

RICHPORT FORD LINCOLN LTD.

and

**NATIONAL AUTOMOBILE, AEROSPACE, TRANSPORTATION AND
GENERAL WORKERS UNION OF CANADA (CAW-CANADA) LOCAL 114**

Subject: Ford Training Programs for Technicians

This letter sets out the current Ford training programs and that must be completed by technicians at Richport Ford. In addition this letter sets out the appropriate payments that will be provided in each case.

Ford School

Classroom instruction at Ford School. Technicians will receive their regular hourly rate for such time.

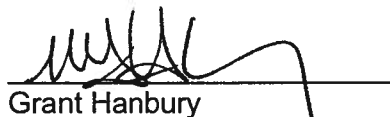
Fordstar Interactive

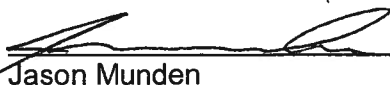
Study program done in the boardroom via Ford Satellite. Technicians will receive their regular hourly rate for such time.

The parties further understand that this program may be amended from time to time by the Employer to reflect changes to educational requirements and standards for technicians set by Ford.

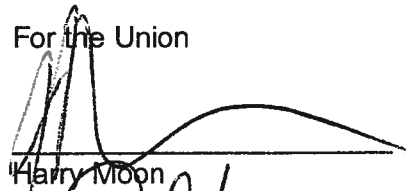
Signed this _____ day of _____, 2009.

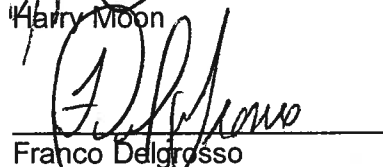
For the Company

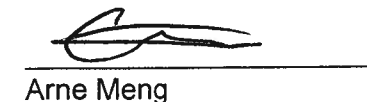

Grant Hanbury


Jason Munden

For the Union


Harry Moon


Franco Delgrosso


Arne Meng

LETTER OF UNDERSTANDING NO. 2

between

RICHPORT FORD LINCOLN LTD.

and

**NATIONAL AUTOMOBILE, AEROSPACE, TRANSPORTATION AND
GENERAL WORKERS UNION OF CANADA (CAW-CANADA) LOCAL 114**

Subject: Calculation of Overtime and Paid Breaks for Technicians

This letter clarifies the application of overtime and paid breaks for technicians as it relates to Flat Rate Bonus payments. This extent of this calculation will be examined over a two (2) week period.

Paid Rest Breaks

There will be no additional payment for rest breaks for flat rate hours beyond eight or ten hours in a day.

(examples of application)

Should a technician complete an eight hour shift and only have made seven hours of flat rate, then the technician will be eligible for eight hours of pay which includes any paid rest break time.

Should a technician complete an eight hour shift and during that time has made nine hours of flat rate time, then the technician will be paid for nine hours of pay. There will be no additional amount paid for any rest breaks.

Overtime Hours

There will be no additional payment for overtime hours where the regular scheduled hours added to the overtime hours is less in total than the Flat Rate Hours. When making this calculation, overtime hours will be converted to equivalent straight time hours. (i.e., one hour of overtime is equivalent to one half hours of straight time).


(examples of application)

Should a technician work two hours of overtime and have a total of 9 hours of Flat Rate Time, then the technician would receive 11 hours of payment (8 straight time hours plus 2 straight time equals 11 straight time hours which is more than 9).

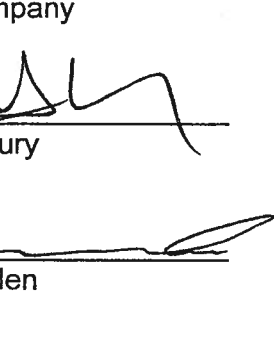
Should a technician work two hours of overtime and have a total of 14 hours of Flat Rate Time, then the technician would receive 14 hours of payment (8 straight time hours plus 2 straight time equals 11 straight time hours which is less than 14).

Signed this _____ day of _____, 2009.

For the Company



Grant Hanbury



Jason Munden

For the Union

Harry Moon

Franco Delgrosso

Arne Meng

LETTER OF UNDERSTANDING NO. 5

between

RICHPORT FORD LINCOLN LTD.

and

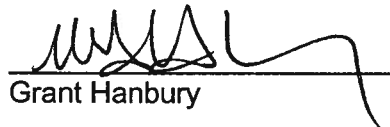
**NATIONAL AUTOMOBILE, AEROSPACE, TRANSPORTATION AND
GENERAL WORKERS UNION OF CANADA (CAW-CANADA) LOCAL 114**

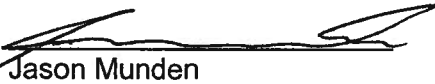
Subject: Flat Rate

The Company agrees that all work in respect to Flat Rate will be paid consistent with current industry practice.

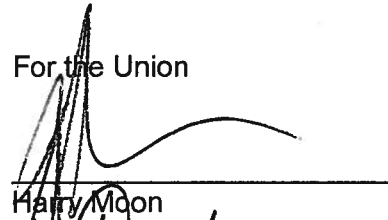
Signed this _____ day of _____, 2009.

For the Company


Grant Hanbury


Jason Munden

For the Union


Harry Moon


Franco Delgrosso


Arne Meng

LETTER OF UNDERSTANDING NO. 6

between

RICHPORT FORD LINCOLN LTD.

and


**NATIONAL AUTOMOBILE, AEROSPACE, TRANSPORTATION AND
GENERAL WORKERS UNION OF CANADA (CAW-CANADA) LOCAL 114**

Subject: Parts Drivers

It is recognized that during the life of this agreement that the position of Parts driver may be eliminated and contracted out through the Auto Mall Association. In the event this occurs the incumbent driver will receive 2 weeks pay for every year of service prorated for any partial year.

Signed this _____ day of _____, 2009.

For the Company



Grant Hanbury



Jason Munden

For the Union



Harry Moon



Franco Delgrosso



Arne Meng