Strickland's

POLICIES AND PROCEDURES MANUAL

FALL 2016 EDITION

POLICIES

INTRODUCTION

Welcome

Strickland's strives to provide a work atmosphere that is a "family of friends" who enjoy their work and their time working together. This is accomplished through mutual trust and respect between all employees, and by according fair and courteous treatment to all people who come into contact with Strickland's, or who are associated with it in any way – employees, shareholders, guests, suppliers, our local community and government.

As you begin your employment with Strickland's, I want to welcome you to the company and take this opportunity to familiarize you with its philosophy and expectations.

Strickland's is a family business that prides itself on excellence in product, personnel, performance, service and productivity. We expect the best effort from every employee at all times, so we, in turn, can provide the best products and services to our guests at a fair price while still being profitable.

Strickland's is proud that its officers and executives know every employee personally. Although there is an established "Chain of Command" for daily problems, we also maintain an "Open Door" policy at all times. Strickland's management is available to all employees and welcomes the sharing of ideas and suggestions.

Strickland's values its long history of operation and aims to continue this tradition for many generations to come. To accomplish this goal, we must constantly progress to growth, education, skills upgrading and cross-training in various jobs to meet our business needs. Not only does our employees' own personal growth help to ensure the growth of our business, it also makes our employees more valuable and marketable.

Again, let us welcome you to Strickland's. I hope that your employment with us will bring you constantly increasing satisfaction.

Sincerely,

John Strickland

Jeffrey Strickland

MISSION STATEMENT

To be THE socially conscious industry leader in Ontario; while maintaining a one-stop vehicle shopping experience for all budgets and lifestyles.
We do this by providing quality products, out-standing selection and consistently low prices in a relaxed and comfortable atmosphere.
Our guests are family.

CORE VALUES

The Strickland Way (Corporate Ethics)

The Car business has been plagued with unscrupulous behaviour for years. In today's business environment we have to be squeaky clean. Listed below are ethics that must be followed in order to be part of our organization.

- You will not steal at any time from the company, guests or fellow employees
- You will never lie or make untruths to the company, guests or fellow employees
- Take pride in your work. Always put Strickland's interest first
- Every Employee agrees to keep all information about Strickland's, related companies and any personal information about the Strickland family confidential. It is no one's business and our privacy needs to be respected
- You will not use obscene language while at work, certainly not around guests
- You will lend a helping hand to any employee that is in need. Remember there will be a day when you need help
- All employees will keep their personal hygiene to the highest of standards. This includes regular showers, deodorant, hair trimmed and groomed, clean clothes and avoiding anything that might be offensive to the person beside you
- Each employee will be responsible to keep their personal work station clean, neat and tidy at all times
- No employee will litter, leave garbage or personal items on the premises. Furthermore, we will not allow any personal vehicles or items to be stored on our lot
- You will not accept any monies or items because of your position at Strickland's with out disclosing it to Jeff or John Strickland. For example, we take a car in on trade and you find $1000.00 in it. You must notify John or Jeff of this and we will decide the outcome

Our Philosophy

We believe in operating in an honest, legal and ethical manner, placing high value on individual and collective integrity.

We are guest focused and driven by the needs of the market.

We do what we say we do – with pride in our products.

We are committed to being socially and environmentally responsible and participate in activities that support community and charitable affairs.

We are dedicated to quality, safety and environmental leadership.

We strive to make the world a better place.

We promote teamwork and strive to empower everyone on our team.

We respect and value everyone's contribution.

We believe in creating an enjoyable and challenging work environment.

We trust in open, honest communication.

We believe that everyone should be treated with dignity, respect and fairness.

We support risk taking and creativity.

We believe that it is reasonable to seek a consistently fair rate of return while reinvesting earnings; in order to continue to provide income, security and an exciting future for all associated with the company.

We believe in including our employees in our vision and encouraging them to take personal pride in their contribution towards growing the company.

We encourage and reward results.

We endeavour to be the best company in the world.

***We love* what we do!**

HASSLE FREE PRICING – WHAT MAKES STRICKLAND'S DIFFERENT

Our hassle free pricing began in 1997 and was originally created as a fail safe system to offer guests the very best price on any given vehicle, anywhere. It quickly became a valuable asset to our company's culture and has proven to become one of our secrets to success.

What does "Hassle Free Pricing" mean?

It means that the yellow sticker price is the price that the guest pays. That's the beginning and the end of the story. What makes this special is that we set the sticker price at the lowest price that we will sell the vehicle for (the price that a great negotiator would negotiate us down to after hours of haggling). Since the sticker price is our bottom line, we do not negotiate on this price. The yellow sticker price includes safety and emission testing unless otherwise indicated. Applicable taxes, licensing and the Be Safe package are not included in the price and will be added on at the time of sale.

What does "Hassle Free Pricing" say to the guest?

It says "The price you pay is the same price that your neighbour, brother, mother and friends pay"
It truly is hassle free and allows the guest to relax and enjoy the car buying experience because they know that they are getting the best possible price. The guest does not have to worry about whether or not they could have gotten a better deal.
How a guest feels about a purchase is how they feel about the place that they purchased it from. How they feel about the place that they purchased it from decides whether or not they purchase from that place next time or recommends the dealership to friends and family.

The Pareto's Principle is a well know principle that is often applied to sales. It is also referred to as the 80/20 rule, where 80% of your business comes from 20% of your guest base. Simply put, it will use less resources and effort to create a positive guest experience that ensures repeat and referral business than it would to try to bring in new guests.

Why do we say "Hassle Free" instead of "No Dicker"?

The term "No Dicker" has a negative connotation, in that it allows the guest's mind to dwell on the old way of buying a vehicle. Beyond that, no one ever likes to hear the word "NO" during the sales process, in any context. It makes them feel as if they are being denied a right as opposed to being provided a stress free transaction. Therefore, the term "No Hassle" should be avoided as well.

OUR EMPLOYMENT PRACTICES

Non-Discrimination in Employment

Strickland's values a working environment that attracts and retains the best employees available, where each person can excel as part of a successful team and where there is equal opportunity in all aspects of employment including hiring, promotion and training. Strickland's is, therefore, firmly committed to ensuring that it has a workplace that is free from discrimination against employees or prospective employees because of race, ancestry, place of origin, colour, ethnic origin, citizenship, creed, sexual orientation, age, record of offences, marital status, same-sex partner status, family status and/or handicap (collectively, "Prohibited Grounds"). All employees, including supervisors and managers, involved in discriminatory practices will be subject to serious disciplinary action, up to and including immediate termination of employment for cause.

Freedom from Harassment

Strickland's is also firmly committed to ensuring all of its employees are able to work in an environment that is pleasant, comfortable and free from intimidation, hostility or other offensive behaviour, including harassment on any Prohibited Grounds.

The Ontario Human Rights Commission defines harassment as "engaging in vexatious comments or conduct which is known or ought reasonably to be known to be unwelcome." Harassment can take many forms and is not necessarily sexual in nature. It may be, but is not limited to, the following behaviour:

- Verbal conduct such as epithets, derogatory jokes or comments, slurs or comments;
- Visual conduct such as derogatory posters, photography, cartoons, drawings or gestures;
- Physical conduct such as signs, pranks, physical intimidation or violence;
- Retaliation for having reported or threatened to report harassment

Sexual Harassment includes but is not limited to, the following behaviour:

- Sexual Advances - unwanted propositions and suggestions as well as offering employment benefits in exchange for sexual favours or which submission to

such conduct is made a condition of employment or as the basis for employment decisions, either implicitly or explicitly
- Verbal conduct and abuse – making or using comments, epithets, slurs, jokes, graphic verbal commentaries about an individual's body, sexually degrading words used to describe an individual, suggestive or obscene letters, notes or invitations and the use of inappropriate familiar terms (Honey, Sweetheart, etc)as well as the use of vulgar or sexual language
- Physical conduct –obscene gestures as well as unwelcome sexually suggestive or overly familiar/unnecessary touching, assault and prohibitive movements
- Visual conduct – leering, sexual gestures and the display of sexually suggestive materials, objects, pictures, cartoons, posters, photographs or computer programs

Harassment of any sort will not be tolerated. All employees, including supervisors and managers, involved in harassment will be subject to serious disciplinary action, up to and including immediate termination of employment for cause.

Workplace Violence Awareness and Prevention

Strickland's is committed to providing a work environment that is safe and free of threats of violence, bodily harm or physical intimidation. Strickland's will not tolerate any act, threat or implied acts of violence, whether made seriously or in jest.

Workplace Violence is defined as:

- The exercise of physical force by a person against an employee, in a workplace, that causes or could cause physical injury to the worker;
- An attempt to exercise physical force against an employee in a workplace, that could cause physical injury to the worker; and
- A statement or behaviour that is reasonable for an employee to interpret as a threat to exercise physical force against the worker, in a workplace, that could cause physical injury to the worker (Government of Canada, 2010).

Some examples of Workplace Violence include, but are not limited to:

- Verbally threatening to attack an employee
- Leaving threatening notes or sending threatening e-mails to a workplace
- Shaking a fist in an employee's face
- Brandishing, throwing or otherwise wielding a weapon or an object construed as a weapon
- Sexual violence against an employee
- Trying to run down an employee using a vehicle or equipment

- Loud, angry or disruptive behaviour that creates an atmosphere of fear or anxiety
- Intentional disregard for the physical and psychological safety of others (e.g. kicking an object that an employee is standing on such as a ladder)
- Intentional destruction of company or individual property

Workplace violence can be committed by guests, clients, employers, supervisors, workers, strangers and domestic/intimate partners.

Any employee or individual who threatens, harasses or abuses another employee or any other individual at or from the workplace shall be subject to:

- Disciplinary action, up to and including termination of employment;
- Immediate termination of service agreements; and/or
- The pursuit of legal action.

Violent action, threats and assault are considered a serious criminal offence and disciplinary measures will be taken by Strickland's, up to and including termination.

<u>Strickland's will:</u>

- Investigate all reported acts/incidents of violence and/or harassment.
- Consult with other parties such as legal counsel, health & safety consultants, the Joint Health and Safety Committee, human rights office or local police services regarding the incident/act.
- Take all reasonable measures to eliminate or mitigate risks identified by the incident.
- Document the incident, its investigation, and the corrective action taken.
- Submit a report of the incident to the Ministry of Labour where an employee incurs a lost time injury as a result of violence in the workplace.
- Review this Workplace Violence/Harassment Policy and hazard assessments annually, or as changes to job responsibilities or environments occur, and revise the assessment as needed.
- Review annually, in conjunction with review of hazard assessments, the effectiveness of actions taken to minimize or eliminate workplace violence and make improvements to procedures where and when required.

<u>The Joint Health & Safety Committees/Health and Safety Representative will:</u>

- Review the Workplace Violence/Harassment Hazard Assessment results and provide recommendations to management to reduce or eliminate the risk of violence.
- Review all reports forwarded to the Committee or Representative regarding workplace violence/harassment and other incident reports pertaining to incidents

of workplace violence/harassment that result in personal injury or threat of personal injury, property damage, or police involvement.
- Participate in the investigation of critical injuries such as incidents that place life in jeopardy, result in substantial blood loss, loss of consciousness, fracture of leg or arm, etc.
- Recommend corrective measures for the improvement of the overall health, safety and wellness of employees.
- Respond to employee concerns related to workplace violence/Harassment and communicate these to management.

In addition, the Joint Health and Safety Committee, or the Health and Safety Representative, may participate in the investigation of reported incidents that fall under the parameters of the OHSA.

Risk of Violence

Strickland's will communicate information relating to a person with a history of violence where:

- Employees may reasonably be expected to come into contact with the person in the performance of their job duties.
- There is a potential risk of workplace violence as a result of interactions with the person with a history of violence.

Strickland's will only disclose personal information that is deemed reasonably necessary to protect employees from physical harm.

Reporting Human Rights and/or Harassment Violations

All Strickland's employees and particularly supervisors and managers are responsible for creating a work environment that is free from violence, discrimination and harassment, sexual or otherwise. In particular, as an employee, you must always respect the human rights of your co-workers.

If you experience, witness or are told about any job-related violence, discrimination based on prohibited grounds and/or harassment, you must promptly report the incident to Human Resources. If you feel that it would be uncomfortable or inappropriate to discuss this matter with Human Resources, you may instead speak with any management employee or health and safety representative with whom you feel comfortable.

When management becomes aware of any complaint, it must take prompt and appropriate action by fully investigating the complaint. Strickland's and its management will keep all complaints confidential to the maximum extent possible.

All employees will assist management during the investigation of a complaint of violence, discrimination and/or harassment.
When approached by management, employees are expected to truthfully provide the appropriate information as well as respect and preserve the confidentiality of all parties. Any employee approached during an investigation will also keep confidential, any details that may have been revealed/uncovered during questioning.

The investigating manager will only discuss the complaint with employees that are pertinent to the investigation and only such details as are necessary to the employee's role in the incident.

All employees are strictly prohibited from participating in any form of retaliation against another employee because s/he made a complaint under this policy or assisted in a complaint investigation.
If, however, after completion of a violence/discrimination/harassment complaint investigation, it is determined that the complaint was not bona fide, made in good faith or that any employee provided false information, the offender will be subject to disciplinary action.

Open Door Policy, Reporting and General Complaint Procedure

Strickland's wants you to be informed and therefore, encourages an open dialogue across the company. We promote communications through:

- Policy and Procedures manuals
- Memos
- Regular meetings and touch points
- Physical and digital bulletin boards (e.g. the admin site)
- Ensuring access to senior managers and Dealer Principals
- The Joint Health and Safety committees and representatives

Strickland's recognizes that at times, problems or issues may arise in the workplace. Strickland's is committed to assisting its employees in resolving such situations in a timely manner. We believe that communication is vital if we are to understand each other's point-of-view, resolve problems and work as a team.

If you have any questions or concerns, we strongly encourage you to first speak with your direct supervisor, manager or Human Resources. Their doors are always open and they are sincerely interested in assisting you.

If you feel that it would be uncomfortable or inappropriate to speak with your direct supervisor or manager, you may, instead, speak with the next level in the chain of command or Human Resources. If you are not satisfied with the assistance that you receive at any stage in the process, please speak with the next higher level in the chain of command.

Strickland's will investigate any/all reports of harassment, discrimination, acts or threats of violence immediately and thoroughly.

It must be noted that Human Resources' specific function is to act as a neutral party, allowing for the ethical and legal treatment of employees while giving the company the ability to ensure that it maintains a safe and conflict free work environment. It is for this reason that Strickland's hopes that employees will always feel that they have somewhere to go should they have a problem, concern or complaint. Strickland's also hopes that employees will give the company the opportunity to resolve any issues that they may have.

It is always best to address concerns and questions early – before they become problems. Discussing these matters one-on-one ensures your personal point-of-view is understood, your privacy is maintained and, where possible, your personal circumstances are considered.

Any immediate threat or acts of violence must be reported immediately and the proper authorities contacted. In the case of an act of violence, management's first priority will be the safety of all employees and/or guests.

Wherever circumstances permit, your confidentiality will be maintained. Please be assured that your position will not be jeopardized from raising a bona fide question or concern. If, however, after investigating your concern/complaint, Strickland's determines that it was not bona fide, reported in good faith or that you provided false information, disciplinary action may be taken against you.

Anonymous Reporting

Strickland's is dedicated to protecting its employees psychological well being as well as avoiding any unnecessary legal proceedings. If for any reason you feel uncomfortable reporting anything to management or fear that doing so may jeopardize your employment, Strickland's has set up an anonymous reporting program.

Strickland's has a contract with the following licensed professionals (psychiatrist/psychologist/social worker) which will be referred to from here on as a "PPSW"

Stratford – Steve Martin – 519-662-9923
Brantford – Steve Martin – 519-662-9923
Windsor – Stephen Kerr – 519-258-2422

Strickland's employees who contact these professionals will participate in up to 2 appointments where they will be able to openly address their concerns. A receipt will be issued for each appointment that the employee must retain.

If after the first appointment it is determined that there is a human rights or harassment concerned within a particular department** the PPSW will notify Human Resources and/or John or Jeff Strickland. The information given by the PPSW will be presented in such a way as to avoid identifying the employee.

Strickland's will immediately begin to investigate the claim and work towards making any appropriate changes.

Why are there 2 sessions?
Two sessions have been set up in order to allow for a margin of error within the process e.g. the notification of a concern did not reach Human Resources etc. This allows the issue to be properly addressed before an employee may feel forced to resign/take legal action/etc.

Why does an employee need to keep receipts if it is anonymous?
It is the hope of Strickland's that every issue that may arise will be fully resolved amicably. However, if a resolution cannot be reached and legal proceedings become involved, the employee will be asked to produce both receipts as proof that s/he made a reasonable effort to resolve any concerns before pursuing legal action.

***Since Windsor is a small dealership, the department will not be specified*

Accessible Guest Service

Strickland's is dedicated to meeting the requirements of Accessibility Standards for Customer Service, Ontario Regulation 429/07 under the Accessibility for Ontarians with Disabilities Act, 2005.

All goods and services provided by Strickland's and its employees will follow the principles of dignity, independence, integration and equal opportunity by:

- Ensuring that all guests receive the same value and quality
- Allowing guests with disabilities to do things in their own ways and at their own pace when accessing Strickland's goods and services; provided that this does not present a safety risk
- Using alternative methods whenever possible to ensure that guests with disabilities have access to the same services, in the same place and a similar manner
- Taking into account individual needs
- Communicating in a manner that takes into account the guest's disability

Assistive Devices

Assistive devices are technical aids, communication devices or other instruments that are used to maintain or improve the functional abilities of people with disabilities. Personal assistive devices are typically devices that guests bring with them such as a wheelchair, walker or a personal oxygen tank that might assist in hearing, seeing, communicating, moving, breathing, remembering and/or reading.

Guests with disabilities may use their own assistive devices as required. In cases where the assistive device presents a safety concern (e.g. oxygen tank near an open flame), or cannot otherwise be accommodated, other reasonable measures will be used to ensure accessibility for the guest.

Guide/Service Dogs and Animals

Guests with a disability that are accompanied by a guide dog or service animal will be allowed access to premises that are open to the public. "No pet" policies do not apply to guide dogs or service animals.

Guide dogs and service animals are highly trained working animals and are essential to the safety and functionality of their owners/handlers. It is for this reason that all employees of Strickland's will respect this relationship and refrain from touching, interacting with or otherwise distracting the animal from its duties.

If a health and safety concern presents itself (e.g. a severe allergy to the animal) Strickland's will make all reasonable efforts to meet the needs of all individuals affected.

Support Persons

If a guest with a disability is accompanied by a support person, employees of Strickland's will ensure that the guest is not prevented from having access to the support person.

In situations where confidential information might be discussed (e.g. the business office), consent will be obtained from the guest, prior to any conversation where confidential information might be discussed.

Notice of Disruptions in Service

Service disruptions for guests with disabilities may occur due to reasons that may or may not be within the control or knowledge of Strickland's. In the event that any temporary disruptions to facilities or services that guests with disabilities rely on to access Strickland's occur, reasonable efforts will be made to provide advance notice.

In the event that a notification needs to be posted, the following information will be included unless it is not readily available or known

- Goods or services that are disrupted or unavailable
- Reason for the disruption
- Anticipated duration
- A description of alternative services or options
- When disruptions occur, Strickland's will provide notice by
    - Posting notices in conspicuous places (including the point of disruption, the main entrances), the nearest accessible entrance to the service disruption and/or the website
    - Contacting guests with appointments
    - Verbally notifying guest when they are making a reservation or appointment
    - Any other method that may be reasonable under the circumstances

Feedback

Strickland's shall provide guests with the opportunity to provide feedback regarding the service provided to guests with disabilities.

Employee will provide, upon request, the necessary information for the feedback process in a manner that is accessible to the guest's disability (verbally, hand written, website, email, telephone).

Guests can submit feedback to:

Human Resources Manager
519-272-1077 ext 1202
925 Erie St. RR#3
Stratford, ON
N5A 6S4
hr@stricklands.com

Health and Safety Policy

Strickland's is committed to the health and safety of all employees. Our goal is to protect employees from workplace injury or illness.

Strickland's will make every effort to provide a healthy and safe work environment. All employees must also be dedicated to the objective of reducing the risk of injury and illness.

All employees are responsible for ensuring that machinery and equipment are safe and must follow established safe work practices and procedures. All employees will receive adequate training in their specific work tasks to protect their health and safety.

It is in the best interest of all parties to consider health and safety in every activity. Commitment to health and safety must form an essential part of this organization from management to the workers.

Joint Health and Safety Committee

The Joint Health and Safety Committee are composed of members that represent both the employees and Strickland's management. Together they are committed to improving health and safety concerns in the workplace by identifying health and safety issues and bringing them to Strickland's attention

Duties of Committee Members

- Obtain information regarding the identification of potential or existing hazards
- Inspect the physical condition of the workplace for the purpose of identifying situations that may be a source of danger or hazard to employees. Inspection must take place once a month
- Make recommendations for the improvement of employee's health and safety through education and training programs
- Actively participate in the investigation of workplace injuries/illnesses
- Accompany Ministry of Labour Inspector during workplace inspection
- Be consulted about and be present at, any testing of equipment, machinery or substance at the workplace
- Obtain information from the Workplace Safety and Insurance Board
- Investigate work refusals
- Actively participate in regular (quarterly minimum) JHSC meetings
- Maintain regular communication with managers regarding safety issues and findings

- Contact Owners if there is a need for higher elevation of safety issues

JHSC Requirements

- Any workplace that regularly employs 20 or more employees
- Any workplace where an order has been issued under 33 of the Act, even if fewer than 20 employees are regularly employed; and
- Any workplace where the Ministry of Labour orders a committee to be established
- In workplaces with less than 50 employees, the Act requires the committee to have a minimum of 2 members (one worker, one manager)
- Where there are 50 or more employees, the committee must have at least 4 members
- At least half the members of the committee must represent employees, with the balance representing the Leadership Team
- Some committees require at least 2 certified members. Once representing the employer and one representing the employees. These selected members will be required to complete Certification Part 1& 2 as set by the WSIB

WHMIS

Strickland's shall comply with the Workplace Hazardous Materials Information System (WHMIS) as set out in the Occupational Health and Safety Act. This will provide all Strickland's employees with information about hazardous materials used in the workplace so that they have the knowledge to protect themselves against any hazardous substances

WHMIS is a Canada wide system designed to give employers and employees information about hazardous materials used in the workplace. Three ways in which information on hazardous materials provided are:

1. Labels on the containers of hazardous materials (Supplier and Workplace labels)
2. Material Safety Data Sheets aka MSDS/SDS (1988) or Safety Data Sheets aka SDS (2015) to supplement the label with detailed hazard and precautionary information
3. Employee Education Programs

Note: WHMIS has been updated to WHMIS 2015 which falls in line with the Globally Harmonized System. What this means is that there is a multi-year transition period in which both WHMIS 1988 and WHMIS 2015 may be used. WHMIS 2015 must be in full effect by December 1, 2018.

Supplier Label

A mark, sign, device, sticker, stamp, seal, tag or wrapper placed on hazardous materials in the workplace.

Workplace Label

A label the employer produces for use in the employer's workplace only and; contains the following information

1. Product Identifier
2. Information for Safe Handling
3. Reference to the MSDS/SDS/SDS

Material Safety Data Sheets (MSDS/SDS)/Safety Data Sheets (SDS)

A MSDS/SDS/SDS is a document that summarizes the health and safety information available about a controlled product

Controlled Product

A substance meeting the criteria of one or more of the hazard groups/classes (e.g flammable and combustible material, poisonous and infectious material, simple asphyxiants, acute toxicity, oxidizing liquids etc) set out in the Controlled Products Regulation under the federal Hazardous Products Act and the new Hazardous Products Regulations.

Roles and Responsibilities

Management

- Ensure every container of a controlled product received from a supplier has a supplier label
- Ensure that until the supplier's container is empty; the supplier label is not deliberately removed, destroyed or changed
- If a supplier label is accidentally removed or destroyed, replace it with a new supplier label if available. If not, create a workplace label.
- Obtain and maintain MSDS/SDSs from suppliers
- Ensure all MSDS/SDSs are provided with easy access for employees
- Educate all employees through WHMIS education program during the orientation process
- Ensure the WHMIS policy is communicated to contractors prior to their entrance into the facility
- Review WHMIS education program, in consultation with the Joint Health and Safety Committee, at least once a year, or more often if conditions at the workplace change or new information on a controlled product becomes available

Employees

- Report to management any violation of the WHMIS regulation
- Inform management if proper information on a controlled product is not available
- Obtain proper information about a controlled product prior to working with it
- Participate in training provided by Strickland's
- Be aware of where to find and how to use the MSDS/SDS

JHSC

- Assist in the development of the workplace specific training
- As part of monthly inspections, randomly check to verify if WHMIS-controlled products are appropriately labelled and that MSDS/SDS are available and up to date

Once a year, in consultation with a management representative(s), review the WHMIS training program and determine the workers' familiarity with the information. If deficiencies are identified, the JHSC or Health and Safety Representatives should recommend retraining employees and/or amending the training program

Workplace Inspection Procedure

This procedure provides a format for ensuring that workplace inspections are conducted and consistent.

This standard applies to all areas of the workplace.

The employer is responsible for ensuring the proper application of this procedure. All employees will follow the standard and participate in workplace inspections. All employees have roles and responsibilities in the Workplace Inspection Program. The success of this program relies on the participation of all employees.

Roles and Responsibilities

Strickland's

Strickland's will:

1. Ensure that the workplace inspections procedure will be reviewed and revised as necessary.
2. Ensure that items to be inspected include: health and safety hazards, equipment maintenance issues, completion of previous issues noted on past inspection forms, hazard control effectiveness, training needs and housekeeping issues.
3. Ensure that all Health and Safety concerns identified by the inspections are corrected completely in a timely fashion. If concerns can not be immediately corrected, all necessary precautions will be taken to ensure the safety of employees in the interim

Supervisor/Manager

The supervisor will complete a daily visual inspection and a monthly inspection.

Daily visual:

1. Identify health and safety hazards, equipment maintenance issues, hazard control effectiveness and housekeeping problems.
2. Record any issues found and remedial action taken.

Monthly:

1. Review the monthly health and safety inspection conducted by the JHSC and make any necessary corrections as advised by the committee.

Employees

Strickland's employees are responsible for inspecting their work areas daily. The purpose of the inspection is to identify health and safety hazards, equipment maintenance issues, hazard control effectiveness and housekeeping problems. Suggestions for improvement should be noted whenever possible.

Any health and safety concerns that may arise either during the inspection or throughout a shift must be reported immediately in writing to your supervisor.

Worker Health and Safety Representative

The worker health and safety representative will schedule monthly workplace inspections. The purpose of the inspection is to identify health and safety hazards, equipment maintenance issues, completion of previous issues noted on past inspection forms, hazard control effectiveness, training needs and housekeeping issues.
The inspection schedule shall be completed in December for the following year and must be completed on a monthly basis.

The inspection procedure is as follows

1. The worker performing the inspection will prepare for inspection by reviewing previous reports.
2. The worker performing the inspection will be familiar with the work processes and work areas.
3. The worker performing the inspection will review workplace requirements as necessary (e.g. standard procedures, training records, etc.)
4. The worker performing the inspection will wear the required Personal Protective Equipment (PPE) for the areas that s/he enters.
5. The worker performing the inspection will use the Monthly Workplace Inspection Recording Form as a guide to ensure a thorough inspection.
6. All substandard or unsatisfactory conditions are to be documented using the Workplace Inspection Recording Form.
7. The worker performing the inspection will check to see if previous actions are complete.
8. Recognition of good practices and adherence to procedures should also be noted.
9. Suggestions for resolving items noted on the inspection to be documented on the Workplace Inspection Recording Form.
10. The worker performing the inspection will note the next planned inspection date
11. Corrective action must be taken immediately when possible/necessary.
12. The worker performing the inspection will submit the Workplace Inspection Recording Form to the Employer once the inspection is complete.
13. Employer will review the Workplace Inspection Recording Form and initiate/plan appropriate corrective action where necessary within one week (or immediate if needed).
14. Copies of the completed Workplace Inspection Recording Form will be:
    - Posted on the Health and Safety Board
    - Maintained on file by the Employer
    - Maintained on file by the Worker Health and Safety Representative

Communication and Training

- Department specific procedures will be communicated to all employees by Department Managers at new worker orientation, staff training sessions and/or meetings.
- Any changes to the inspection procedure will be communicated to employees at staff training sessions and/or staff meetings
- If an employee feels that they require further training, the employee will notify their supervisor.
- Employer will review compliance and effectiveness of inspection procedure at least annually by examining inspection records to look for trends, asking employees for feedback and walking around to see that inspection procedure is being followed.

Return to Work

Strickland's will make every reasonable effort to provide suitable stay at work (SAW) or return to work (RTW) opportunities for every employee who is unable to perform his or her regular duties following a work-related injury or illness. The RTW program will ensure that as a company we are committed and able to supply modified/accommodated duties to all employees, where possible, without undue hardship.

Work-related Injury or Illness

Roles and Responsibilities

Strickland's

- A certified first aider will administer first aid immediately, if needed
- The employer arranges and pays for transportation for medical care, if needed
- The employer pays wages for day of injury
- The employer reports the injury/illness to the WSIB within three days if it involves: health care treatment, time off work or lost wages using form 7
- Investigate the accident
- Contact your worker as soon as possible after the injury. Discuss the best means of communication with the worker
- Maintain communication throughout injured worker's recovery and return to work
- Attempt to provide **suitable work**. In other words, work that:
    - Is safe and within your worker's (functional) physical capabilities

  - Your worker has the skills to do (or can acquire the skills to do)
  - Restores your worker's pre-injury earnings as closely as possible.
- Provide a Return to Work package (doctor letter, Functional Abilities Form (FAF), date for meeting on return to work, if needed)
- Develop a RTW plan with the worker
- Document the RTW plan and provide a copy to the worker and WSIB
- Review the RTW plan regularly to ensure it is current and reflects the injured workers functional abilities. If changes are needed – revise the RTW plan, copy the worker and WSIB
- Monitor the progress of the worker's modified duties through bi-weekly meetings with the worker and supervisor (if applicable). Ensure medical follow-up is obtained at a pre-arranged schedule (as determined in the RTW plan). The schedule of the meetings will be decided on a case by case approach
- Determine and maintain medical monitoring and treatment with the use of the Functional Abilities Form. The frequency of medical contacts can be determined on a case by case basis
- Provide a fair and consistent disability return to work policy and procedure to all employees who become injured or ill; whether or not it is occupational or non-occupational related
- Provide *meaningful* employment for employees (temporarily or permanently disabled) and promote the stay at work (SAW) or return to work (RTW) procedure
- Encourage employee participation and promote co-operation
- Ensure that all training on this procedure (objectives, requirements and procedures) occurs and is evaluated
- Ensure that any annual budget for health and safety includes the costs of workplace accommodations

Supervisor/Manager

- Advise the injured worker of the availability of transitional work and provide the required forms
- Assist in the creation of, and support the employee's RTW plan
- Maintain communication with the employee on modified duties and monitor their progress and the effectiveness of the plan on an individual case by case basis
- Inform other employees in the department as may be required.
- Communicate and assist in the evaluation of the plan's effectiveness through regular meetings scheduled with the employee
- Communicate with the injured worker regularly and document the communication
- In addition to documented communications, schedule bi-weekly sit-down meetings with the injured worker, as appropriate
- Ensure that the job descriptions and job task assessments are up-to-date and reflect current business processes

Employees

- Report the injury to employer or supervisor/manager
- Get proper medical treatment immediately following a work-related injury or illness and follow the recommendations of the health professional
- Take RTW package provided by the employer to the health professional and return the FAF as soon as possible
- Complete a form 6 workers report of injury and return it to WSIB
- Actively participate in regular communication with supervisor/manager (required by this procedure and as agreed to in the RTW Plan).
- Take an active role in developing the RTW plan
- Communicate any concerns to the employer or supervisor/manager.
- Obtain the necessary forms from the treating health care professional, as may be required, by the employer.
- Ensure that appointments with health care professionals are continued while on modified duty. These appointments are to be arranged whenever possible during non-work hours
- Co-operate with all requests for documentation as required by the WSIB and the Employer
- Attend all scheduled RTW meetings.
- Communicate any change/modifications needed to their RTW plan as soon as they are known

Health & Safety Representative OR Joint Health & Safety Committee (JHSC)

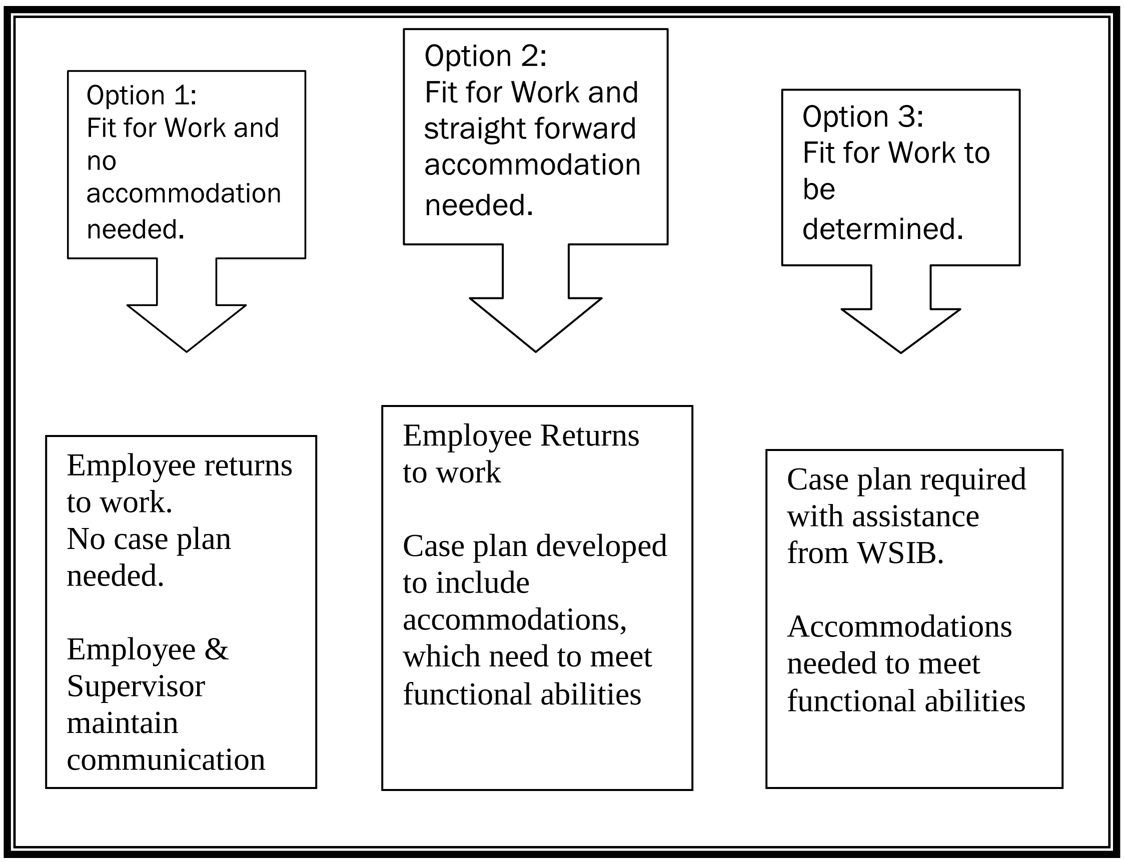
- Assist employer or supervisor/manager in conducting a job risk assessment
- Review any corrective action taken as a result of a workplace injury/illness during the next scheduled workplace inspection
- Assist in the annual review of the return to work policy and procedure
- Receive statistical information on workplace injuries and illnesses and make recommendations as appropriate

Reporting requirement to WSIB

- Wage changes
- Changes in duties/duration of program
- Failure to cooperate; failure to provide required / requested information
- End of program

Return to Work Procedure

- All employees are required to report any injury / illness to their supervisor immediately or as soon as is reasonable – as per the “Work-related Injury or Illness” procedure.
- Upon learning of a work-related injury / illness the employee’s supervisor will follow the “Work-related Injury or Illness”
- The chart below can be used to determine whether or not a RTW program is required and/or the next steps.



Communication

The method of communication referred to in the RTW Plan includes phone, fax or written. Any phone contact must be documented. Both parties (supervisor and employee (injured worker)) are responsible for maintaining the documentation on the RTW plan.

GENERAL POLICIES

Dress Code

Your appearance communicates a lot of information about your professionalism to our guests and suppliers, as well as to your management and the community. As a result, your appearance, including hairstyle, facial hair, piercings, tattoos and the condition of attire reflect directly on the reputation and professionalism of Strickland's. The dress code is to be adhered to during all Strickland's related business, including but not limited to off-shift deliveries, appointments, special events etc

The following guidelines are not exhaustive and common sense should always prevail (e.g. if you would wear it to a nightclub, the beach etc, it's not appropriate). When in doubt, check with your manager or err on the side of caution. It is a good rule of thumb to check how the clothing you wear might react during the course of your regular duties (bending, stooping, leaning etc) before leaving home.

- Department specific uniforms are mandatory – see your department manager for details
- All employees who interact with guests are required to wear Strickland's branded shirts
- Dress pants, dress shorts or skirts only – no jeans, cargo pants/shorts, leggings, spandex, sweat pants or other casual legwear – skirts should be a reasonable length and shorts must be knee length
- No tank tops with straps of a width of less than 2 fingers; or revealing clothes
- Business casual shoes – no running shoes, crocs, flip flops etc – during the summer months, dress sandals may be worn (plastic sandals and flat flip flops with beads or sequins do *not* count as dress sandals) – certain departments may be required to wear specific footwear for safety reasons
- Hats must be Strickland's branded/approved
- Sunglasses may not be worn while dealing with guests
- Clothing must be neatly pressed and clean
- Under garments must not be visible
- Jewelry and clothing bearing inappropriate or undesirable advertising, lettering or symbols (vulgarity, discriminating language/imagery, depictions of sex or violence, etc) are prohibited
- Excessively trendy hairstyles/cuts/hair colours/facial hair and piercings are not permitted
- Hair must be clean and neatly styled

- Beards, moustaches and goatees are permitted, otherwise, employees should be clean shaven - Facial hair must be neatly groomed and trimmed
- Designated safety equipment must be worn in applicable departments (service, detailing etc)
- No strong perfumes or scented lotions

Safety footwear is mandatory for Service Technicians, Detail Technicians and any employees working in parts. Eligible employees will receive reimbursement of $50.00 per year of direct discount off the purchase of safety boots/shoes, when purchased through Mister Safety Shoes. Products and locations can be viewed using the website below:

http://www.mistersafetyshoes.com/

If an eligible employee purchases their safety shoes from a supplier other than Mister Safety Shoes, a valid receipt must be submitted in order to receive the same compensation.

An employee who reports to work in violation of this policy may be asked to leave work and return properly attired/groomed. If the employee does not return to work in this instance, it will be considered an unapproved absence under the Attendance, Absenteeism and Punctuality Policy.
Strickland's reserves the right to determine, acting reasonably, whether you are in violation of this policy.

Attendance, Absenteeism and Punctuality

Strickland's places a high value on attendance and punctuality and expects all employees to arrive to work at their scheduled shift times. Regular attendance and consistent punctuality are critical to the goals, objectives, effectiveness, and standards of Strickland's and its business operations.

Employees who are chronically absent or tardy adversely affect Strickland's productivity and staff morale, thus diminishing the quality and level of normal business operations.

Strickland's considers an employee absent if he or she does not attend work as scheduled, regardless of cause.

Employees are entitled to 10 **unpaid** Personal Emergency Days ("PEDs") each calendar year under the *ESA***.**

https://www.labour.gov.on.ca/english/es/pubs/guide/emergency.php

- *An employee who is entitled to personal emergency leave can take up to 10 days of unpaid leave due to:*
- *Personal illness, injury or medical emergency,*
  or
- *Death, illness, injury, medical emergency or urgent matter relating to the following family members:*
  - *A spouse*;*
  - *A parent, step-parent, foster parent, child, step-child, foster child, grandparent, step-grandparent, grandchild or step-grandchild of the employee or the employee's spouse;*
  - *The spouse of an employee's child;*
  - *A brother or sister of the employee;*
  - *A relative of the employee who is dependent on the employee for care or assistance.*

**Note: "spouse" includes both married and unmarried couples, of the same sex or the opposite sex.*

An urgent matter is an event that is unplanned or out of the employee's control, and *raises the possibility of serious negative consequences, including emotional harm, if not responded to.*

Examples of an "urgent matter":

- *The employee's babysitter calls in sick.*
- *The house of the employee's elderly parent is broken into, and the parent is very upset and needs the employee's help to deal with the situation.*
- *The employee has an appointment to meet with his or her child's counsellor to discuss behavioural problems at school. The appointment could not be scheduled outside the employee's working hours.*

Examples of events that do not qualify as an urgent matter:

- *An employee wants to leave work early to watch his daughter's track meet.*
- *An employee wants the day off in order to attend at her sister's wedding as a bridesmaid.*

Employee Responsibilities

1. Each employee is responsible for notifying Human Resources of the absence for each day that the absence occurs, regardless of cause. Each employee is also responsible for reporting when he or she is likely to return to work.

2. An employee who does not intend to report to work for any reason must notify Human Resources – either by telephone at 1-866-735-7522 ext 264 or e-mail message – as well at their acting manager within 30 minutes of the employee's regularly scheduled starting time. No other form of contact will be considered acceptable as it may not reach the appropriate contacts.

3. Absences without excuse will not be tolerated and are subject to disciplinary action. Employees who fail to arrive for their scheduled shift and have not contacted Human Resources using the proper notification methods as detailed above regarding their absence (No Call No Show) will be subject to disciplinary action.

4. Employees who are absent for 3 or more consecutive working days are required to submit a note from a licensed physician or medical practitioner stating the nature of the illness and/or medical condition that led to the absence. Employees absent due to a work-related illness or injury could be required to submit to a physical examination before returning to work in order to minimize liability to Strickland's.

5. Any employee who remains absent for more than 3 consecutive business days, without excuse or authorization, will be considered as having resigned his or her position.

6. Any employee who remains absent for more than 3 consecutive business days after the end date of an authorized leave of absence will be considered as having resigned his or her position.

7. Any employee who has been absent for more than 5 days per rolling 6 month period shall have his/her attendance record reviewed and may be required to submit a physician's note or other medical evidence upon returning to work from any other days off due to illness or injury.

8. Unacceptable attendance includes, but is not limited to, unexcused or persistent early departure during scheduled working hours, abuse of Personal Emergency Days (PEDs), or tardiness.

9. Early departures during scheduled working hours must be reported Human Resources *before* leaving the premises. Employees who wish to leave early must receive approval from their manager.

10. Employees that leave during scheduled working hours without proper notification will be subject to disciplinary action.

11. Employees are considered tardy if they arrive 6 minutes or more after their scheduled start time.

12. Half or part days missed due to illness, injury or any other emergency will be counted as 1 full PED

13. Abuse of Personal Emergency Days will not be tolerated. Managers and Human Resources will remain vigilant of the following PED patterns, particularly if the patterns are chronic and persistent:

    - Absence on weekends; Saturdays, or Sundays where the employee is scheduled to work

    - Absences during the day before and/or the day after scheduled days off, vacation days or statutory holidays

    - Situations where the absence(s) coincides with desirable days off

14. Absences approved under the provision of federal and provincial law, and absences approved for the purpose of complying with military requirements or jury duty, will not be considered unscheduled, unapproved, or unexcused absences.

Management Responsibilities

1. Provide Human Resources with current copies of departmental schedules

2. Promptly notify Human Resources of any absences (No Call No Shows), late arrivals that were not previously approved, etc that may not have been reported. If absences are not reported, they will not be admissible towards future disciplinary action.

3. Notify Human Resources if any employee can not be accounted for, for an extended period of time and appears to have left the premises without approval or proper notification.

4. Ensure that Human Resources is made aware of all absences that may or may not have been correctly reported.

Drugs and Alcohol

The use of illegal drugs and the abuse of alcohol, prescription and over-the-counter drugs by employees may potentially threaten the health and safety of Strickland's employees, guests and community. You must not, therefore, have any type of illegal or unauthorized involvement with, or be under the influence of drugs, alcohol or controlled substances while on Strickland's property, operating Strickland's vehicles or during working hours.

During off hours, Strickland's employees will refrain from becoming impaired while wearing or displaying any Strickland's branded articles or uniforms; or appearing as an identifiable representative of the Dealership.

In any event that any Strickland's employee determines that they have over-consumed alcoholic beverages to the point where their ability to operate a motor vehicle would be impaired, they are required to avoid driving while under the influence, and should obtain alternate means of transportation.

If you are prescribed, for medical reasons, a drug that may inhibit your judgement, awareness or motor skills, you must notify your supervisor immediately. Modified responsibilities or a medical leave of absence may be necessary or appropriate.

Strickland's will, in appropriate circumstances, accommodate an employee with a drug and/or alcohol dependency. Such accommodation may include an unpaid leave of absence for the employee to successfully complete drug and/or alcohol abuse counselling or a rehabilitation program. Employees who suspect they may have an active or emerging drug and/or alcohol dependency are advised to contact management immediately.

Violation of this policy may lead to disciplinary action up to and including immediate termination for cause.

Smoking

Strickland's complies with all applicable laws, statues and regulations requiring smoke-free environments. As a result, you are not permitted to smoke inside any building or enclosed space. This includes but is not limited to the dealership, wash bays, service areas, storage sheds/containers and mobile offices.
Smoking will not take place within 5 metres of guest or employee parking areas, guest/public entrances or anywhere that a guest or employee may be involuntarily exposed to the second hand smoke.

Cigarette butt receptacles are located at various points on the lot and property. Employees must use these receptacles without fail.

Smoking is prohibited inside any company or guest vehicle.

Employees who fail to adhere to this policy may be subject to disciplinary action up to and including termination.

Privacy/Confidentiality

While employed by Strickland’s, employees may acquire information about certain matters which are confidential to Strickland’s and which is the exclusive property of Strickland’s, including but not limited to:

- Information concerning its products and services;
- Information concerning pricing and sales policies, techniques and concepts, including costing information, in respect of products and services provided or to be provided by Strickland’s;
- Information concerning pay scales, commissions or any other earnings of employees of Strickland’s;
- Names and addresses, buying habits, financial information and preferences of guests of Strickland’s,
- Names and addresses of suppliers, contractors and vendors of Strickland’s and prices charged by same,
- Names, addresses, personal phone numbers and schedules of employees of Strickland’s
- Names, addresses, personal phone numbers and schedules of the owners/family members of Strickland’s

Employees will undertake to treat confidentially all such information and are not to use or disclose it to any third party either during employment, except as may be necessary to perform applicable duties; or after termination of employment, for any reason, except with the express written permission of the Owner, President or the Chief Executive Officer.

Further, in upholding employee and guest rights to confidentiality and privacy, you should remember:

- Private conversations or the required discussion of confidential information for employment purposes should be kept to a minimum in the shared work environment. Whenever possible, you are requested to utilize one of Strickland’s offices or board rooms when conversations of this nature occur
- Keep all documents containing confidential and/or private information filed away when not in use or when not at your desk
- Should you happen to overhear a private or confidential conversation, do not repeat any information overheard unless you have been given explicit permission to do so

Conflict of Interest

Employees are expected to devote the focus of their time, attention, knowledge and skills solely to the business and interest of Strickland's. Strickland's is entitled to all of the benefits, profits, inventions and ideas related to all performance of work, services, and professional advice produced by Strickland's employees.

Employees of Strickland's will not maintain any interests directly or indirectly, as a partner, officer, director, stockholder, advisor, employee or act in any other capacity, for any other organization or individual that conducts business that may be perceived as similar to or competitive with Strickland's business.

Employees are required to disclose in writing to the President, Chief Executive Officer or Dealer Principle, any proprietary or other financial interest they may have in, or any service they may perform for, any individual or organization that Strickland's does business with or which Strickland's is in competition with, so that a determination may be made as to whether or not a conflict of interest exists.

Acceptance of gifts, gratuities or other material consideration of more than a nominal value from outside individuals/organizations by employees who deal with these individuals/organizations in the purchase of products, materials or services, or who are in a position to influence such purchases, is strictly prohibited.

It is against company policy for employees to perform any repairs, maintenance or other mechanical or detailing work on Strickland's owned vehicles outside of the regular duties of their position or without a work order. Any work performed in this manner or 'on the side' is a conflict of interest.
Any employee found to be performing work that is a conflict of interest, either on Strickland's property or elsewhere will be subject to discipline, up to and including termination for cause.

Insubordination

It is the role and responsibility of management to ensure that the dealership is functioning at its highest level of performance possible. To do this, management must also ensure that employees are performing their duties safely and efficiently.

Insubordination is the refusal to obey work related instructions, direction and duties. It can include but is not limited to the refusal to complete required duties, failure to follow instructions, noncompliance of policies or a general rebelliousness towards management.

Insubordination will not be tolerated and will be subject to immediate disciplinary action up to and including termination for cause.

Drivers Licence, OMVIC Licence, Insurance, Accidents and Tickets

It is a condition of your continued employment with Strickland's that you drive in a professional manner and obey all laws while operating any vehicle (personal, company or guest).
You must maintain a good driving record such that the cost of insuring you will not be excessive, in the sole opinion of Strickland's.
You must also maintain a valid driver's licence. Operating a vehicle without a valid licence is a crime. Loss of your driving privileges for any reason is equal to resignation. Any change in status of your driver's licence must be reported to Human Resources immediately e.g. suspension, revoked etc
Employees will be responsible for any tickets, fines etc incurred while operating a company or guest vehicle and may be subject to disciplinary action and loss of demo privileges.

It is a condition of your continued employment with Strickland's that you qualify presently and continually for bonding with an insurance company, to the requirements of Strickland's. Employees must maintain a personal insurance policy throughout their employment with Strickland's. Employees must carry proof of insurance whenever operating any vehicle.

It is a condition of continued employment with Strickland's that sales associates and any other employees who interact with guests for the purpose of selling them a vehicle, maintain a valid OMVIC Licence for the duration of their employment. Strickland's is not responsible for any charges incurred/required in order to maintain a valid OMVIC Licence (renewal fees, personal fines etc). Proof of a valid OMVIC licence should be carried on the employee at all times and must be produced when asked.

Any accident with or damage to a company vehicle must be reported immediately to management and the appropriate authorities. Failure to do so may subject the employee responsible for the damage, to discipline, up to and including termination for cause.
It is important for the employee involved in the accident to avoid admitting liability or making statements that may imply liability to those involved in or witnesses to the accident. Allow investigating authorities to determine the fault of the accident.
If an accident is found to be "at fault" the employee will be responsible for the $5,000 collision deductible charged by Strickland's insurance company and may be subject to disciplinary action up to and including termination.

Cell phone usage while operating a company vehicle is strictly prohibited unless the cell phone and/or vehicle are equipped with appropriate hands free devices/capabilities

Parking

Strickland's provides designated, preferred parking areas for its guests such as, but not limited to parking spaces directly in front of the dealerships' and service departments' main entrances. You are not to park in these areas at any time. Employee parking spaces are on a first-come, first-served basis.

In employee parking areas near or attached to inventory lot parking (generally along the perimeters of the lots), employees are to back straight into the spot. You are also required to straighten the front wheels of their vehicle once in position.

During the winter months, certain parking areas may be prohibited to accommodate snow removal. You should check with your manager in the fall to ensure that you know where to park before winter arrives.

Strickland's assumes no liability for any property that is lost or damages that occur in its parking lots. Employees are strongly encouraged to remove any valuables from, and lock their vehicle at all times.

General Etiquette

Strickland's is committed to providing efficient and effective workspaces for all staff members. Due to the structure and arrangement of the shared workspaces, certain etiquette and conduct must be adhered to while working in the shared environment.

Noise

Employees are requested to keep general noise levels to a minimum so as to not interfere with the productivity of co-workers or interfere with the guest experience. This is especially important in areas such as the closing areas of the dealership and the Business Development Centre. Keeping noise to a minimum requires that employees:

- Refrain from listening to music on the radio or on the computer
- Keep social conversations with co-workers to a minimum. Chatting across the shared workspace to a fellow co-worker can be very disruptive to others also sharing the space
- If you need to speak to a fellow co-worker do not talk across cubicles/offices, dial their extension and speak to them on the phone or go to the person’s cubicle/desk/office to have the conversation
- Keep the volume of your voice down while having a conversation as loud talking and yelling can disrupt or interrupt fellow co-workers from performing their jobs
- Vulgarity is not permitted, especially in areas where it is possible that a guest may overhear the language. These areas include but are not limited to the closing desks, Business Development Centre, showrooms, lots and other common areas
- Employees are requested to turn off their cell phones or keep them on vibrate while working in their individual cubicles so as to not disturb others around them

Fragrances and Scents

In order to remain respectful of individuals who may have sensitivities to certain scents or smells, all employees are requested to keep the shared workspace a scent free zone. Ensuring the environment remains scent free requires that employees:

- Refrain from wearing any perfumes, aftershaves, or lotions that have strong scents. Please utilize lotions and other grooming products that are unscented
- Please ensure any food consumed in the shared work area does not give off strong odours or smells

Phone Etiquette

Employees working in the shared workspace are requested to:

- Refrain from utilizing the speaker phone option on the telephone. Alternatively, employees are requested to make use of hands free headsets if they wish to be hands-free from the phone while on a conference call or taking notes
- Make sure to keep your voice lowered when having phone conversations, this not only protects confidential information from being heard by fellow co-workers and guests but also ensures distractions are kept to a minimum
- If a co-worker is on the phone do not interrupt them, nor distract them with hand signals in an attempt to gain their attention. Wait until that individual has ended their phone conversation to speak to them

Workplace Gossip / Rumours

The spread of workplace rumours by way of gossip is strictly prohibited at Strickland's. This includes verbal, written and electronic communication.

Workplace rumours are capable of spreading quickly, and may irreparably damage the professional image or reputation of employees, and Strickland's reputation as an employer. In some cases, workplace gossip or rumours may constitute harassment or verbal assault.

Gossip and rumours in the workplace create a myriad of problems, including:

- Lost productivity and wasted time;
- Erosion of trust and morale;
- Increased anxiety amongst employees as rumours circulate without any clear information as to what is fact and what isn't;
- Growing divisiveness among employees as people "take sides,";
- Hurt feelings and reputations;
- Jeopardized chances for the gossipers' advancement as they are perceived as unprofessional;
- Increased attrition, as employees leave the company due to the unhealthy work atmosphere.

In the event that an employee witnesses, is engaged in, or is affected by workplace gossip or rumours, they should report the incident(s) to their manager, supervisor or Human Resources for investigation.

Employees shall not speak or insinuate another person's name when that person is not present unless it is in a complimentary manner, or to make reference regarding work matters (this does not include negative commentary on another employee's performance).

Strickland's employees should refuse to participate in derogatory or malicious gossip or rumours.

Entering a Co-Worker's Cubicle/Office/Work Area

Never assume you may walk into a co-worker or manager's cubicle/office. They may be in the middle of an important call, working with confidential information or concentrating on their job. When visiting another employee's work space always remember to:

- Stand at the entrance of the employee's work area and let the individual know that you are there

- Ask that person if they are available to speak to you and wait until the employee invites you to have your conversation
- Should the employee be on the phone, opt to return later. Never attempt to distract or interrupt a phone conversation
- Never enter an owner/manager/HR/Accounting cubicle or office if the person it belongs to is not present, unless you have been given explicit permission to do so

Housekeeping

Employees working in a shared environment are required to keep their cubicles/work areas neat and tidy at all times. Cleanliness demonstrates professionalism as well as respect for yourself, guests and the individuals you work with. Employees should:

- Keep clutter to a minimum; this means ensuring all papers, documents and other files are not left lying around in stacks either on the floor or on the desk/work area
- Ensure garbage/food is not left lying on the desk, in your work area or in common areas. Utilize the appropriate garbage and recycling receptacles for any refuse
- Employees are permitted to personalize their work area only with approval from the department manager. Photos and decorations are to be kept to a minimum so as to avoid the appearance of clutter. Any approved photos or personal items will be professional in appearance and non-offensive
- Lunchrooms with appliances such as refrigerators and microwaves are provided in each dealership and are to be kept clean and tidy at all times. Microwaves are to be wiped after each use and any food left in the refrigerator must be removed by the end of the week. Please be respectful of your co-workers and refrain from eating any food that you did not personally bring in, unless invited to do so.
- Offices located in the showroom are closing offices only. They are considered to be common space and should not have anything on them other than the computer. The desk assigned to you in the Business Development Centre is the only desk at which you may keep personal items (including resources, binders, files etc kept for personal use)

Paging

Strickland's uses a paging system to make announcements, get in contact with staff in other buildings/departments and call sales staff to the showroom. Since all pages are heard by both staff and guests at all points on the property, it is important that pages are kept professional and brief.

Do:

- Use proper names
- Speak clearly
- State the extension that the person being paged should call to speak further
- Keep it brief, as it can be disruptive
- Keep it professional
- Repeat your request once to ensure that it is heard
- Be careful to close the channel after you are done paging using the release button rather than by putting the receiver down
- Respond quickly when you are paged

Don't:

- Use nicknames
- Use it to make fun of others or to further a joke
- Use it excessively
- Play music over the intercom
- Speak too quickly
- Interrupt a guest in order to answer a page

Sales Reps and Account Managers that are announcing a sale are encouraged to have fun and make it personal and exciting for the guest. Use the announcement as a time to celebrate and reinforce the sale.
When a sale is announced, show enthusiasm and excitement for the guest by applauding/acknowledging the announcement.

Company Sponsored Lunches

Occasionally, a special event will include food. Employees are often invited to partake; however, the same rules apply. Check with your manager before taking any event food.

The service department provides complimentary breakfast/brunch items to its guests. These items are not for employee consumption.

Personal Calls and Visits

In order for Strickland's and its employees to be successful, the entire team must be working together to achieve success. Therefore it is expected that employees limit personal calls, texts, emails and visits to scheduled break times. Strickland's recognizes, however, that the occasional unplanned phone call or visit may occur.

Phone calls of a personal nature received during working hours should be kept to a 5 minute limit. Long distance personal phone calls should never be made from company phones/lines.

If a family member or friend stops in for non-business reasons, it is expected that you will inform your supervisor and request a short break. If the dealership is busy and there are guests that require attention, they will be your priority. It is unacceptable to keep a guest waiting for any period of time because you are visiting with a friend or family member.

Visits and phone calls of a personal nature should never interfere with your responsibilities or job performance. Guests will always be top priority and should your presence be required, you must end your call/visit immediately.

Family emergencies are an exception to this rule. An emergency must be a legitimate and immediate crisis that requires your personal attention. Any emergency that includes immediate time off from your duties should be cleared through your manager and reported to Human Resources.

Any employee found to be abusing this policy, may be subject to disciplinary procedures.

Personal Relationships

Strickland's permits the employment of two or more qualified family members only where such employment does not, in the opinion of Strickland's, create an actual, potential or perceived conflict of interest.

Friendships and romantic relationships must never interfere with company business, performance or compromise the integrity of either employee's relationship with Strickland's.

Social Activities

Occasionally, Strickland's may sponsor a social event such as a Christmas party or a luncheon/dinner/night out to reward exceptional performance or an attained goal. It is expected that all employees and their guests will conduct themselves appropriately so as to represent Strickland's in a positive and professional light.

During Strickland's sponsored events, as previously stated in the Drugs and Alcohol Policy, Strickland's employees will refrain from becoming impaired while wearing or displaying any Strickland's branded articles or uniforms; or appearing as an identifiable representative of the Dealership.
In the event that any Strickland's employee determines that they have over-consumed alcoholic beverages to the point where their ability to operate a motor vehicle would be impaired, they are required to avoid driving while under the influence, and should obtain alternate means of transportation.

Employees in attendance at Strickland's sponsored events will remain subject to all Strickland's policies regarding conduct, ethical behaviour, violence and harassment, and will remain subject to disciplinary/corrective actions, in the event of any misconduct/breach of policy.

Any employee found to be unable or unwilling to control their conduct at such events will lose their privilege to participate and/or may be subject to disciplinary procedures.

Posting and Exchange of Information

Strickland's provides both physical and digital bulletin boards to aid in the exchange of ideas as well as communicate its policies, notices, special events and any other information of special interest that it feels you need to know as an employee.

As an employee, you may access the admin site to view the dashboard, where information is shared.
It will be accessible with a secured login and password only. Your user name and password are for your own personal use only and are not to be shared under any circumstances.
Other pertinent information including, but not limited to the Policies and Procedures manual and inventory can also be found at the above web address.
Due to the confidential nature of the admin site, any information accessed from this site is subject to the Privacy/Confidentiality Policy found in this manual.

You may not post any notices, literature, advertisements, photographs or other printed material anywhere on Strickland's property without obtaining prior approval from senior management.

Personal Vehicle Repairs

Employees and their immediate family members (children, parents and siblings) receive a discounted rate on all repairs and maintenance of their personal vehicles. They will receive a 50% discount on labour as well as the opportunity to purchase parts at cost plus 10%.

Scheduling of the repairs will be done by appointment and priority only after full paying guests. If the employee wishes for the work to be moved up in priority, they may forego any discounts.

All vehicle repairs must be paid in full at the time of completion. There will be no exceptions to this rule.

Personal Use of Strickland's Property/Facilities/Equipment

Strickland's understands the desire of employees to use Strickland's facilities to conduct personal vehicle repair/maintenance or storage of personal property/vehicles.

Acceptable Use

Employees are permitted to use Strickland's facilities such as the wash bay, air compressor, shops etc to conduct personal vehicle repair and maintenance, provided:

1. Employees receive pre-approval from their Supervisor for use;
2. The employee is certified to do the work/use the equipment for the repair;
3. Work is conducted outside of scheduled work hours;
4. Work is not performed while the employee is alone in the work area;

5. The vehicle being repaired/maintained belongs to the employee;
6. The facilities are not being used to conduct unapproved business for any alternate sources of employment, compensated or otherwise; and
7. Use of Strickland's facilities does not interfere with job performance or daily business.

Employees are permitted to use Company facilities while others are on shift, provided the work is being conducted outside of their regular working hours, and it does not interfere with on-shift employees' ability to conduct their regular work duties.

Strickland's facilities, equipment and tools must be kept in good condition and all Company property must remain on Strickland's premises.

Employees are not permitted to leave or store any vehicle or personal objects on Strickland's property.

Abuse of Strickland's facilities will not be tolerated, and may be subject to disciplinary action up to and including termination of employment.

Liability

- Strickland's is not liable for employee injuries when using Strickland's facilities for personal use on personal time.
- Employees accept full responsibility of all liabilities for injury, loss, damage or equipment malfunction.
- In the event that any Strickland's owned materials or property are lost, stolen, or damaged, employees are required to report the loss/incident to the appropriate manager as soon as possible. Employees will be required to participate in any investigations that are deemed necessary and may be required to pay for any loss, repairs or replacement of Company property that occur while using Strickland's facilities, equipment and tools.

Security

- Employees that use Strickland's facilities, equipment and tools are required to ensure that everything is appropriately safe-guarded against theft and/or loss.
- Strickland's property, equipment and materials are intended only for use by Strickland's employees

Injury and Incident Reporting

Strickland's is accountable for any incidents that occur on its property during the employee's regular working hours. Therefore any incidents that may jeopardize the safety of Strickland's employees, guests and/or company property must be reported

immediately to the appropriate supervisor or manager. Any witness statements and details must be obtained and recorded immediately.
This includes but is not limited to employee or guest injuries, vehicle accidents, vandalism and theft.

All injuries, regardless of the nature or severity, obtained while on Strickland's property must be reported immediately to the supervisor or manager on duty. An appropriately certified person will administer appropriate first aid and record the details of the injury.

Social Media Usage

Strickland's strives to maintain a positive reputation in the community, and has adopted this policy to ensure that our staff members are aware of their responsibility to maintain a positive image as a representative of our organization. Strickland's employees and volunteers that maintain personal social media pages are expected to comply with the guidelines set out within this policy.
This policy is in addition to and compliments any existing or future policies regarding the use of technology, computer, e-mail and the internet.

We would like to remind our staff that they continue to act as representatives of this organization outside of regular business hours, and should conduct themselves in a manner that is appropriate.

Social Media: *forms of electronic communication through which users create online communities to share information, ideas, personal messages and other content (Merriam-Webster Dictionary).* These include but are not limited to: Facebook, LinkedIn, Blogs, YouTube, Twitter, MySpace, etc.

Strickland's employees that maintain personal social media pages or accounts are required to comply with the following guidelines as they relate to their association with Strickland's. Employees will be held accountable for what they write or post on social media or internet pages. Inflammatory comments, unprofessional or disparaging remarks made about the organization, its employees, guests, vendors, suppliers or competitors may result in disciplinary action, up to and including termination.

Employees must follow the guidelines below when making posts or comments on any social media site whether it is public or private.

1. Social media identities, login IDs and user names may not use any form of Strickland's various business names (Strickland's, Stratford Toyota, Brantford GMC etc.) without prior written approval from the Dealer Principle.

2. Sales Staff are not permitted to use primary company social media pages to recruit guests.

3. Employees are expected to conduct themselves professionally both on and off duty. Where a staff member publically associates with the company or keeps Strickland's guests as contacts, all materials associated with their page may reflect on the company. Please be advised that inappropriate/controversial/inflammatory comments, photographs, links, etc. should be avoided.

4. Posts involving the following will not be tolerated and will subject the individual to discipline:

   - Disclosure of proprietary and confidential company information;
   - Discriminatory statements or sexual innuendos regarding co-workers, management, guests, or vendors; and
   - Defamatory statements regarding the company, its employees, guests, competitors, or vendors.
   - Controversial subjects intended to offend or inflame

5. Where an employee mentions the company, they are required to include a disclaimer stating that any opinions expressed are the employee's own and do not represent the company's positions, strategies, or opinions.

6. Do not rely on privacy settings to protect sensitive, illegal, personal or any other prohibited material from being viewed; social media sites frequently change and reset these settings without notice.

   Any content revealed as a result of changed privacy settings, that violate this policy or any other policy will subject the employee to disciplinary action. Privacy settings of pages created for Strickland's business must remain such that the entire content is visible to Strickland's Owners, management, Human Resources and the Marketing Department.

7. Employees that use these sites are prohibited from disseminating any private organizational information therein, or any negative comments regarding the organization.

8. Strickland's employees are prohibited from speaking on behalf of the organization, releasing confidential information, releasing news, or communicating as a representative of the company without prior authorization to act as a designated Strickland's representative.

9. Use of social media for personal or business purposes may not conflict with any of Strickland's existing policies whatsoever. This includes, but is not limited to, the Corporate Ethics Policy, Privacy/Confidentiality Policy,

Computer Equipment and Software Policy and the Discrimination and Harassment Policies.

10. Employees are prohibited from using personal social media during regular working hours; employees should limit its use to official breaks, (e.g. meal breaks). The use of social media for business purposes should not have a negative impact on user productivity or efficiency. As internet access at Strickland's is monitored, please be advised that excessive use of social media for personal reasons is a misappropriation of company time and resources, and may be subject to disciplinary action.

11. Company policies governing the use of copyright materials, corporate logos and other forms of branding and identity apply to electronic communications. Employees are prohibited from using Strickland's protected materials (copyright material, branding and/or logo(s)) without prior express written permission.

12. Strickland's strictly prohibits the use of company owned computer resources for use in the download or upload of copyright materials without express written permission, and authorization from the copyright holder.

13. Any social media page dedicated or connected to Strickland's in any way or any other direct or implied association must be removed upon termination of employment with Strickland's. Employees who have been terminated either voluntarily or by the company may not present themselves as a representative of the company in any way.

14. Any social media page relating to Strickland's business must link back to the official company pages of the same social media site.

This policy is not intended to interfere with the private lives of our staff members, or impinge their right to freedom of speech. This policy is designed to ensure that Strickland's image and branding are maintained, and remain impugned.

Employees should abide by these guidelines whether they mention the company by name or not. Even if the name is not mentioned in a post, it is possible a link can be made back to the company which can negatively affect the company's reputation. Where a link can be made between a negative or inflammatory post and Strickland's, even if not named directly, the employee may be subject to disciplinary action.

Computer Equipment, Internet and Software

Strickland's makes its computer equipment, systems and software available to authorized employees for the purpose of conducting company business. There are risks associated with improper use of computer equipment, systems and software therefore it is imperative that only authorized employees be allowed to operate our equipment. Employees are responsible for the use by others of the equipment assigned to them.

Strickland’s computer based technology and systems are to be used for appropriate company business only. All Strickland’s information and correspondence, including email, transmitted/received using our computer based technology and telephone system is considered to be the business property and records of Strickland’s and can be managed accordingly for appropriate business related matters.

Strickland’s reserves the right to access and disclose the contents of your electronic and telephone communications at any time but intends to do so only when it has a business reason. Determining when such a business reason exists shall be within Strickland’s sole and absolute discretion. Business reasons to access and disclose these communications may include but are not limited to, the need to solve technical problems, the investigation of a theft or other crime, the prevention of personal abuse of company communication systems, investigation of compliance of any policy, quality control and the review of communications upon the departure or death of a user. Strickland’s may use information regarding the number, sender, recipient and address of communications for any business reason whatsoever.
In the event of employee usage of company equipment or systems to access personal accounts such as social media pages, email and banking, any claim to privacy will be automatically waived.

Access at Strickland’s is managed via individual user accounts and confidential passwords. With respect to account setup and network administration, managers are responsible for identifying and recommending internet access levels for staff members in their department and for handing over that information to the IT department.

- User names and passwords for various hardware, software and web based applications are issued to each individual employee. Access levels are determined based on position, level of authority etc. It is for this reason that passwords are the prime responsibility of the individual owner of the password. Password ‘sharing’ is strictly prohibited
- In the event that a Strickland’s employee loses, forgets, or believes that their password has become compromised, the employee must inform the IT department immediately. The IT department shall confirm the user name, reset the password, and inform the employee of changes made, and the procedures for changing their password.
- In the event that an employee terminates their employment with Strickland’s for any reason, Human Resources shall provide notification to the IT department and Business Development Manager immediately to ensure the removal of the former employee’s access to Strickland’s email and internet resources. This is an important measure in protecting the safety and integrity of Strickland’s resources.

Employees of Strickland's may use the Internet only to complete their job duties, under the purview of Strickland's business objectives. Permissible, acceptable, and appropriate Internet-related work activities include:

1. Researching, accumulating, and disseminating any information related to the accomplishment of the user's assigned responsibilities, during working hours or overtime.
2. Collaborating and communicating with other employees, business partners, and guests of Strickland's, according to the individual's assigned job duties and responsibilities.
3. Conducting professional development activities (e.g. news groups, chat sessions, discussion groups, posting to bulletin boards, Web seminars, etc.) as they relate to meeting the user's job requirements. In instances where the personal opinions of the user are expressed, a disclaimer must be included asserting that such opinions are not necessarily those of Strickland's.
4. (During personal time or working-from-home situations) Retrieving non-job-related information to develop or enhance Internet-related skills, under the assumption that these skills will be used to improve the accomplishment of job-related work duties and responsibilities.

Hardware (computers, printers, monitors etc)

Strickland's computer equipment is assigned to individual employees, or to a permanent location within the dealership. Each employee must adhere to the following policies when operating any computer equipment belonging to Strickland's:

- Avoid jarring or rough handling of equipment
- Computer equipment must be kept warm and dry; keep food and drinks away from equipment at all times and do not leave any equipment in a cold environment for any extended period of time
- During transportation, equipment must be stored in a secure, dry, warm place; equipment must never be left in a vehicle overnight or for any extended period of time during the day; equipment must be transported in a concealed location such as the trunk of a locked vehicle
- Do not mark equipment in anyway (pen, pencil, stickers, labels etc)
- Do not attempt to fix computer equipment unless you are authorized to do so
- If an employee's employment is terminated, all Strickland's equipment must be immediately returned

Software

It is of the utmost importance that we respect all copyright laws. Only software authorized and licensed to Strickland's can be stored on a hard drive or used on a Strickland's computer.

With the increasing risk posed by computer viruses, it is mandatory that unauthorized, unlicensed or non-company software not be run on a Strickland's computer or loaded onto a hard drive. Unauthorized, unlicensed or non-company software found on a Strickland's computer will be removed and may result in disciplinary action.

Each employee must adhere to the follow software policies when operating any computer equipment belonging to Strickland's:

- It is forbidden to use computer software copies which are unauthorized or unlicensed; or copy authorized or licensed software, for any reason other than back-up or archival purposes as authorized by the software companies or Strickland's
- Anyone requiring software to be loaded onto the computer assigned to them for use relating to Strickland's business must make a formal request to the IT/Systems Administration department. Every effort will be made to accommodate your request within a reasonable timeframe
- A standard package of authorized and licensed software is loaded onto every hard drive. Other than personal settings for use of specific software products loaded on the machines, this package must not be altered
- There are absolutely no circumstances in which it is appropriate or acceptable to activate or load any recreational or game software on any company computers

Security

Users are required to take all necessary precautions to prevent unauthorized access to Internet services.

All Internet users at Strickland's must comply with the following security guidelines, rules, and regulations:

1. Personal files or data downloaded from the Internet may not be stored on Strickland's PC hard drives or network file servers.
2. Video and sound files must not be downloaded from the Internet unless their use has been authorized for the purposes of conducting Strickland's business.
3. Users must refrain from any online practices or procedures that would expose the network or resources to virus attacks, spyware, adware, malware, or hackers.
4. Users are responsible for familiarizing themselves with procedures for downloading and protecting information in a secure manner, as well as for identifying and avoiding any online material deemed sensitive, private, and copyrighted.
5. Employees utilizing the Internet must conduct themselves in a professional manner at all times, especially while participating in collaborative activities, and must not disclose Strickland's information or intellectual capital to unauthorized third parties.

E-Mail

Strickland's email communications must be conducted with respect to the Strickland's standards of conduct, and should be created with professionalism and attention to detail.

To ensure the consistency of email communications, the following practices shall be followed:

- Business related email communication with guests, vendors, suppliers etc shall be conducted using a company email address.
- Emails should be sent only to those that require the information.
- Do not send unnecessary emails, forwards or mass emails.
- Ensure that the subject line is filled in and relevant to the topic, clearly stating the purpose of the email.
- Use spell checking features and ensure that the content is grammatically correct.
- Keep email messages brief and relevant to the topic.
- Ensure that the message is clear and lacks ambiguity.
- The use of CAPITALS is the e-mail version of screaming!
- Avoid using e-mail to send large file attachments.
- Request a "read receipt" only where necessary.
- Avoid sending confidential or sensitive information via email.
- Ensure that email messages are properly encrypted.
- Use only approved signatures, graphics and fonts.

Client, Visitor and Employee Privacy

The following measures have been adopted to ensure the ongoing privacy of our clients, visitors and employees:

- Strickland's employees are strictly prohibited from posting sensitive, libellous, incendiary or personal information regarding our clients, visitors and employees on the company intranet, social networking sites and/or the internet in general.
- Strickland's employees are strictly prohibited from taking photographs of clients, visitors or employees on Strickland's premises for either personal or professional reasons, unless they have received prior authorization to do so. This authorization must be in writing.
- Strickland's employees are strictly prohibited from posting photographs of other employees, clients or visitors on the internet, unless authorized to do so. This authorization must be in writing.

Failure to abide by any of the above may result in serious disciplinary action, up to and including immediate termination for cause.

Upon Retirement, Layoff or Termination

Upon retirement, layoff or termination of employment with Strickland's, employees shall promptly return (without duplicating or summarizing), any and all material pertaining to Strickland's business in their possession including, but not limited to:

- All guest lists
- Physical property,
- Documents
- Keys
- Electronic information storage media
- Manuals
- Letters, notes and reports
- Demos

JOB RELATED POLICIES

Hours of Operation

Below are the current hours of operation:

Automart/Toyota Sales	Toyota Service
Monday to Friday - 8am–8pm Saturday - 9am–5pm Sunday (seasonally) - 11am–4pm	Monday, Wednesday, Friday - 7:30am–5pm Tuesday and Thursday – 7:30 – 8pm Saturday – 8am-2pm Sunday – closed
Brantford GM Sales	**GM Service**
Monday to Friday – 8am-8pm Saturday – 9am-4pm Sunday (seasonally)– 11am-4pm	Monday, Wednesday, Friday – 7am-5:30pm Tuesday, Thursday – 7am-8pm Saturday – 8am-1pm Sunday - closed

Strickland's reserves the right to alter these hours at any time based on business needs/events/holidays/etc.
Departmental schedules will be made according to the staffing requirements at any given time. It is the responsibility of the employee to ensure that they are aware of when they are scheduled to work.

Time Clocks

Time clocks are located in each dealership and all hourly employees must use them to punch in and out each day. Employees must punch out at the beginning of their ½ hour meal break and punch back in when they return from break.

It is the responsibility of the employee to ensure that their time card is complete and accurate.
Any missed punches or adjustments ***must*** be initialled by the employee's manager. No exceptions.

Employees must always punch their own cards. No employee will punch the time card of another nor ask another to punch their time card for them.

Having a time card that shows 'punched in' time for a period where the employee was not actively working is theft and is a serious offence.

Employees found to be in violation of this policy will be subject to disciplinary actions up to and including termination for cause.

Probation Period

The probationary period for new employees will be 3 months from their start date and may be extended dependant upon performance.

During the initial 60 days of the probationary period, employees who receive a draw but do not make enough commission to cover the draw will be exempt from carrying over the negative balance to the following month (if applicable). Should that employee's commissions exceed their draw, they will be paid as normal. *See Wages and Deductions Policy*

When an employee is promoted or changes their position, a probationary period of 90days will begin.

Cross Lot Selling

One of the key goals of Strickland's is to have a vehicle for every budget in Southern Ontario. In order to do this, Strickland's has multiple lots in various locations including the Wholesale and Credit Center and Automart (multiple locations) for pre-owned vehicles of various budgets, as well as multiple new vehicle dealerships of both domestic and foreign manufacturers.

Occasionally, after proper qualification, either through the Business Development Centre or while speaking with the guest on the lot, it may be determined that the right vehicle for the guest is located at one of our other lots. Since each type of dealership has different procedures, training requirements etc. or may not be geographically accessible to the sales associate that the guest originally talked to; the guest must be referred to another lot/sales associate.

- If a client contacts our CRM center, the employee who receives the lead must set the appointment for a sales associate at the appropriate lot. This will be determined based on the geographical location of the guest (Windsor, Stratford, Brantford etc), the type of vehicle the guest needs (used, new, domestic, foreign etc) and/or the location of a specific vehicle.
- You must transfer a client to an associate at the *closest location to the client*. In grey areas or areas of question please refer to the CRM manager for direction. E.g. If a guest is from Rodney Ontario, located between Stratford and Windsor, they would be referred to the lot where ever the best chance of selling them a vehicle may be (probably Stratford) but if the vehicle they are interested in is in Windsor obviously the right answer becomes Windsor. The guest may have a preference as to which direction they travel in as well (they have family in Windsor and could make a day of the trip). In this case, the guest's wishes must be honoured.
- The booking associate will create the appointment in the CRM program and have the Business Development/CRM Manager change the appointment to the associate at the lot that the guest is being referred to.
- In cases where the two associates/dealerships are in the same location (e.g. Automart and Toyota), the guest must be walked to the associate that they are being transferred to and properly introduced. During the introduction, all relevant information should be given to the receiving sales associate (guest's name, budget, vehicle preferences etc) so that the sales associate will be able to continue with the guest where the original associate left off
- Both associates must agree on the transfer and properly record it in the CRM program
- The Automart sales associate that initiated the transfer will receive $125.00 for Toyota transfers or $50.00 for any other dealership and ½ of a deal towards his/her volume bonus. However, it does not count as a ½ deal for the store or a half (sticker) on the score board.
- The sales associate that initiated the transfer will receive $50.00 and ½ of a deal towards his/her volume bonus. However, it does not count as a ½ deal for the store or a half (sticker) on the score board.
- If a sales associate has been trained on multiple lots they may be allowed to handle the transaction from start to finish, however, the sale counts for which ever lot the vehicle originated from and the deal must be approved by the manager of that particular lot.

- Always ensure that the guest transfer is done professionally, courteously and with as much information as possible. The primary goal at all times, is to achieve a sale
- Sales associates can only be designated as cross trained to sell by senior management and must have completed all the training necessary to do so in all cases. No exceptions.
- If an employee, regardless of position, has a friend or relative that wishes to purchase from another location they may ask to be present to assist in facilitating the deal.
- To claim a transfer, it must be authorized by the Business Development/CRM manager; and the initiating *and* receiving associates must have properly recorded that client in the CRM program.
- All transfers must be acknowledged and recorded at the time of transfer, not at month end or after delivery of the vehicle. There will be a zero tolerance policy in this regard.
- If the receiving associate disagrees with the transfer, the dispute will be settled by the Business Development/CRM manager. However there should be no reason for disputes under this program.

Any employee that is caught abusing this privilege in any way will not be eligible for transfer bonuses for that month.
Any employee found to be in violation of this policy by sending our clients back into the open market; or attempting to keep the deal for themselves when the best course of action is to initiate a transfer, may be subject to discipline up to and including termination for cause.

Any situation that may arise from this program will be resolved by the Business Development/CRM manager. Any decision made at this point is final and not up for review.

Pricing

Strickland's pricing is based on having a hassle free option for every budget.
In order to do this, Strickland's must maintain stock of every age, mileage, condition and price. Strickland's has three levels of inventory and pricing options available to its guests:

Pre-Owned Vehicles – Newer Model Year/Lower KMs

This is the category that Strickland's reputation and success has been built on. It is where the company started and also where the bulk of business continues to be. Automart and its satellite locations operate under this level of pricing. This level of vehicle also makes up the bulk of the pre-owned vehicles available to be purchased at one of Strickland's new vehicle dealerships.

These dealerships function primarily using the Hassle Free pricing as described in the introduction of this manual; where the sticker price is the non-negotiable bottom line. The same price is offered to every guest regardless of their experience with purchasing a vehicle.

Guests purchasing from these dealerships can expect to pay the sticker price plus applicable taxes, licensing and the Be Safe package. Tax is not applied to licensing costs.

The safety certification process for vehicles for this level is of a higher standard than the minimum requirements set by the government.

Since these lots function much like discount grocery stores (No Frills, Food Basics etc) the vehicles are presented in their true condition. Extra resources are not used to make the vehicles appear to be something that they were not originally. This helps Strickland's keep the prices low. As a result, Strickland's offers discounted rates on services such as paint work, interior shampoos, alignments etc. If the guest chooses to purchase any of these extras, the corresponding price will be added to the sticker price before taxes.

New Vehicles

Strickland's currently owns new vehicle dealerships which sell brand new vehicles as well as pre-owned vehicles.

Pricing for new vehicles is based on MSRP as well as the cost to the dealership as set by the manufacturer. New vehicle prices posted on the admin site (advertised prices) are priced very much like the pre-owned vehicle Hassle Free prices.
Though new vehicle pricing may be negotiated, Strickland's advertised prices essentially represent bottom line pricing. This generally allows Strickland's to come in much lower than the competition on the very first quote.
Advertised prices include all dealer and manufacturer's discounts plus any additional accessories, applicable taxes, freight and licensing.

The new vehicle dealerships share pre-owned stock with Automart, therefore the pricing is handled in the same manner as it would be at Automart (hassle free price, Be Safe, extra services etc)

Wholesale and Credit Center

Strickland's also has a lot for the budget shopper, called the Wholesale and Credit Center. The vehicles located on this lot consist of older model years, higher kilometres or vehicles that have significant accident claims on them. Usually the vehicles on this lot come from trade-ins.

Typically, the vehicles on this lot are priced with a Simply Safety price. This price includes a basic (government specified minimum) safety and emissions test with no warranty or guarantee.
Applicable tax and licensing will be added to the price.

Applicable tax will be added to the price; however, vehicles sold for this price can not be licensed by Strickland's as they will not have the proper documentation (safety certification and e-test) to do so. It is the guest's responsibility to make arrangements to move and license the vehicle.

Simply Safetied and AS IS deals may only be written in the trailer office located in the Wholesale and Credit Center. This will allow sales reps to manage the expectations of the client by completing the deal in an atmosphere appropriate to the quality of the vehicle that they are purchasing.

Applicable to All Pricing Structures

Licensing costs $20 to transfer a guest's existing plate or $22 plus the cost of the sticker (price depends on current month and guest's birthday) to put a new plate on the vehicle being purchased.

Strickland's does not charge administration fees on pre-owned vehicles.

If a guest has a trade-in vehicle, the value of the trade is removed from the sticker price before taxes.

The guest saves the tax on the trade-in value!

If there is a lien (money owning) on the vehicle being traded in, it will be added to the price of the vehicle, after taxes.

Guest Vehicles and Personal Property

Only authorized employees may operate/access guest-owned vehicles. The safety and care of guest's vehicles and possessions are our responsibility for the time that they are in our possession. Guest vehicles should only be moved, when authorized by the guest in order to test drive for appraise or repair.

Eating, drinking and smoking are strictly prohibited in guest vehicles and personal settings such as A/C, radio stations and displays should not be changed. If any settings *must* be changed in order to perform necessary work, ensure that they are returned to their original setting when the work is completed.

Guest vehicles are never to be used for personal reasons at any time. If employees must test drive the vehicle, they are not to make any stops of a personal nature (coffee, personal residence, convenience store etc.) before returning to the dealership. Employees are also never to operate a guest vehicle while under the influence of alcohol.

Items found inside a guest vehicle must remain untouched or tampered with. In the case of a trade-in, any personal items discovered should be reported to management and every effort made to return the item(s) to the guest.

Any damage to a guest vehicle must be reported immediately to the department manager. It will be at Strickland's sole discretion to determine the accountability and/or any repair cost borne by the employee responsible for the damage.

Employees operating a guest vehicle are fully liable for any tickets, fines etc incurred while the vehicle is in their care and may be subject to disciplinary action.

Employees found to be in violation of this policy may be terminated with cause.

Dealer Plates

Each dealership has a specific allotment (range of numbers) of dealer plates. Employees who require plates in the daily course of their job may access these plates but will be held accountable for their safe keeping.

Plates are kept at reception and must be signed out in order to use them.
Managers will provide a sign out sheet that will be kept with the plates at all times.

Employees are to ensure that they remove dealer plates from lot vehicles and return them to reception as soon as they are no longer needed, especially on weekends when there are an exceptional number of test drives occurring.

Strickland's is a team and if one sales associate loses a sale, everybody loses a sale; therefore employees will not keep a plate with them unnecessarily in order to 'save' it for future use.
If an employee uses a plate from another dealership for any reason, they must ensure that the plate is returned to its *originating* dealership immediately when finished with it.

Employees who travel with dealer plates must ensure that the plate is kept secure at all times. Plates are not to be left on the vehicle in situations where it may easily be removed. If the vehicle is not being taken directly to its destination, the dealer plate should be properly secured using the plate brackets on the vehicle.

The sales manager will do a daily audit of plates to ensure that all plates have been returned. If a plate is missing, it must be located immediately. Employees who continuously fail to return plates to reception may be subject to discipline up to and including termination.

Fuel Purchases

It is important that vehicles remain properly fuelled at all times. There are a few reasons for this:

1. There are several ways that a negative guest experience can be created if a vehicle does not have sufficient gas at the time of test drive:

    - If guest has to wait while a sales person takes the car to be fuelled, they may feel that the sales person does not think that their time is valuable.
    - If the guest notices that the car is low in fuel, they may shorten the test drive out of fear of running out of gas.
    - The guest may decide that the sales person helping them is not concerned about their needs or willing to go the extra mile to help them
    - The guest may run out of gas on the test drive

2. Lot moves go a lot smoother if vehicles are not running out of gas mid way through. This is especially true on days that the lot is being plowed and vehicles need to defrost.

3. Pre-owned vehicles are delivered with between ¼ and ½ tank of gas (unless otherwise indicated on the bill of sale). If the vehicle already has the appropriate amount of gas in the tank, the detailing process takes less time and more vehicles are able to be detailed

If a vehicle on the lot drops below ¼ tank of gas, employees are to acquire a properly filled out gas slip from the sales office or reception desk, and take the vehicle to the designated gas station (see Sales Manager for details) to be refuelled. Only enough fuel to keep the vehicle between ¼ - ½ tank worth of fuel should be put into the vehicle at a time.

Gas slips must have the following information filled out:

- The slip must be stamped with the name and address of the dealership
- The date
- A description of the vehicle (including the year, make and model)
- The stock number of the vehicle
- The dollar amount being purchased
- A signature

Vehicle Accessories

Pre-owned vehicles do not always come with accessories such as owner's manuals, floor mats and spare keys. Never promise a guest that they will receive any of these items before checking whether or not the vehicle has the item in question.

If a vehicle is missing something that the guest wants, employees are never to remove an item from another vehicle to put into the vehicle that was actually sold.

These items may be purchased by either the employee or guest, if necessary to the sale. If the employee chooses to purchase the item for the guest, they must ensure that the item is with the vehicle at the time of delivery.

Employees found to be in violation of this policy may be subject to disciplinary action.

Guest Relationship Management

Employees who deal directly with Strickland's guests during the sales or service processes must use the appropriate guest relationship management (CRM) software to record and track all guest interactions, telephone calls, emails, appointments, sales etc. There will be no exceptions to this rule.

All sales associates must report to and utilize the provided Business Development Centre in order to complete any outstanding telephone or email interactions with guests by the end of the day. Sales associates are required to log in and take inbound telephone calls during scheduled Business Development Centre times. Employees are encouraged to remain logged into the inbound phone queue outside of scheduled Business Development Centre times as this is how most of Strickland's leads come in. Should you find yourself to be the only sales associate in the Business Development Centre, you must log in to receive inbound phone calls. Sales associates are also encouraged to take advantage of any internet leads that came into the system over night. These leads are handed out at the discretion of the CRM manager on a first come first served basis.

The CRM program and telephone recording systems will be used to track KPIs including but not limited to out bound contacts, appointments and quality.

CRM accounts, emails and telephone calls will be monitored by the Business Development/CRM Manager to ensure that all policies and procedures are being adhered to at all times.

Employees found to be falsifying or duplicating information (outbound calls/emails, appointments etc) in order to boost performance numbers; or acting inappropriately towards guests (spamming, speaking abusively, bullying etc) will be subject to serious disciplinary action up to and including termination for cause.

Corporate Branding

Strickland's takes special care to ensure that its image remains true to the company's core values and mission statement. It is for this reason that corporate branding and the way that Strickland's is represented by its agents, employees, management, online and printed material must be carefully monitored.

Strickland's receives a very large volume of inbound telephone calls. When answering any company phone, employees must use the appropriate branded greeting. Employees should see the Business Development/CRM Manager for proper wording.

Employees will only use company emails with approved signatures while representing Strickland's in any electronic way. Personal emails are not to be used or given out to guests for business purposes.

Printed correspondence must be written on pre-printed company approved letterhead.

Company images, logos and other graphical representations may not be used in anyway without prior approval from the Marketing Director.

Strickland's corporate logos may be used for the purposes of advertising, sales and promotional materials. All advertising/promotional materials that reference Strickland's must include appropriate legal disclaimers and must also comply with

OMVIC regulations. In the event that the logo is not utilized, Strickland's will require appropriate attribution in textual form.

Employees will not speak to the media on behalf of Strickland's unless specifically authorized to do so. This includes all forms of reporting such as, but not limited to, print, television, online news sources and social media.

Keys

There are designated key areas in each sales and service department. These areas include organized key boards within secured key rooms.

With such a large inventory, it is essential that keys remain carefully organized.

Sales associates are not to keep keys in their pockets, in the drawers of desks or any other place that is not accessible to other employees.
Hiding keys to keep a vehicle from being accessed; in an attempt to 'hold' it for a guest is strictly prohibited.

If a vehicle has returned from a test drive and has not yet been parked, the key should remain with the vehicle so that it can be accessed by other employees and/or be returned to the lot.

Spare keys are not to be removed from files without approval from the Sales Manager, at which point, the file is to be pulled and kept at the sales desk. Managers are not to return the files without the spare key.

Lot audits will be performed at the beginning of each month to ensure that all vehicles and keys are matched properly.

Employees found to be in violation of this policy may be subject to disciplinary action up to and including termination.

6 Foot Rule

It is important that Strickland's employees work as a team to ensure that every guest receives nothing but the highest levels of guest service possible. Such things are what makes a company stand out amongst the competition.

As such, you must acknowledge any guest that comes within 6 feet of you. Greet the guest in a friendly manner and inquire as to how you may be of assistance to them.

If the guest needs help, you are expected to offer it to them regardless of whether or not it is a normal part of your duties.
If the guest needs direction to a particular employee or department, you are to ensure that they get to where they need to be. Do not EVER point down a hall or around a corner, as this is dismissive and does not make the guest feel appreciated.

Generally, you should not leave a guest that you are currently assisting in order to help a new guest. However, there will be times when the dealership is extremely busy. In this circumstance, excuse yourself briefly from the guest you are assisting to acknowledge the new arrival and let them know that somebody will help them as soon as possible. Make them aware of refreshments, seating areas etc to ensure their comfort while they wait. If they are looking for a specific staff member, take a moment to notify/page that person.
In this circumstance, be careful not to neglect your original guest for more than a few moments. When you return to them, thank them for their patience and give them your attention once more.

Lot Work/Snow Removal

Strickland's takes great pride in the appearance of its dealership lots. All vehicles must be parked straight, centered between parking lines and with the nose of the vehicle lined up with the others in the row.
Vehicles of the same colour may not be parked next to each other and the front wheels must always be straight.
Holes in the line must be filled before adding onto the end of a row.
Vehicles are grouped together by type (SUV, truck, car) and when possible, by manufacturer (Ford, Toyota, Chrysler etc). Sometimes additional sub-groups are created (luxury vehicles, convertibles, domestic vs. foreign etc). Employees should ensure that they are always aware of the current configuration as this expedites the location of vehicles during the sales process, as well as the parking of vehicles after test drives.

It is the responsibility of all employees to ensure that vehicles are re-parked properly after they have been removed from the lines (for any reason). If it is noticed that a vehicle is running low on gas, employees must refill the vehicle before returning it to its place on the lot.

Periodically, management will initiate a lot move. When this happens, all scheduled sales associates are required to assist unless working with a guest.

At the end of business *everyday*, sales associates must check all vehicle door handles to ensure that they are locked, as well as fill any empty spaces. Employees must also ensure that all keys have been returned to their appropriate spots in the key rooms.

If a sales manager has implemented designated lot sections, sales associates are responsible for the on going maintenance of their assigned section.

During the winter months, certain vehicle parking areas may need to be left open in order to accommodate snow removal. You should check with your manager in the fall to ensure that you know where to park lot vehicles before winter arrives.

It is the responsibility of all scheduled employees to aid in snow removal when necessary.

When there has been a snow fall during the night, employees scheduled to open the dealership must begin clearing snow and ice from vehicles on the lot immediately upon arrival for their shift. All on duty employees must also ensure that the vehicles do not suffer any significant accumulation throughout the business day.

On duty managers will determine whether or not it will be necessary to plow the lot and will organize staff as required.

WAGES, DEDUCTIONS, BENEFITS AND ENTITLEMENTS

Benefits

Tenured employees are entitled to Extended Health, Short Term Disability, Life Insurance, Long Term Disability and Accidental Death and Dismemberment benefits as well as the option of participation in a Registered Pension Plan. Lengths of service to be eligible are as follows:

Short Term Disability	3 months of employment
Extended Health, Long Term Disability, Life Insurance (including spouse and child dependant) and Accidental Death and Dismemberment	9 months of employment
Group Registered Pension Plan (RPP)	1 year of employment

Employees will receive a benefits package upon eligibility, providing full coverage details.

Strickland's will match 50% of employee RPP contributions up to 2.5% of earnings.

These benefits and the specific terms of each plan are subject to change, modification or discontinuance at anytime, at Strickland's sole discretion.

Benefits automatically terminate on the date that the employee ceases to be an employee of Strickland's.

Note: *The formal language of Strickland's Employee Benefit Plan governs over the informal language of this manual should there be any conflict or any question about the nature and/or extent of the employee benefits. For further details of coverage, refer to the group Benefits Manual provided upon commencement of benefit eligibility.*

Wages and Deductions

Wages shall be paid, by direct deposit into an account of the employee's choosing, at regular semi-monthly intervals.

Any monthly bonuses and/or commissions minus any applicable draws will be paid on the first pay after month end calculations have been completed. In some cases, negative balances against an employee's draw will be carried over to the next month. Employees who are eligible for bonuses must be employed for the entire bonus period to qualify for the bonus.

All amounts payable will be subject to deductions required by law, such as income tax, CPP, EI, long term disability etc. as well as any additional deductions authorized by the employee such as coffee club, uniform purchases etc.

Overtime

There is a set overtime policy for employees who are paid hourly.

Extra time at work will be paid out and will not be banked as time in lieu. After **44 hours** of work, hourly employees will be compensated at **1.5 times** their hourly rate for all additional hours.

Employees cannot work overtime without the appropriate approval.

Salaried managers are not entitled to overtime pay.

Meal Breaks

Under the ESA, employees working 5 or more consecutive hours will be entitled to one 30 minute meal break which may be broken into 2 shorter periods if agreed upon between management and the employee.

Employees must punch out at the beginning of the break and punch back in when returning to work after the break. Meal breaks are unpaid and do not count towards overtime.

Coffee and Refreshments

Strickland's provides coffee, tea and other refreshments from a single cup machine at each of its locations. Water coolers are also provided.

Strickland's employees are invited to partake in the Coffee Club which allows unlimited use of the coffee/tea machine for only $10 per month. If you wish to join the Coffee Club, you may see Human Resources to fill out the form authorizing the deduction from your pay cheque.

Employees are allowed to use the water coolers, but may not use the automated coffee machines unless enrolled in the Coffee Club.

Statutory Holidays

Strickland's recognizes 9 statutory holidays under the *ESA*. They are as follows:

1. New Year's Day
2. Family Day
3. Good Friday
4. Victoria Day
5. Canada Day
6. Labour Day
7. Thanksgiving Day
8. Christmas Day
9. Boxing Day

Statutory holiday entitlements are based on the previous 4 weeks of regular hours worked by the employee. To be entitled the employee must work the scheduled shift both before and after the holiday.

Should Strickland's choose to recognize any holiday other than the 9 statutory holidays listed above, by closing for business, employees are not entitled to any holiday pay or days off in lieu.

Vacation Time and Pay

Strickland's employees are entitled to the follow vacation periods in a calendar year. If vacation time is not taken, it will not be allowed to carry over into the next year therefore, all employees must take all of their allowed vacation time.

1 week of vacation for **<1** year of employment – *only applicable if start date is within the first 6 months of the year*

2 weeks of vacation for **1-5** years of employment

3 weeks of vacation for **5-10** years of employment - paid to a maximum of 6% of earnings

4 weeks of vacation for **10+** years of employment – paid to a maximum of 6% of earnings

Vacation time is to be booked by applying for vacation leave in the HR system, 30 days or more before the requested start date of the vacation period. Once the leave is approved by the employee's manager and Human Resources, it will be visible in your profile.

- Vacation requests are first come, first granted
- Employees must take all vacation for which they are financially entitled before the end of the calendar year. Any vacation not scheduled by the employee by August 1st will be scheduled by the department manager or Human Resources. The dates selected will be based on the needs of the department
- No two employees in the same department will be granted vacation at the same time
- Vacation weeks are to be taken as consecutive days and must be a calendar week (Sunday to Saturday). Off season (September 1st – April 30) weeks may be divided (Wednesday – Wednesday)
- Employees are not allowed back to back weeks of vacation during the months of June, July or August as well as the last week of May and the first week of September. A second week of vacation during these months may be booked 1 week in advance provided that the week requested is not already claimed by another employee
- Employees are allowed a maximum of 2 individual vacation days during the summer months mentioned above, provided that the day requested does not interrupt a week's vacation for another employee in the same department. These days cannot be back to back or bridge two weeks (e.g. Friday and the following Monday). Individual vacation days must follow the same booking procedure as described above
- Employees will only be granted 1 long weekend per year (Stat holidays). Regular Stat holiday pay rules apply

Any vacation pay accrued (4% unless otherwise indicated, to a maximum of 6%) will be paid out semi-annually.

The vacation schedule maintained by Human Resources is the official planner. As bookings may change, any postings or display charts are for the employee's convenience and are not to be relied upon.

Leaves of Absence

Bereavement Leave

Strickland's employees are entitled to up to 3 days of paid bereavement leave as a result of the death, funeral or estate settlement of an immediate family member. For the purpose of this policy, "immediate family" means the employee's spouse (including common law and/or same sex partner), child, parent, sister and brother.

In addition, employees are entitled to 1 day paid bereavement leave for the purpose of attending the funeral of a grandparent, grandchild or spouse's parent.

Employees may be required to submit satisfactory proof of death (e.g. death certificate, card from funeral home, newspaper clipping etc) and the deceased's relationship to you, upon your return to work to substantiate your entitlement to bereavement leave.

Bereavement leaves will be counted towards the employee's 10 PEDs that they are entitled to under the ESA.

Strickland's employees are entitled to the following additional leaves under the ESA:

Pregnancy Leave

Pregnancy leave is up to 17 weeks of job-protected, unpaid time off of work. Pregnant employees are entitled to take pregnancy leave whether they are a full-time, part-time, permanent or a contract employee. The employee's hire date must be at least 13 weeks before the baby's expected birth date ("due date").

Parental Leave

As a new parent (e.g. birth parent, adopting parent, person in a relationship with a parent of a child and plans to treat the child as their own) employees have the right to take job-protected, unpaid time off of work when a child is born or first comes into their care.

Employees are entitled to take parental leave whether they are full-time, part-time, permanent or a contract employee. The hire date must be at least 13 weeks before the start of the leave.

Employees who take pregnancy leave are entitled to take up to 35 weeks of parental leave, usually beginning right after pregnancy leave ends. Those who do not take pregnancy leave and all other new parents can take up to 37 weeks of parental leave, beginning no later than 52 weeks after the date the child was born or first came into their care. Parents do not have to take their leave at the same time.

Except in certain cases, employees must inform Strickland’s in writing two weeks before beginning a pregnancy or parental leave. Employees must also provide Strickland’s with four weeks written notice if changing the end date of the leave.

Once official pregnancy or parental leave has started, it must be taken all at one time and cannot be split up.

Strickland’s may choose to accommodate certain circumstances outside of the above conditions at its sole discretion. Employees who wish to take a leave of absence other than the ones listed above should speak with Human Resources.

Performance Reviews

Written performance reviews will be conducted for each employee on an annual basis and will be performed by the employee’s manager. Successes as well as opportunities for improvement will be examined, job related goals will be set and opportunities for professional growth will be identified.

During the review, you are encouraged to share your thoughts regarding working conditions and job aspirations with your manager.

The results of written reviews will be assessed when an employee is being considered for an increase in pay, transfer or promotion.

Additional special performance reviews may be conducted if an area of opportunity is identified and requires attention.

Promotions and Transfers

Strickland’s believes in providing opportunities for advancement, development and job satisfaction for its employees. It is for this reason that, whenever possible, Strickland’s prefers to promote from within.

Promotions are based on demonstrated performance, qualifications and suitability. Promotions are not automatic and are not based on seniority, they must be earned.

Employees who wish to be considered for promotion must also remember that being good at their current position does not necessarily make them qualified for the new position. Therefore, employees are encouraged to explore and develop new responsibilities and skills whenever possible.

Occasionally another position, more suitable to the employee's individual skills, knowledge or geographic location may become available. Strickland's strives to ensure that all of its employees are being utilized to the best of their abilities and may offer this position to an existing employee before seeking outside candidates.

Cell Phone Allowances

Occasionally the duties of a particular position within the company may require the use of a personal cell phone for business purposes. These positions and circumstances are rare as most duties take place within one of the dealerships owned by Strickland's. Whenever possible, landlines should be used.

If you feel that your position may be eligible and wish to be reimbursed for legitimate cell phone usage, you must be on the company approved list. To get on the approved list, you must apply, by stating your reasons for requesting a cell phone allowance, on the appropriate form and submitting it to the Controller or Assistant Controller.

If approved, the company will reimburse your cell phone expenses up to $50.00 per month. In order to receive this reimbursement, you must submit proof of company usage each month.
Please note that a summary of charges will not be accepted. Only detailed calling lists demonstrating applicable charges will be considered for reimbursement.

In the event that the title or position of a previously approved employee changes, s/he may need to reapply to receive further reimbursement.

Travel

Occasionally, employees may be required to travel and/or stay overnight for business related purposes. If the reason for travel is mandatory, the employee will be provided with transportation and all reasonable associated expenses will be covered and/or reimbursed.
In order to be reimbursed for any travel expenses, original receipts must be submitted to Accounting and the employee must have prior authorization from a Tier 1 or Tier 2 manager.

Demos

Only employees who are; or the equivalent to a Tier 1 or Tier 2 manager will be eligible for a company demo.

When a manger begins the demo plan for the first time; or needs to change the vehicle that they are currently driving (current vehicle is sold, max kms have been reached etc), they must fully complete the Demo Request From and submit it to the Demo co-ordinator; who will then choose the manager’s next demo, complete the demo form and send it back to the manager. The manager will note their new vehicle, the allowable kms, sign the form and return it to the Demo Co-ordinator.

There are various factors that determine which vehicle that the Demo Co-ordinator chooses for the manager. The manager may put in a request for a specific vehicle; however there will be no guarantee as to whether or not the requested vehicle will be assigned.

It is the responsibility of the manager driving the demo to ensure that the vehicle inventory management system is updated with the vehicle’s current status (add person driving it to vehicle notes) and its kilometres. It is also the manager’s responsibility to ensure that the vehicle is properly licensed and that a copy of the ownership and insurance slip are in the vehicle at all times.

When a manager who is driving a demo plans a vacation or will be leaving the province/country for any reason, the Demo Co-ordinator must be notified.

It is the responsibility of the manager to ensure that the vehicle that they are driving does not exceed the designated kms or come close to turning over to the next 10,000kms (e.g. 89,999kms to 90,000kms) unless otherwise approved by the Demo Co-ordinator.

Managers who are issued a demo vehicle must adhere to all policies regarding the safe operation of company vehicles, valid driver’s licences, insurability, accidents and traffic violations.

Demos will be treated as a taxable benefit for payroll purposes.

***Note:** Demos are a privilege; therefore any employees who abuse this policy may have their demo privileges removed by the Demo Co-ordinator at any time.*

Employee/Employee Family Purchases

Employees of Strickland's are allowed to purchase 1 vehicle per year for themselves or a family member (spouse/common law or child that is at least semi-dependant on the employee financially) at wholesale.

- Wholesale value **–** a value that is determined between dealer to dealer without duress on any given day (dependant on fluctuating market values)

Employees interested in purchasing a vehicle must fill out the "Employee Vehicle Purchase Form" found in the back of this manual and submit it to management. You should receive a response within 24 hours.

The vehicle to be purchased must have been in stock for 30 days in order to receive the employee discount.

Consignment Sales

Strickland's will entertain consignment sales for its employees

- A mutually beneficial selling price must be agreed upon.
- If the selling price is less than $4500.00 the charge will be $450.00 for us to sell the vehicle.
- For any vehicle above $4500.00, the selling fee will be 10% of the overall selling price.
- Once the vehicle is sold, it will be changed into Strickland's name and we will do all the paper work, licensing etc.
- After delivery, Strickland's will write the seller a cheque for the selling price minus the 10%, or $450.00 (whichever applies) plus costs associated with the sales such as reconditioning, labour, parts, etc

PROGRESSIVE DISCIPLINE

<u>What is Progressive Discipline?</u>

Strickland's believes that the use of progressive discipline is not a punishment but rather, a formal approach to coaching and correcting unwanted behaviours. The true goal of progressive discipline is to work with employees in an attempt to assist them with correcting behaviours, attitudes and actions that impact business negatively and jeopardizes their employment with Strickland's.
One of Strickland's 3 main goals is the development and happiness of its employees. Strickland's values every employee and is continuously working towards building a strong, effective team. Strickland's believes in mutual respect; and a constructive progressive discipline process is a part of that.

Strickland's progressive discipline process should be approached positively, as it is designed to help both Strickland's management as well as their employees. Too many managers see progressive discipline as "building a case towards termination" and too many employees view it as punishment. If used correctly, neither of these attitudes should be the case.

Managers will use progressive discipline to provide guidance and clear expectations to the employees of Strickland's. The progressive discipline process improves efficiency by correcting and addressing issues in real time, rather than after they have had a negative impact on business and morale. It decreases attrition and the costs associated with hiring and training. It also ensures that employees receive necessary one on one time with management.
Progressive discipline and consistent application of policies and procedures reduce the misinterpretation of actions and perception that the manager is picking on, harassing or treating any one employee unfairly. Progressive discipline is not intended to be punishment but rather, an opportunity for improvement. Following standards, listing concrete actions or proof and clarifying expectations is treating the employee with respect – yelling at the employee every day because they don't meet standards, is not.
Using progressive discipline properly and consistently also ensures that the company has covered all of its legal bases before terminating an employee.

Employees can feel secure in knowing that through this discipline process, if minor mistakes are made, they will have the opportunity to correct their behaviour, rather than facing arbitrary termination.
The progressive discipline process helps clarify the expectations and goals of the company for employees. It also allows for a fair process geared towards improvement (vs. termination) for employees who are not meeting expectations.

When is Progressive Discipline used?

The policies and procedures have been developed for good reasons and allowing employees to bend or break the rules sends a clear message that Strickland's does not care about its standards. Therefore, employees who ignore or break organizational policies, practices or procedures will be held accountable, but also given the opportunity to correct their actions/performance before facing termination.

Progressive discipline is not appropriate for gross misconduct.

Gross Misconduct *- Indiscipline so serious that it justifies the instant dismissal of an employee, even on the first occurrence.*

Progressive discipline can be used to address the following issues:

1. Performance – not meeting KPIs, not following policies and procedures, missing deadlines etc
2. Attendance – arriving late, leaving early, missing too many days
3. Conduct – jokes, dress code violations, comments
4. Health and Safety – not complying with standards, not using safety equipment, unsafe practices

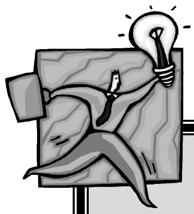
Generally, the stages of progressive discipline are as follows:

Coaching – this happens with the employee's manager or immediate supervisor. It is not formal discipline and is focused on providing guidance and information. Any applicable policies and procedures should be reviewed at this time to ensure that the employee understands their role and expectations.

The coaching should be recorded in the employee's coach log on the admin site.

There are 2 types of coaching: On the Fly and Formal.
On the fly coaching occurs spontaneously, as necessary. On the fly coaching should be on going and continuous.
Generally, formal coaching occurs when there is a specific identified lack of performance that needs to be addressed. It is a more structured coaching session with a planned meeting.

It is important that the manager present this as a learning opportunity and a resource. This is not a warning or formal disciplinary step and the employee should be made aware of this fact.



BEST PRACTICE TIP

- Record successes and positive observances in the employee's coaching log – This provides a well rounded record of the employee's performance when it comes time to do a review

- Recognize successes publically (if the employee is comfortable with this type of recognition) – If it is a success worth calling attention to in a coaching log, it is worthy of company wide recognition. The admin site's dashboard is a great way to notify the entire company of an employee's success. If the proper details are provided, it also serves as a best practice tip for everyone else; increasing the strength of the entire team.

- Managers should be their employees' cheerleaders. Positive feedback goes a long way; celebration of success goes even further!

Employees are encouraged to use coaching as a resource/tool and are welcome to access their coaching binder at any time to reference previous suggestions and advice.

Verbal Warning – This is the beginning of formal discipline and should only occur after coaching has occurred.
At this point, the appropriate behaviour/actions have been made clear and the employee is committing the offence wilfully.
The offence will be documented using the appropriate form. The dates and details of the coaching will be included.
The verbal warning requires the signature of the issuing manager, as well as the employee and must be forwarded to Human Resources to be filed in the employee's file.

Written Warning** – Formal discipline after a Verbal Warning for a relatable offence (unless the seriousness of the offence warrants a written warning as a first action).
The offence will be documented using the appropriate form. The dates and details of the coaching and verbal warning will be included. To demonstrate the seriousness of

this warning and to avoid any “He said, she said” situations, the meeting will be witnessed by a representative from Human Resources.
The written warning requires the signature of the issuing manager, the Human Resources representative, as well as the employee and must be forwarded to Human Resources to be filed in the employee’s file

***Written warnings for performance based progressive discipline will be accompanied by a Performance Improvement Plan (PIP). All other written warnings will be accompanied by an Employee Improvement Plan which identify particular barriers to success in regards to the issue as well as specific plans to overcome those barriers.*

<u>Employee Improvement Plan</u> – Non-performance related concerns. This is meant as a tool to involve the employee in their own improvement. It is to be completed together with the employee at the meeting for the written warning. It gives them the opportunity to talk about specific barriers to improvement and allows them to help build an action plan. This creates a greater level of buy in and personal accountability.

<u>Performance Improvement Plan</u> – This is created before the meeting to address specific performance concerns. Since an employee’s performance directly impacts business, this is meant to be a more formal approach. Employees should still be invited to contribute to the conversation in order to encourage buy in, however, it must be made clear that the requirements/timeframes being laid out are <u>not</u> open for discussion. Management should make a formal commitment to the employee by stating the specific ways in which the employee can expect help from them.

Managers should ensure that any expectations, strategies and actions detailed in the PIP follow the SMART model:

Specific

Measureable

Attainable

Relevant

Timed

If the employee fails to show *any* progress towards improvement at the mid-point review, a final written warning with suspension may be issued. If the employee has shown improvement but not met the specified requirements at the end of the PIP, a final written warning with suspension may be issued.

(Final) Written Warning with Suspension - Formal discipline after a Written Warning for a relatable offence (unless the seriousness of the offence warrants a final written warning as a first action).
The employee will be placed on an unpaid suspension of a specific duration.
The offence will be documented using the appropriate form, providing as much detail (dates, actions, etc) as possible. The length of the suspension as well as the required return date will be clearly stated. The dates and details of the coaching, verbal warning, first written warning and either the Employee Improvement Plan or the Performance Improvement Plan will be included. Like the written warning, the meeting will be attended by a representative of Human Resources.
The written warning requires the signature of the issuing manager, the Human Resources representative as well as the employee and must be forwarded to Human Resources to be filed in the employee's file. The employee will also be suspended without pay for a length of time appropriate to the offence. This suspension must be documented in the written warning.

Termination – Just cause termination for a relatable offence (unless the offence is gross misconduct). Before issuing a termination, the previous discipline will be reviewed by Human Resources or John Strickland to ensure that it is just cause. A termination notice and letter of release must be signed by the employee and forwarded to Human Resources to be filed in the employee's file

If a manager believes that the offence is serious enough to skip ahead in the progressive discipline process, Human Resources or John Strickland must be consulted before proceeding.

In order for the application of progressive discipline to work as intended, as well as provide admissible legal documentation when termination becomes necessary, managers must know the following:

Related Offences – In order for the discipline process to progress through the steps, offences must be related to one another. Managers can not use a general 'three strikes' rule, where employees are terminated after a combination of various unrelated offences.
For example: An employee commits the following offences; dress code violation; then uses Facebook for personal use during working hours; followed by leaving before the end of their shift without approval from their manager; and finally, they did not use the appropriate personal safety equipment.

In order for progressive discipline to work as intended, the employee must commit another offence related to the ones that they have already been spoken to about, before progressing to the next disciplinary level. In the example above, there were 4 separate offences. Each offence begins the process from the beginning (dependant on the severity of the offence):

1. Dress Code violation – coaching or verbal warning
2. Social Media Policy violation – coaching or verbal warning
3. Attendance and Absenteeism policy violation – coaching or verbal warning
4. Health and Safety violation – coaching or verbal warning

If the employee repeats any of these individual offences, the manager may move on to the next step for that particular behaviour and so on.

<u>Stacking Offences</u> – Using the above example, the stacking of offences would look like this:

1. Dress Code violation – verbal warning
2. Social Media policy violation – written warning
3. Attendance and Absenteeism policy violation – suspension
4. Health and safety violation - termination

Though it may be frustrating for management to have so many separate issues to address, stacking the offences is not viewed as having provided opportunity to correct the individual behaviours. It may feel easier to simply work towards getting rid of the employee but if challenged legally, stacking offences could lead to a judgement in favour of the terminated employee.
Beyond the legal implications, this method of discipline demonstrates an offensive posture. It does not show concern for the development of employees and will negatively impact morale and productivity. It also reduces trust and respect between employees and their management.
The role of a manager is to be a teacher, not an executioner.

When deciding whether or not to begin progressive discipline, managers must consider the difference between misconduct and incompetence:

<u>Misconduct</u> – Usually relates to attitude or behavioural issues. The employee is knowingly neglecting their duties or breaking policies. Misconduct is grounds for progressive discipline and can range from minor to severe.

The stage at which discipline begins is directly related to the severity. Consider the following examples:

- *An employee seems to have failed to manage their time and does not enter a guest visit into the CRM program (potential incompetence vs. misconduct)* – the manager may approach the coaching session as an informal warning. The manager should review the CRM process and program with the employee, ensuring that it was not a lack of knowledge that led to the offence. Once established that the employee understands the policy, the manager should let the employee know that future violations will result in formal discipline

- *An employee arrives for work wearing jeans shortly after the dress code was reviewed during a sales meeting. Employees were given the opportunity to clarify anything that they did not understand (minor)* – the manager may issue a verbal warning. The manager should discuss the unacceptable behaviour and make the employee aware that further violations will lead to written discipline.

- *An employee is found to be logging contacts (calls/emails/etc) into the CRM system without actually contacting the guest (moderate, because this is a* *falsification of KPIs that are used during performance evaluation and to determine eligibility for monetary bonuses)* – the manager may issue a written warning. . The consequences of any further offences must be clearly expressed to the employee.

- *An employee discloses sensitive proprietary and confidential company information to an inappropriate source (severe)* – the manager may suspend the employee without pay with further actions resulting in termination. The consequences of any further offences must be clearly expressed to the employee.

- *An employee brandishes a weapon at another employee while on company property (gross misconduct)* – manager may immediately terminate the employee following the appropriate termination procedures

Incompetence – Occurs when the employee is unaware that they are neglecting their duties or failing to follow a policy or procedure. This is usually a result of lack of training or skills. When incompetence occurs, progressive discipline should not be started immediately. Instead, management should provide the necessary training or resources to correct the deficiency. Any further related offences are likely misconduct and the discipline process should begin with coaching (to ensure that the employee understood the training).

Progressive discipline is a confidential matter between an employee, their manager and Strickland's. Progressive discipline actions and warnings will never be discussed with other employees, vendors or guests.

BEST PRACTICE TIPS

- Always have the meeting in private
- Acknowledge the employee's feelings and/or concerns
- Keep the conversation on track and avoid the blame game – do not allow the actions or discipline of other employees to enter the conversation – “We are talking about you today”
- Do not negotiate with the employee – state the problem in clear and specific terms and facts only
- Work with the employee to identify any barriers to success and determine acceptable solutions
- Encourage open conversation by asking opened ended questions – this encourages communication and understanding on the employees part
- Show confidence in the employee's ability to change
- Reassure the employee that this meeting is to assist them in getting back on track
- Show your commitment to help with the process either through additional training, resources or increased meetings – Follow through on promises!
- Have the employee repeat the next steps back, in their own words
- Gain commitment from the employee – have the employee actually verbalize their commitment e.g. “I will do….to improve…by….etc”
- Explain next steps and consequences of continuing the unacceptable behaviour
- Provide the employee with a summary of the meeting that clearly highlights the concern, expectations and recommended actions
- Thank the employee for their time and commitment
- As the employee improves/makes changes, the manager should acknowledge and support the employee with positive praise

If the employee refuses to accept responsibility for their actions or sign the warning, the manager should make a note of this before giving it to Human Resources to put into the employee's file.

Occasionally an employee may wish to have a short period of time to consider the warning before committing to an action plan. The manager should allow a day or two and reschedule a meeting. It must be made clear that during this time, the employee is still expected to follow proper policies and procedures.

If an employee replies with an email or letter of complaint against the warning, Human Resources will investigate the claims. If the warning was warranted, the employee will receive a written letter of response.

Any meeting for stages of progressive discipline beyond the verbal warning will be attended by the issuing manager as well as a Tier 1 manager or Human Resources representative.

BEST PRACTICE TIPS

- Make the goals in the PIP incremental in order to avoid overwhelming the employee. This also makes it easier to measure whether or not the employee is on track throughout the duration of the PIP – suggest specific week over week improvements or daily increases etc.

  Example #1: increase sales by 25% week over week

  Week 1 – sell 3.5 vehicles

  Week 2 – sell 4.5 vehicles

  Week 3 – sell 5.5 vehicles

  Week 4 – sell 7 vehicles

  Week 5 – sell 9 vehicles

  Example #2: Make 35 phone calls per day for a total of 175 calls per week

Retail Sales Policy

Used Vehicle Sale

In order for a sale in any location to be classified 'retail', it has to meet the following criteria:

- The Vehicle must be sold for $5000.00 or more and/or have a minimum of $750 Gross profit.
  Example #1 – A vehicle is sold for $3000.00 and the cost was $2200.00. The gross profit is $800.00. Even though the vehicle is sold for less than $5,000, the gross profit is more than $750. This would be classified as a retail sale.
  Example #2 - A vehicle is sold for $7200.00 and it cost us $7000.00. This too can be considered a retail sale because the vehicle is being sold for more than $5,000.
  Example #3 – A vehicle is sold for $3,500 and the cost was $3,000. This vehicle is under $5,000 and the gross profit is only $500 therefore it can not be classified as a retail sale.

- Any deal that is not considered retail must go into wholesale along with its Gross Profit.

New Vehicle Sale

- Any vehicle sold to a client that is considered a retail sale by the manufacturer is a retail new sale.
- Any vehicle that is classified as 'fleet' by the manufacturer is considered a fleet sale.

A new vehicle that is considered a new retail vehicle sale by the manufacturer that is treated like a fleet sale when sold to the guest will not be applied to the retail new vehicle sales target internally. Instead, it will be classified under fleet and its gross profit will also be applied to fleet and wholesale profit.

Recruiting, Hiring and Termination

Recruiting

Department managers submitting a request for a job ad must include the following information;

1. Position being hired for
2. *Ideal* start date
3. Salary/Wage Range
4. Required Skills

Once marketing receives the form, the recruiting and hiring process will proceed in the following way;

1. Marketing will create, monitor and manage a job posting tailored specifically to the position/target audience etc
2. Marketing will forward all resumes to the hiring manager for review
3. The department/hiring manager will be responsible for the following:
    a. Selecting candidates to interview
    b. Scheduling interviews
    c. Conducting the interview (HR will assist if requested and scheduling allows)
    d. Choosing a successful candidate
4. Once the manager has selected a candidate, the process will then be returned to Human Resources to extend the offer, arrange start dates, collect necessary documentation etc. This is done by submitting a contract request via the electronic Contract Request form found on the admin site
5. There will be an orientation conducted by Human Resources that may take up to 3+ days (depending on department and needs)

Please remember that the above process is not a short one and does not end with the acceptance of the offer by the candidate. Managers must be sure to pay close attention to staffing needs and watch for any possible attrition. Managers should plan to start the recruitment process at least 1 month from the day that the employee will be required. There should only be the *occasional* time where a manager may find their department shorthanded. If this occurs, it will be dealt with it as necessary; however this should not be a common occurrence.

Hiring in Satellite Locations

Due to geographic location, it is understood that occasionally, the new hire's orientation and/or on boarding paperwork will not be conducted by Human Resources, but rather, the department manager. In these situations, a minimum of the following must occur <u>on or BEFORE the first day</u> of work

1. Employee information to be collected/identified and sent to Human Resources AND the Payroll Department via the links provided during the contract request process– this is vital information that must reach both departments without exception
    - Legal name
    - Current address – *<u>with postal code</u>*
    - Current phone number
    - Date of Birth
    - SIN – *cannot be requested until candidate accepts the offer*
    - Position
    - Department
    - Start date
    - Rate of pay
    - 2 Emergency contacts with phone numbers
    - Complete banking information – Institution number, transit number and account number

2. Forms to be completed by employee
    - Employment Agreement – To be signed BEFORE beginning work or training. The signing date MUST be a date that precedes the employee's actual start date
    - Federal and Provincial tax credit forms
    - Business Card payroll deduction authorization
    - Coffee Club
    - Georgian College application – Sales related positions
    - OMVIC application – Sales related positions

3. Documents to be collected from employee by manager
    - Signed employee agreement – employee is not to start *<u>any</u>* training or work until this document is completed. The agreement cannot be signed on the employee's start date
    - Copy of driver's licence – *cannot be requested until candidate accepts the offer*
    - For those registering with OMVIC – Copy of proof of eligibility to work in Canada (SIN card, birth certificate, citizenship card, permanent resident card, landed immigration papers) – *cannot be requested until candidate accepts the offer*

- Copy of vehicle insurance cards
- Void cheque or direct deposit bank statement

4. The employee must be given a copy of the policies handbook and access to the full Policies and Procedures manual

If the agreement is signed on or after the start date, consideration for signing must be offered. Otherwise, the contract will not be considered to have been a condition for employment; and therefore invalid in the instance of a legal dispute.

This defeats the purpose of the agreement!

Termination

In the event that a manager wishes to terminate an employee**, Human Resources must be contacted to ensure that the appropriate methods are used and to provide a witness to the termination. There are also several legal forms and releases that must be signed before the employee leaves the premises.

If an employee resigns verbally, the manager must ask the employee for a written letter of resignation. If the employee is resigning without notice, the manager will ask the employee to remain on the premises until Human Resources can prepare the proper exit paperwork. Human Resources will then go over the paperwork with the employee and conduct a brief exit interview.

***Please refer to the Progressive Discipline section of the Policies for additional information on what steps should be taken before the decision is made to terminate a non-probationary employee*

The Payroll Department must also be notified immediately of the last day worked, the reason for separation and any payouts/commissions/etc that must be applied to the last pay.

Sales Procedures

On-Boarding/Training Procedure - Sales

The on-boarding procedure is designed to build an elite team of sales staff who have not only demonstrated the necessary skills and experience, but also the drive to be the best of the best.
When attempting to identify a suitable candidate for Strickland's team, an interview will take place after the candidate demonstrates suitability through the self interview and a short telephone interview. The interview will be to gauge the general suitability of the candidate – motivation, articulation, adaptability etc.

If the candidate demonstrates the required skills and experience to be a productive member of the Strickland's team, they will be asked to present a criminal record check and driver's abstract; as well as a valid driver's licence and proof of insurance.

New employees will be presented with an employment agreement that must be signed BEFORE they begin work.
Employees will also receive thorough training on the policies and procedures before beginning any skills training.

The new employee will first be placed in the Business Development Centre where they will receive training; where they will be given the tools necessary to be successful on the sales floor. The Business Development Centre is the nerve center of leads and sales reps can not be successful without becoming proficient in booking appointments on leads coming from telephone calls and internet leads.

The first 30 days/4 weeks of employment with Strickland's will be as follows:

- Week 1 - formal training – systems, admin site, thorough review of calls using a prepared archive of good and bad calls, begin learning inventory and the differences between different vehicles, begin shadowing calls using a Y-cord/Y-jack

- Week 2 - on the job training (begin attempting to take phone calls, working with the system etc – under supervision); the employee will be paired with their mentor by now. Manufacturer specific testing.

- Week 3 – new employee begins booking appointments specifically for mentor and acting more independently

- Week 4 (30 days)– continuation of week 3’s activities – performance reviewed at the end of this week (at this point they *must* have completed their OMVIC test)

At this point, one of three things will occur:

- The new employee did not demonstrate the ability to utilize the Business Development Centre to generate leads; and will be determined to be unsuitable for employment with Strickland’s
- The new employee will have shown some suitability and will be kept on in the Business Development Centre for more evaluation/training
- The new employee will have shown the necessary proficiencies to continue on to sales training

If the new employee does not graduate to sales training but has remained in the Business Development Centre, they will be given another week to master the necessary proficiencies. If the employee has demonstrated the necessary improvements, they will continue on to sales training at this point.

When the employee graduates to sales training they will receive 7-10 days of formal training then complete 2 weeks on the floor. The mentor relationship will have been formed by now and this period will include the shadowing of the mentor and vice versa. At the end of this 2 week nesting period their performance will be reviewed and it will be determined whether or not their employment will continue. Again, at this point, one of three things will occur:

- The new employee did not demonstrate the ability to turn leads into sales; and will be determined to be unsuitable for employment with Strickland’s
- The new employee will have shown some suitability and will be kept on the sales floor for more evaluation/training
- The new employee will have shown the necessary proficiencies to continue on as a regular employee of Strickland’s

During this time new employees will be paid the equivalent of a regular draw with the opportunity for bonuses (to be detailed on the remuneration schedule of the employment agreement).

Employees who reach the sales floor must maintain their KPIs to remain on the sales floor. Those that do not perform adequately will return to the Business Development Centre to ensure that they have the skills and motivation necessary to be successful on the sales floor. This is not an act of punishment but rather a ‘back to basics’ philosophy. The Business Development Centre is the key to success and all sales reps need to be able to utilize this tool to the best of their abilities. If a sales rep is not being successful, it may be that they have forgotten the importance of the Business Development Centre and booking appointments.

During this time, the employee will continue to book appointments for themselves but will not be permitted to take ups from the lot. The appointments may be supervised by a sales manager to provide coaching and assistance.

Sales Process

"Have you been to Strickland's before?"

When approaching a guest on the lot, employees should establish whether or not the guest has been here before and if so, what sales rep they were working with. If the guest was working with a specific sales rep, the employee should do everything possible to reconnect the guest with their original sales rep before continuing.

If the guest has not been here before, they should be given a brief run down of the Strickland's way, including/especially the Hassle Free pricing.

If a guest's expectations are actively being managed, there will be no surprises that could result in negative feelings and/or the loss of the sale.

4 Point Greeting

There are also 4 key points that should be touched upon immediately within the greeting. These pieces of information will begin qualifying the guest and let the sales rep know exactly how to approach the sale. It minimizes the chances of miscommunication and helps avoid surprises and/or objections later on in the sales process (especially at closing).

1. **"What brings you in today?" –** This is an open ended question designed to begin qualifying the needs of the guest. The sales rep can glean a lot of useful information from the answer.

2. **"Are you paying cash or planning to lease/finance?" –** Determines whether or not to choose vehicles based on total price or monthly payments. Determining the guest's budget and payment method up front allows the sales rep to find the right car faster.

3. **"Do you have a trade?" –** If the answer is yes, begin collecting details about the vehicle; look at it with the guest; determine how much the guest wants for it. This step is about managing the guest's expectations.

4. **"Are you purchasing today?" –** This is a logical question that seems to scare many sales people. It begins the closing process and let's the sales rep address

certain objections right away as well as determine where the guest is in the buying process.
Strickland's is in the business of selling vehicles and sales reps should not be apologetic about this.

Qualify Guest's Needs and Wants

This is one of the most important steps of the sales process. If a guest is properly qualified, the sales representative will encounter fewer objections and the guest will be more likely to purchase. It stream lines the process and reduces the frustration levels and tension that can deteriorate the relationship between the sales rep and the guest. It also creates a two way conversation that builds rapport.

Use a combination of open and closed ended questions to determine the guest's needs *and* wants. Some guests purchase based on emotions, so be careful to give as much attention to the guest's wants as you would their needs.

Closed Ended Questions – These are questions that can be answered with a one word answer, the most common being "yes" and "No". Use these questions sparingly as they do not encourage an ongoing dialogue between the sales rep and the guest. They can, however, be useful for uncovering 'what' is important to the guest.

Open Ended Questions – These are questions that require explanation rather than a simple one word answer. They uncover 'why' something is important.

What features are important to you on a vehicle

vs.

Do you want power windows?

The first question allows the sales rep to gather a lot of information with one question. Additionally, during the course of answering, the guest may provide other information that was not originally asked about but that the sales rep may find useful.

"I want power windows and air conditioning because I travel on the highway a lot. I hate a noisy drive because I can't hear my music."

In this answer, the guest answered the original question (power windows and A/C) but also gave other important pieces of information (does a lot of highway driving; likes a quiet vehicle; likes to listen to music while driving) that they didn't even realize they were giving the rep.

The second question only gives one piece of information and requires a series of questionnaire type follow up questions (asking about every other possible feature) that are time consuming, annoying and inefficient.

Some guests may not even realize that they need/want a certain feature (e.g. power lift gate for a mother of 3).

Information that could influence the type of vehicle the sales rep chooses for the guest:

- What do they drive now? – Why do they like it? What would they change about it?
- Lifestyle – family (size, age of children, elderly parents etc), hobbies (equipment, travelling etc), pets (dog crates, fur on the upholstery etc), work (image, travel, cargo space etc)
- Who will be the primary driver of the vehicle? – Stay at home parent, teenager, professional working outside of the home, etc
- Replacing vehicle or adding vehicle and what do they plan to use it for – is this a primary vehicle for moving the family, commuter vehicle, recreation vehicle (towing a boat or trailer) etc
- Important features and must haves
- What kind of driving do they do? – city vs. highway, winter conditions etc
- How important is… fuel economy, safety ratings, reliability, style, etc?
- Automatic or manual transmission?

Active Listening

What is active listening?

It is the act of engaged listening whereby the listener truly attempts to hear and understand the message and is able to reflect this back to the speaker. It requires focus, genuine interest and objectivity.

Why is it important?

Active listening not only ensures that the sales rep is showing the guest products that they actually are interested in and meets their needs, but also builds mutual trust and respect. It fosters communication and breaks down the car sales stereo-types.
It makes it easy to close because you've built a rapport with the guest and shown them vehicles that actually suit their needs and budget. There's no reason for them *not* to buy.

How do you listen actively?

1. Actively prepare yourself mentally – clear your head of any preconceived ideas and opinions
2. Avoid distractions – focus on the guest and do not respond to any outside stimulus if it can be helped (ignore the cell phone, do not speak to others, do not work on the computer while the guest is speaking)
3. Turn towards guest and look them in the eye – body language is important
4. Watch the guest's body language as they speak – again, body language is important (70-90% of a message is communicated non-verbally)
5. Avoid allowing your mind to wander, skip ahead, prepare responses or draw conclusions before the guest has finished expressing their point – if you draw a conclusion too soon, you may not hear the actual message
6. Allow the guest to finish speaking before responding
7. Physically and vocally acknowledge the guest's statements and points – nodding, "I understand", "Ok great" etc
8. Paraphrase the guest's statement to ensure understanding and gain confirmation – ask questions to clarify if you learn that you have not accurately understood what the guest was saying
9. Do not let your personal opinions influence your response – respond only to what was actually said

Choose and Demonstrate Vehicle(s)

Using the information gathered from the guest, choose a vehicle or a few vehicles that meet their needs and wants. Avoid showing too many vehicles as it may overwhelm the guest.
If the guest came in with a specific vehicle in mind, be prepared with another vehicle (a "flip") or two to compare.

New vehicle sales reps must understand the importance; and demonstrate the value of the vehicles that are already in stock. It is easier to manage the expectations of the guest and uses fewer resources if the vehicle is already in our inventory. There is also never a guarantee that the vehicle that the guest decides that they want located is available.

Use Features, Advantages and Benefits (FABs) to do a walk around with the guest. Use the information gathered during qualification to get the guest picturing the vehicle in their life. Example: They said that their kids play hockey…mention how hockey equipment would fit as you show the cargo space

FEATURES – A specific point of interest (colour, size, function, shape etc)
ADVANTAGES – why that feature is good (the colour is bright, the size is spacious, the function is convenient etc)
BENEFITS – how that advantage applies directly to the guest. Creates an emotional response (the colour is bright so you will be seen in a snow storm, the size is spacious so there is room for your dog and the car seat, the function is convenient making

Test Drive

After the guest has been presented with the vehicle(s) that meet their needs, they should be encouraged to test drive the vehicle.

Pre-owned Vehicles – The sales rep should ensure that there is enough gas in the vehicle for the guest to be comfortable taking a significant test drive. Many guests travel to visit our lot so the sales rep should help the guest plan their route.
If the guest is test driving multiple vehicles, the sales rep should ensure that the next vehicle is ready by the time the guest returns (pulled up, gassed, defrosted, etc).

New Vehicles – The procedure for a new vehicle test drive is slightly different. It is a much longer and more personal process/experience. Because of this, new vehicle sales reps should go with the guest on the test drive. The route should be pre-planned based on the typical driving patterns of the guest.
The sales rep should drive the vehicle first, allowing the guest to experience the vehicle without having to pay attention to the road and traffic. The guest should be encouraged to push buttons, open compartments, adjust settings etc.
Half way through the test drive, the sales rep should switch so that the guest is now the driver. The sales rep should ask questions about the experience, confirming that it suits the guest's needs. This is also an opportunity to begin using trial closes.

Note: There are three circumstances where the new vehicles sales rep should not go on the test drive with the guest

1. There are other guests that are not being helped, or another guest waiting for that specific sales rep
2. The seating in the vehicle does not accommodate an additional passenger
3. The guest specifically requests to drive alone (permission from the manager on duty must be obtained)

Trial Close

The test drive offers the perfect opportunity to use a trial close because the sales rep and guest are actively talking about whether or not the vehicle meets the guest's needs. The trial close allows the sales rep to gauge the readiness of the guest and steer the guest towards the deal; or discover *why* a guest doesn't feel ready so that the objection can be overcome before it is a true barrier to closing.

Presentation of Numbers/Price

For pre-owned vehicles, this step should be easy, because of the Hassle Free pricing. Review the numbers with tax, licensing, Be Safe etc.

For new vehicles, the advertised price should be very close to the bottom-line, however, the guest may wish to negotiate. Any counter offers must be approved by the sales manager on duty.

Closing

After confirming that the vehicle meets the guest's needs and the price is within their budget…

ASK FOR THE DEAL!

If the employee has completed all of the steps above, closing is the next natural step. There is no reason for the sales rep to be intimidated by this step and there should be no reason for the guest to say no.
If the guest does happen to present an objection that was not handled in the trial closes, the sales rep should not be intimidated and look at it as an opportunity to solidify the deal. It is a sin if the sales rep does not find out exactly why the objection is happening. If necessary, the sales rep should 'touch desk' and enlist the help of the sales manager. Do not let the guest go without speaking to a manager!

At this point, a work sheet should be completed with as much detail as possible. All sections must be filled out and any additional information must be added to the comments section:

- Guest requests (paint touch up, extra services purchased etc)
- Mandatory declarable information (Daily rental buy back, accident values etc)
- Accessories being purchased (hood deflector, all season mats etc)
- Special pricing (e.g. TMMC employee)
- New plates or transferring plates
- Any special financing information (e.g. guest wants bi-weekly or semi-monthly payments)
- Other misc but pertinent information that must be communicated to the business office and recorded on the bill of sale
- The best rule of thumb for this section is that ANYTHING you talk to the guest about regarding this vehicle gets written down

Once the worksheet is completed and signed by the guest, it must be brought to the sales manager on duty for final approval.

Finalization of Deal/Business Office

Once the sales rep and the guest have reached a deal, the sales rep must take a deposit from the guest, pull the vehicle file and place the following paperwork into it:

- Signed worksheet
- Two copies of the deposit receipt
- Copy of purchasing guest's driver's licence
- Copy of guest's insurance
- Plate portion of guest's vehicle ownership if transferring plates
- Guest's ownership if trading a vehicle
- Other paperwork (e.g. new vehicle employee purchases)

Once all pertinent paperwork is collected, the file must be given to the business office.

While waiting for the business office to load the deal, celebrate the purchase by announcing it over the paging system, having the guest hit the gong and participate in any current games/contests/etc. The sales rep should let the guest know what to expect in the business office; that they will process the deal, create a bill of sale, discuss financing, insurance, protection packages etc. The sales rep should also ensure the guest is comfortable and has refreshments while they wait.

Trade Appraisal Process

The sales rep should have established early on that the guest does or does not have a vehicle to trade in.
If the guest does indeed wish to trade their vehicle, the follow steps must be taken by the sales rep:

1. Walk around of vehicle with guest
2. Entering of complete vehicle details into the Trade Appraisal Management Tool
3. Determine what the guest realistically hopes to get for the trade
4. Begin managing the guest's expectations regarding the value of their vehicle
5. Present the trade to the appraising manager using all of the information collected from the above steps
6. Give the keys to the appraising manager who will then do a thorough inspection of the vehicle and determine a value by:
    - Reviewing the Trade Appraisal Management Tool
    - Completing a thorough physical inspection of the vehicle (tires, windshield, paint work, body etc)
    - Test driving the vehicle
    - Consulting with buyers and other resources
    - Performing a lien search
    - Pulling the official vehicle history (e.g. Carproof)
7. Present the value of the vehicle to the guest while continuing to manage expectations – record the trade on the worksheet

Delivery Process

The sales rep must ensure that the vehicle is ready and plated (if the guest is getting new plates) before the specified delivery time. All conditions specified on the bill of sale should be met and all extra accessories should be accounted for. The sales rep should always be present for the delivery. If this is not possible, arrangements must be made to ensure that the delivery is covered and the guest is properly taken care of.

The following steps must be completed during the delivery process

1. All appropriate paperwork must be signed by guest
2. Collect payment for any outstanding balances
3. Collect void cheque for financing payments
4. Collect keys for the trade
5. Plates transferred if applicable
6. Offer to photograph guest with vehicle
7. Sign off on paperwork check list
8. Have Manager review paperwork prior to the guest leaving.
9. New vehicle deliveries must include:
   - Preparation of guest for the CSI survey that they will receive from the manufacturer
   - Dealership tour
   - Introduction of Service Reps and booking of first service appointment
   - Review of warranties, manuals, roadside assistance etc
   - Thorough vehicle demonstration
   - Set up of personalized vehicle features (Onstar, pairing cell phones, etc)
   - Offer of orientation drive

Deposits and Sold Vehicles

Taking a deposit does not ‘hold’ a car for a guest. Though it is recommended that the sales rep attempt a deposit when transferring vehicles between lots to create a sense of ownership, Strickland’s is about creating a barrier free path to the sale and does not require it.

A vehicle is not considered ‘sold’ unless the transaction meets the following three requirements:

1. There is a signed Bill of Sale (regardless of whether or not the guest physically went through the business office)
2. A deposit has been taken
3. The Bill of Sale is condition free

If the above requirements have not been met, the vehicle is still available for purchase. If a vehicle is being financed and the deal is unstable as a result of financing conditions, managers will place this information in the vehicle notes in the Inventory Management System.

Regardless of whether there are conditions indicated on the info tab of a 'sold' vehicle, sales reps should check with the business office on the status of a deal if they have a guest interested in purchasing the vehicle.

Much like offers made in real estate, if an unconditional/cash offer is made on a vehicle that already has a conditional Bill of Sale on it, the original purchaser with the conditional BOS will be given first right of refusal and they will have the opportunity to remove their conditions before the vehicle is sold to the second unconditional purchaser. Throughout this process, all parties involved should be kept thoroughly informed.

Cash Transactions

Occasionally, a guest may want to pay for a deposit or vehicle with cash. When this is the case, there are special procedures that must be followed.
All cash received is to be counted in front of the guest. Employees are not to let the cash out of the guests' sight until it has been counted back to them. The money is then to be brought to the on duty manager who will issue a receipt and place it in the safe in the sales/business office. If there is a discrepancy between the guest and the person that issues the receipt, the employee that counted the funds in front of the guest will be responsible for the shortage.

If the dollar amount received is over $2,000, the on duty manager will contact the accounting department to come collect the money. It will then be placed in a more secure safe.

If a guest intends to purchase a vehicle that is over $10,000 by paying cash, they should be informed that they may be contacted by the police for verification purposes.

Fuel Purchases

If a vehicle on the lot drops below ¼ tank of gas, employees are to acquire a properly filled out gas slip from the sales office or reception desk, and take the vehicle to the designated gas station (see Sales Manager for details) to be refuelled.

Gas slips must have the following information filled out:

- The slip must be stamped with the name and address of the dealership
- The date
- A description of the vehicle (include the year, make and model)

- The stock number of the vehicle
- The dollar amount being purchased
- A manager's signature

New Arrivals and Picturing Processes

Generally, pre-owned vehicles come on the truck from the auction or arrive during the delivery of a recently purchased vehicle, as trade ins.

Vehicles that arrive from the auction are usually parked in the south corner of the Toyota lot while trade ins are usually parked behind Detail or Toyota Service.

The following steps will be taken to prepare the vehicles to be placed on the lot for sale.

1. Collect the keys either from the new arrivals board in the Toyota building or Automart reception. Locate the vehicle on the lot and bring it to the wash bay.
2. Remove all auction writing and stickers before running through the automatic car wash.
3. Begin the automatic car wash and start the vehicle condition report and Be Safe stickers.
4. Once the car wash has finished washing the vehicle, pull it ahead
    - Place floor mats in trunk
    - Apply Be Safe stickers
    - Remove old dealership stickers
    - Complete any necessary cleaning (vacuuming, windexing, wipe down etc)
    - Complete Condition Report
5. Park the vehicle outside of the wash bay to be photographed.
6. Leave appropriate pricing stickers (model year, price, 'plus taxes') inside the vehicle

Once the vehicle has been prepared, it must be photographed for the website and other advertising. The photographer must scan the appropriate bar code with the camera before taking any pictures.
It is extremely important that every vehicle be photographed using the following angles

1. Wide front 45 degree
2. Close front 45 degree
3. Front straight
4. Close back 45 degree
5. Back straight
6. Side straight
7. ***Turn Vehicle around***
8. Close front 45 degree
9. Close back 45 degree
10. Side straight

11. Rim
12. Back seats interior
13. Dash from the back seat
14. Front seats interior

Once all 13 photos have been taken, the vehicle needs to be fuelled and stickered using the stickers that were left inside the vehicle. The gas tank should have at least ¼ but not more than ½.

Month End

Strickland's will not be focusing on daily sales, only on daily deliveries. This number will only come from accounting and will be tracked exactly as sales are tracked. The delivered number received from accounting will be divided by the number of selling day's month to date (MTD). This creates an average daily delivery MTD which is then multiplied by the total number of days in the month and divided by the number of days in the month that have already passed (ie. If there are 35 vehicles delivered on the 10th of April the calculation would be (35 x 30) / 10 = 105 tracking). This will give a more accurate account of where the numbers will fall at the end of the month.

This process will mean that essentially, month end is done everyday, forcing all departments to become a lot more efficient at our jobs.
For example: A delivery happens at 2pm on Monday. Sales will be pushing to close the file from their end to move the file forward. This means they will insist the shop closes the open work orders and trades are booked & dealt with in a timely manner; thus getting to the finish line at accounting.

The most important part of achieving success is setting realistic goals, tracking the progress every day and working the daily plan. For this reason, on he last business day of the month (MONTH END), an individual store can only submit one average day's worth of business for that day
For example: A store delivers forty vehicles but 17 deals were sent on the last day in the typical month end push. This represents almost half of the stores total month! This is not acceptable, as the same urgency should be felt all month long. Therefore, if that store only had 23 delivered the day before, and there were 24 selling days in the month they would only be allowed to submit 1 deal (Average daily delivered) on the day of month end. Only a Tier 1 manager or Jeff/John Strickland can override this average, otherwise the rest would be carried over to the following month.

A delivery is considered to be anything that has been posted in accounting. This means that the vehicle has been delivered, funding has been acknowledged and or monies received (rather than monies having to be in the bank). The reason for this is that Strickland's deals with many different institutions, all with difference procedures for funding.

Month end close out is 1 pm the last business day of the month. Again, any exception needs to have an over ride by accounting.
In regards to new vehicles, month end is considered to be Strickland's month end (the manufacturers occasionally have a different month end date depending on where the last day falls in the week). If a car is registered to protect an incentive on behalf of a client, but the client does not take delivery until the following month; it does not count for internal bonus. It may, however, count for an external bonus from the manufacturer.

Retail Sales Policy

Used Vehicle Sale

In order for a sale in any location to be classified 'retail', it has to meet the following criteria:

- The Vehicle must be sold for $5000.00 or more and/or have a minimum of $750 Gross profit.
  Example #1 – A vehicle is sold for $3000.00 and the cost was $2200.00. The gross profit is $800.00. Even though the vehicle is sold for less than $5,000, the gross profit is more than $750. This would be classified as a retail sale.
  Example #2 - A vehicle is sold for $7200.00 and it cost us $7000.00. This too can be considered a retail sale because the vehicle is being sold for more than $5,000.
  Example #3 – A vehicle is sold for $3,500 and the cost was $3,000. This vehicle is under $5,000 and the gross profit is only $500 therefore it can not be classified as a retail sale.

- Any deal that is not considered retail must go into wholesale along with its Gross Profit.

New Vehicle Sale

- Any vehicle sold to a client that is considered a retail sale by the manufacturer is a retail new sale.
- Any vehicle that is classified as 'fleet' by the manufacturer is considered a fleet sale.
- A new vehicle that is considered a new retail vehicle sale by the manufacturer that is treated like a fleet sale when sold to the guest will not be applied to the retail new vehicle sales target internally. Instead, it will be classified under fleet and its gross profit will also be applied to fleet and wholesale profit.

Sales Tracking

All stages of any official sales tracking will occur on the internal administration site where the results are automatically calculated and will be accessible by everyone involved in the process. Though sales managers may like to keep spread sheets for their own records and information, they will not be accepted as appropriate/accurate tracking information.

The internal sales tracker will only calculate funded deals towards the monthly sales total.

The following steps must be completed with every deal; otherwise the deal will not be counted towards the respective dealership's monthly targets and goals

1. The sale will be entered into the internal tracking site at the time of turnover with the following information completed immediately (some information will auto-populate)
    - Tracking info
    - Guest information
    - Stock/Vin
    - Vehicle information
    - Financing Details (cash/financing/lease/locate)
    - Additional products and services purchased
    - Delivery date/time (if known)
    - Sales person information

2. The business office will be responsible for the following updates as they occur
    - Changes to delivery dates/times
    - Changes to protection and other products
    - Alerts
    - Licensing prepared
    - Financing paperwork prepared
    - Dead deal
    - Delivery completed

3. The business office assistants/administration staff will be responsible for the following updates in the system
    - Licensing Back
    - Delivery completed
    - **Funding notice received (including the date of funding)****

4. The service department (Tower Operator if one exists) must include all appropriate updates in the service related status of the pending vehicle (all other departments must be able to view the accurate progress of the vehicle)

5. Detail department must include all appropriate updates in the detail related status of the pending vehicle (all other departments must be able to view the accurate progress of the vehicle)

*****The funding status will determine how the system tracks the deal. If the sale is not changed to indicate that it has been funded, the system will not include it in the monthly totals.***

Once the funding notice has been received and recorded on the internal tracking site, it will be the business office assistant/administrative assistant's responsibility to ensure that the deal is properly/accurately funded and that the file is safely delivered to the acting Inventory Administrator.

Month end cut off time is 1pm. If the completed file is not on the Inventory Administrator's desk and entered/completed by all departments in the tracker by 1pm, it will not count for that month…without exception.

The acting Inventory Administrator will confirm funding and post the deal. This is the final determining factor of whether a deal will count towards the month's totals.

History Searches and Ownerships

A lot of money is lost annually when the business office completes history searches and applies for lost ownerships unnecessarily. It is for this reason that managers processing deals must be extremely diligent about finding files and ownerships.

Before completing a history search, managers must check the inventory management system to see if the vehicle has an ownership in Strickland Automart's name. This is indicated in the vehicle features and is represented by 'OS'.

If OS is present in the vehicle features, a file *has* been created for that vehicle and the ownership will be in the file. If the manager does not have the file, they must locate it.

Only if an ownership is confirmed missing from the file, will an application for a lost ownership be filed.

Sales Tracking – All Departments

All stages of any official sales tracking will occur on the internal administration site where the results are automatically calculated and will be accessible by everyone involved in the process. Though sales managers may like to keep spread sheets for their own records and information, they will not be accepted as appropriate/accurate tracking information.

The internal sales tracker will only calculate funded deals towards the monthly sales total.

The following steps must be completed with every deal; otherwise the deal will not be counted towards the respective dealership's monthly targets and goals

1. The sale will be entered into the internal tracking site at the time of turnover (either before or after) with the following information completed immediately (some information will auto-populate)
    - Tracking info
    - Guest information
    - Stock/Vin
    - Vehicle information
    - Financing Details (cash/financing/lease/locate)
    - Additional products and services purchased
    - Delivery date/time (if known)
    - Sales person information

2. The business office will be responsible for the following updates as they occur
    - Changes to delivery dates/times
    - Changes to protection and other products
    - Alerts
    - Licensing prepared
    - Financing paperwork prepared
    - Dead deal
    - Delivery completed

3. The business office assistants/administration staff will be responsible for the following updates in the system
    - Licensing Back
    - Delivery completed
    - **Funding notice received (including the date of funding)****

4. The service department (Tower Operator if one exists) must include all appropriate updates in the service related status of the pending vehicle (all other departments must be able to view the accurate progress of the vehicle)

5. Detail department must include all appropriate updates in the detail related status of the pending vehicle (all other departments must be able to view the accurate progress of the vehicle)

*****The funding status will determine how the system tracks the deal. If the sale is not changed to indicate that it has been funded, the system will not include it in the monthly totals.***

Once the funding notice has been received and recorded on the internal tracking site, it will be the business office assistant/administrative assistant’s responsibility to ensure that the deal is properly/accurately funded and that the file is safely delivered to the acting Inventory Administrator.

Month end cut off time is 1pm. If the completed file is not on the Inventory Administrator’s desk and entered/completed by all departments in the tracker by 1pm, it will not count for that month…without exception.

The acting Inventory Administrator will confirm funding and post the deal. This is the final determining factor of whether a deal will count towards the month’s totals.

Business Development Centre

<u>Sales BDC Procedures</u>

The opening BDC Agent must log into the sales voicemail box and retrieve any messages left after hours. Once the messages are collected, the BDC Agent will confirm whether or not the guest is an active guest, using the CRM system.

Active Guest – Log the contact in the CRM system, notify the appropriate sales person/manager/etc and relay the information left in the message

New Guest – The guest will be added to the CRM system and processed as a new lead (assigned to a sales person to be worked)

<u>Internet leads</u>

BDC agents will check for new internet leads every 10 minutes or less. When a new lead comes in, it must be assigned to a sales representative** that is in the BDC at the time that the lead came in.
When assigning leads to a satellite location, the BDC Agent must first call that location. The sales rep that answers will be assigned the lead. If there has been no action on the lead within 30 minutes, the BDC agent will call the location back and reassign the lead to the next sales rep to answer the phone/that is available.

Note: The goal is to respond to all internet leads within 15 minutes of submission

***Ensure that any overdue tasks have been competed by the sales rep before assigning new leads.*

BDC agents will continuously monitor the chat software and answer any chat requests immediately. The agent will attempt to gather full guest information (Name, phone number and email) and enter it into the chat software to be pushed to the CRM program. If the guest already exists in the system, the old lead will be marked as a duplicate and the newer lead will be the active lead.
Once the lead has been generated and managed in the CRM system, it will be distributed to a sales person as an internet lead using the above procedure.

Guest Relationship Management

BDC agents will complete all CRM system tasks assigned to them on a daily basis. If an agent completes all assigned takes s/he will assist in the completion of another agent's tasks

Remember: ONE TEAM….ONE GOAL!

BDC agents will use the CRM system to update sales reps up on their KPIs as requested.

Owners' Calls

Within 24 hours of a showroom visit, BDC agents will contact the guest using the appropriate scripting. This call is intended to gauge the experience of the guest, identify any barriers to purchase as well as bring the guest back into the dealership.
Agents will make 3 separate attempts to complete this call. If the call is completed, the results are to be recorded in the appropriate spread sheet and emailed to the Business Development Manager weekly. Any concerns that need immediate attention will be directed to the BDC manager as well.

Post Delivery Calls

After each delivery, BDC agents will contact the guest using the appropriate dealership specific scripting. This call is intended to gauge the experience of the guest and identify areas of opportunity in our guest service.
Agents will make 3 separate attempts to complete this call. If the call is completed, the results are to be recorded in the appropriate spread sheet and emailed to the Business Development Manager weekly. Any concerns/trends that need attention will be directed to the BDC manager as well.

Thank You Cards

Using sales lists from internal tracking systems, the BDC agent will address the envelopes of thank you cards and distribute to the sales reps for completion. The sales reps will be given a 1 week deadline. The agent will follow up, collect and cross reference to ensure that all thank you cards are completed in a timely fashion.
If the agent experiences any issues, s/he is to report it to the Business Development Manager.

Inbound Sales Calls

BDC agents will closely monitor the phone queue throughout the day to ensure that there are not guests waiting in the queue. If there is a back up in the queue, BDC agents are to log in to help until the volume of calls decline.

If there are no sales reps available to attend to the queue, the BDC agents will log in and take calls. The agent will inform the guest that all sales reps are currently with guests; gather guest information so that a sales rep may return their call and/or book an appointment. All gathered guest information must be inputted into the CRM system.

The closing BDC agent will check the queue to ensure that everyone has logged out.

Service BDC Procedures

The opening BDC Agent must log into the service voicemail box and retrieve any messages left after hours. Once the messages are collected, the BDC Agent will book the appointments and return the guest's call to confirm.

A BDC agent will remain logged into the service queue at all times and ensure that s/he is logged into the appropriate systems in order to quickly and efficiently book appointments and update guest information.
If a guest requires additional information, the agent will collect the appropriate guest information and consult with the service department. The agent will commit to returning the guest's call within 30 minutes.

Outbound Service Calls

After each service visit, BDC agents will contact the guest using the appropriate dealership specific scripting. This call is intended to gauge the experience of the guest and identify areas of opportunity in our guest service.
Agents will make 3 separate attempts to complete this call. If the call is completed, the results are to be recorded in the appropriate spread sheet and emailed to the Business Development Manager weekly. Any concerns/trends that need attention will be directed to the BDC manager as well.
If a specific issue arises, the BDC agent will fill in a trouble tracker and send it to the appropriate Service Manager.

BDC agents will pull service lists from the appropriate system (depending on manufacturer) and use them to make service appointment reminder/confirmation calls.

Agents will also log into GM systems and make 3 attempts to book oil changes.

Reporting/Audits

Spread sheet results from all owners' calls, delivery calls and service calls will be sent to the Business Development Manager once a week.

Urgent guest service concerns/issues must be reported to the Business Development Manager immediately.

Negative trends, including chronic overdue tasks, late completion of thank you cards and any consistently low guest service scores must be reported to the Business Development Manager as soon as they are noticed.

BDC Agents must conduct website lead audit semi-weekly by submitting leads under the test format provided by Business Development Manager. This should include all lead sources; on all of our sites; at all locations; along with any external listings. The results will be recorded on the designated spread sheet and emailed to the Business Development Manager.

Business Office (Sales) – Management

Daily Duties

1. Review delivery schedule with service
    a. Ensure dates & times are correct & do not need adjusting.
    b. As deals are being prepared (prepped) for delivery, confirm that we have notified service (& service has notified detail) and that all agreed upon work will be done

2. Confirm that all deals are prepped for the current day plus at least one day ahead. The Business Office Support Staff will also assist with the preparation of deals when required and should be utilized to ensure that we are always running two days ahead of schedule

3. Ensure that licensing for the current day is running on schedule. Be sure to arrange next day's licensing as soon as possible. (the Business Office Support Staff oversee licence transfers, lost ownership requests and any requests that may be out of the ordinary regarding licensing)

4. Consistently update delivery schedule with any new or change of information. Continually make notes on/in file to ensure that anyone handling the deal folder has the most recent & updated information (e.g. guest calls in to add warranty…requires notation on 'old' bill of sale, on outside sheet of deal, on delivery schedule, & in dealer track in case of necessary resubmission.)

Turnovers

Turnovers (Guest's who have just purchased) take priority over daily duties.

When a sales rep has made a sale and a turnover is required, complete the immediate task at hand/tidy desk then load deal into all appropriate software. During busy times, one of the Business Office Assistants may load deals in order to expedite the process.

We aim for the "**Disney Experience**" seeing the guests as soon as possible and creating the least amount of 'wait time'. If the deal file does not have an ownership, have the guest sign a licence 'stickie' & wrap the deal file with a coloured file to identify. Support staff will check for these files on a daily basis to rectify.

Once the guest has left

- Complete front sheet & staple to front of deal file
- Attach inside sheet to the inside of the file
- Send a memo to service
- Update delivery schedule (initial work order line with a ‘tick’ following for memo sent & a ‘tick’ following for delivery screen update)

The following reasons follow a circled **H** (HOLD):

- Insurance quote
- Spousal/parental approval
- Difficult credit/credit challenged

Negative equity deals must be authorized by the General Business Manager or by John Strickland when the General Business Manager is not available. The deal will accompany a negative equity addendum/statement and once all parties have signed, the guest must be supplied with a copy.
“Negative equity deal-see attached” must appear in comments section of bill of sale.

<u>Paperwork</u>

After you have prepared the deal file for delivery, initial ‘file completed’ line located at the bottom of the ‘outside sheet’. **This means that you, as a Manager have confirmed that it is** (Was a deposit taken…Is there $$$ due on delivery…Does the bill of sale match the financing contracts...etc?).
The manager who has initialled the file will be held responsible if there is a shortage once accounting has balanced.
In the case where one of the support staff has prepared the deal file, the Manager doing the final check of the deal file before the guest leaves, also takes responsibility for file preparation accuracy.

To ensure the utmost accuracy in completed/signed paperwork so as to *avoid any held offerings*, all delivery files must be checked by a Manager before the guest leaves. It is the manager’s responsibility to ensure that all money is collected, all conditions of approval are met and that all paperwork is accurate and complete.

Ensure that deals are being funded quickly. The support staff takes care of faxing the paperwork to the banks as well compiling the reports to the insurance and warranty companies. It is the responsibility of management to ensure that this is being done in timely manner. Ensure that there are always ample supplies on hand (bills of sale, etc.). If a supply is running low, contact the person responsible for ordering supplies before it runs out. Do not assume that the person doing the ordering is aware of the shortage.

Simply Safetied and As Is

All ‘Simply Safetied’ and ‘As Is’ deals must be conducted in the Wholesale and Credit centre trailer at the back of the property.
These deals will be completed on a Strickland’s bill of sale expressing the following in comments area:

“Vehicle is sold certified and e-tested with no express guarantee or warranty whatsoever”

The guest must also receive copy of the ‘coloured worksheet’ that they and the manager have signed.

Guest Relationship Management

Assist with sub/non prime approvals; keep this gathered information stapled together (i.e. Equifax, Wholesale/Credit app, etc.) and notations relating to this guest in appropriate labelled slot (NP). All calls and messages must be entered into the CRM system to keep all informed of status. Stay on top of these guest leads and ensure the salesperson is also informed/completing proper follow up. Managers are responsible for staying informed of any requests sent in the CRM system, regarding guest pre-approvals, etc.

All messages left for the Business Office must be responded to in a timely manner. Please refer any guest concerns, cancellations and insurance claims that are outside of the normal day to day routine items, to the Group Business Manager.

Auction/Wholesale and Scrap Vehicles – Management

Auction Vehicles

Several auction houses (e.g. ADESA, Dills Auction etc) are used to auction Strickland's inventory. Specific inventory pieces may be more successful at one auction versus another; therefore, the Wholesale Manager is responsible for determining which auction would perform the best for each piece that must be sold. This will be done using criteria such as mileage, make, model and condition.

The manager will call Sales at the specific auction that the vehicle will be going to and book them in (if the vehicle is going to Adesa, the manager must also get the Run #) and advise on whether or not we would like a reserve bid on the unit.

Units going to auction must have a quick clean and reconditioning by the clean up department.

The Wholesale Manager will arrange for transportation, either by Strickland's or the auction house (there is usually a fee for this). Because the auction house posts vehicles online in their inventory, the units should arrive at the auction five to seven day prior to the sale date.

The Wholesale Manager will ensure that full disclosure via Carproof (include in file), ownership and all keys are accounted for and included with the vehicle.

On the day of auction, it is best to have a Strickland's Manager or other appointed individual present at the auction to represent our inventory. If this is not possible, the auction house will continue the sale process by phone.

Once the auction has sold one of our vehicles, they will courier the processed paperwork and payment to Strickland's. The information contained in this package must be entered into the accounting system and the documentation put into the inventory file which is then sent to the accounting department to be processed.

Wholesale Vehicles

Occasionally other dealers may contact the Wholesale Manager because they would like a Strickland's vehicle wholesaled to them. Once this happens and a price is agreed upon, a wholesale bill of sale must be completed in full. The following information must be obtained from the purchasing dealer:

- Legal Name
- Address
- Phone number
- Dealer number
- RIN number
- GST number
- Sales person number (if required)

The purchasing dealer may pay by certified cheque or bank draft only.

The wholesale Manager will then retrieve the file for the vehicle that is being sold and fill out the ownership in full using the dealer information. The Wholesale Manager *must* practice full disclosure as well as inform the purchasing dealer of whether or not there are spare keys. Then, arrange a pick up date.

Once the vehicle is paid for in full and the file completed, all of the information must be inputted into the accounting system and the file sent to the accounting department for processing.

Scrap Vehicle Process

The Wholesale Manager will check daily behind the cleanup bay for vehicles that need to be scrapped. If so, the following steps will be taken:

1. Obtain the vehicle file
2. Complete the ownership
3. Attach any spare keys to the main keys
4. Fax a completed wholesale bill of sale to the company that the vehicle has been sold to for scrap
5. Arrange date/time for pick up
6. Designate an area where the ownerships, keys and vehicles can be found by the driver

Once the vehicles are picked up, the files may be completed by the Wholesale Manager and sent to the accounting department for processing.

Maintenance

Daily Cleaning Routine

Upstairs Offices	
Start with John & Jeff's Office continue to accounting	
Garbage	-- remove big garbage bag and empty all small garbage receptacles into this bag and remove downstairs when completed all
Dust	-- using the swifter duster dust all desktops, computers, and all horizontal dust collectors
Clean windows	-- using glass cleaner ensure all windows are clean
Sweep	-- dry mop the entire floor area including board room
Washrooms	-- Clean mirror, toilet and sink, ensure adequate amount of supplies toilet paper and paper towels.
Wet Mop	-- Wet mop entire upstairs including washrooms and all offices.
Light switches	-- ensure al light switches are wiped down no dirt or grease on them

Stairway leading to offices	
Sweep	-- dry mop the entire stairway area including shaking out the mat at the bottom of the stairs
Wet Mop	-- wet mop entire stairs and landings

Business Development Centre	
Garbage	-- empty all small receptacles
Dust	-- using the swifter duster dust all desktops, computers, and all horizontal dust collectors
Sweep	-- dry mop the entire floor area
Clean windows	-- using glass cleaner ensure all windows are clean
Light switches	-- ensure al light switches are wiped down no dirt or grease on them
Wet	-- Wet mop entire upstairs including washrooms and all offices.

Mop

Men's & Woman's Washrooms – Guests'	
Washrooms	-- Clean mirror, toilet and sink, ensure adequate amount of supplies toilet paper and paper towels.
Sweep	-- dry mop the entire floor area
Wet Mop	-- wet mop entire stairs and landings

Showroom	
Garbage	-- empty all small garbage cans
Clean windows	-- using glass cleaner ensure all windows are clean
Dust	-- using the swifter duster dust all desktops, computers, and all horizontal dust collectors
Sweep	-- dry mop the entire floor area
Wet Mop	-- wet mop entire stairs and landings

Service Reception	
Garbage	-- empty all small garbage cans
Clean windows	-- using glass cleaner ensure all windows are clean
Dust	-- using the swifter duster dust all desktops, computers, and all horizontal dust collectors
Sweep	-- dry mop the entire floor area
Wet Mop	-- wet mop entire stairs and landings

Guest Lounge	
Garbage	-- empty all small garbage cans
Clean windows	-- using glass cleaner ensure all windows are clean
Dust	-- using the swifter duster dust all desktops, computers, and all horizontal dust collectors
Clean Walls	-- ensure all scuff marks are removed from walls in area
Sweep	-- dry mop the entire floor area
Wet Mop	-- wet mop entire stairs and landings

Drive Thru	
Sweep	-- dry mop the entire floor area
Wet Mop	-- wet mop entire stairs and landings

Lunchroom	
Garbage	-- remove big garbage bag and empty all small garbage cans into this bag and remove downstairs when completed all
Dust	-- using the swifter duster dust all desktops, computers, and all horizontal dust collectors
Clean windows	-- using glass cleaner ensure all windows are clean
Sweep	-- dry mop the entire floor area
Washrooms	-- Clean mirror, toilet and sink, ensure adequate amount of supplies toilet paper and paper towels.
Wet Mop	-- Wet mop entire upstairs including washrooms and change rooms.
Light switches	-- ensure al light switches are wiped down no dirt or grease on them

<u>Snow Removal</u>

The following are the steps to ensure a quick and efficient way of removing snow from our lot to ensure guest/employee safety and convenience:

- On snow days all inventoried vehicles are to be keyed by sales teams
- While the vehicles are being keyed the plow operators will start by clearing snow

from the traffic areas entering and exiting the dealership as well as all vacant parking spots

- Once the vehicles have been keyed sales and other available staff will begin moving rows of vehicles
- Once the snow is removed from a row the vehicles will be moved back into their spots (parked straight with the noses of the vehicles lined up evenly)
- The process will be repeated row by row until completed
- Doorways into the dealership must also be kept clear of snow and ice
- Once the lot is cleared of snow, it must be salted to minimize the risk of slipping and falling to both guests and staff members

Fixed Operations

Service Apprentice Daily Procedures

The following are the steps for daily procedures for the Service Apprentices which must be followed.

1. Obtain repair order and keys from the control board in the next slot.
2. Test drive the vehicle on our outlined test drive map, only if required is the test drive to veer from this outlined map.
3. Complete apprentice portion of the vehicle checklist, only the apprentice portion.
4. Once the checklist is completed pull all tires on the technician hoist and hand the repair over to the technician.
5. Repeat the process from step one.
6. Once all technicians have the hoists filled then and only then you will help out with repairing vehicles on the hoist with the technician.

Service Technician Daily Procedures

The following are the steps for daily procedures for the Service Technicians which must be followed.

7. Finish off left over or carryover work from the previous day.
8. When carryovers are all completed, move onto safety rechecks to ensure smooth deliveries and all concerns are taken care of, safety rechecks will be pre assigned in technicians slots on control boards.
9. Once the safety recheck is performed we must test drive the vehicle** to ensure there are no outstanding drivability issues (this must be done by the technician), when the test drive is complete we are to park the car in the appropriate spot for the next step for delivery (i.e. detail).
10. When all safety rechecks are completed the next priority is sold safeties which should be on the second hoist of the technicians already started by the apprentices.
11. Now that the safety recheck is completed there should be a free hoist and one ready for inspection by the technician, as the apprentice has pulled in and prepped for inspection, the apprentice will then go get the next vehicle and perform their procedure and get it ready for inspection by the technician.
12. Only when both hoists are full is the apprentice going to assist in repairs on the vehicles.
13. All repair orders that do not have outstanding parts on order must be returned to the tower operator – NOT stored in tool boxes.

All work being pre-assigned from the control board will be in coordination with the technician and apprentice as a team, we are all here for one goal and that is to ensure that we put out the best quality, in the most efficient way.

Cutting Keys by Code

When cutting a key by code, or ordering a cut key by code for either the ignition or doors 2 pieces of identification are required as well as the original valid registration of the vehicle (no photocopies). One piece of I.D. must have the guest's photo.

The address on the ownership must match that of the driver licence of the guest getting the keys cut or ordered.

Photocopies of the I.D. and ownership are made and attached to the invoice of payment for the key(s).

Non-Delivery Procedure

Lot Cars To Be Cleaned

Wash bay employees: must clock off of previous car before starting a lot car and clock out after each one is completed.

Only work on specific detailed instructions listed and nothing more!

Look at "Lot cars to be cleaned" chart in key room and pick a vehicle. This chart is where sales employees will fill out information on cars that need extra cleaning in order to make it a sale for a guest.
The smallest extra effort can play a huge role in a deal.

After each lot car is completed, remove sticker off your time slip and place it in appropriate spot on work sheet.

Shop Loading

The following are steps on loading the shop to ensure a smooth flow of work and to ensure we are as productive as possible throughout the day.

1. Work order is generated and placed into the specific slot on the technician control board for repair.
2. The technician is to go to his/her slot for the next repair; if there is no work pre-assigned to that specific technician they are to go to the "next job" slot.
3. Without prejudice the technician will take the next job in line as placed by the advisor; in order of time promised back to the guest, from top to bottom of board. On the internal board it is placed left to right by the technician's name.
4. The advisors are to ensure that we have placed the jobs in order of priority, they are also to ensure that if no guest work is coming in that the day is loaded with internals i.e. PDI, used car safeties.
5. Repair orders for the week are to be place in the technicians' slots on the internal board only. When there is a "SOLD" unit the priority and level of attention will be assessed and assigned to the correct technician clearly marked as a "SOLD" as well as the promise date so that the technician is aware of the urgency.

Oil and Filter Service – 1 Technician

Step 1

- Locate the next vehicle requiring service in the queue
- Sign onto the job and allow time to run
- Move vehicle from staging area to work hoist
- Audibly listen for any exhaust leaks, cracks or rattles in the exhaust system
- Upon entry into work area, open driver's window and stop vehicle in the appropriate location
- Once in the work bay, check the following:
    1. horn operation
    2. verify all lights are working in the inspection mirrors - brake lights, back-up lights, hazard lights (front & rear), daytime running lights (front & rear), licence plate lights, high and low beam headlights
    3. windshield washer operation (rear washer operation also if applicable)
- Shut off engine
- Make sure all doors are unlocked
- Release the fuel door, trunk latch and hood latch

- Install new reminder sticker with discussed mileage interval (if applicable) and note the mileage
- Exit vehicle and obtain door lube spray can

Step 2

- Inspect driver's side front wiper blade condition
- Proceed to lube the driver's side front door hinge, door lock (with straw) then rear door hinge & hatch
- Position the left side hoist arms under vehicle
- Lube the fuel door latch
- Proceed to lube the trunk latches
- Check spare tire condition and tire pressure (if applicable) - adjust tire pressure as required
- If applicable, inspect rear wiper blade condition
- Proceed to lube the passenger rear then front door hinges & latch
- Lube passenger side door lock with straw (if applicable)
- Position the right side hoist arms under vehicle
- Inspect passenger side front wiper blade
- Inspect windshield for chips or cracks
- Obtain the necessary parts from the parts cabinet

Step 3

- Return to the front of the vehicle and open hood and install fender covers
- Lube the hood hinges and latch
- Proceed to inspect:
  1. current oil level
  2. brake fluid level
  3. p/s fluid level
  4. coolant level
  5. washer fluid level
  6. fan belts and hose condition

7. air filter condition

- Remove oil fill cap and place on hood latch

Step 4

- Proceed to raise the vehicle to an acceptable work height
- Position oil drainer under the vehicle and remove the oil drain plug and allow oil to drain
- Starting with the LH front tire, check for wear/condition, measure tread depth and verify tire pressure – adjusting as required
- Continue tire inspections and measurements with the LH rear, (spare tire if located under the vehicle) RH rear, RH front in the same format
- Note the conditions on the Multipoint Inspection Form

Step 5

- With an inspection light, proceed to perform an under carriage visual inspection for evidence of damage, wear or leaks/seepage from front to rear. Proceed to inspect:
  1. suspension components
  2. steering components
  3. wheels & CV boots
  4. exhaust system (incl. hangers and heat shields)
  5. engine/transmission area
- Enter any issues of concern and/or measurements on the Multipoint Inspection Form and alert advisor of any concerns
- Remove oil filter (if accessible under the vehicle), manually remove the o-ring and clean the inside of the oil filter cap with a clean rag
- Apply a small amount of engine oil to the o-ring and replace
- Proceed to replace the engine oil filter - torque to spec.
- Replace drain plug gasket and install drain plug - torque to spec.
- Clean off any excess oil spilled in the process

Step 6

- Return oil drainer to it's original position
- Lower vehicle down to the floor and remove all hoist arms
- Remove and replace the engine oil filter (If accessible from the top) – torque to spec
- Clean off any excess oil spilled in the process
- Refill the specified amount of engine oil and reinstall oil fill cap

Step 7

- If authorized, obtain parts for any additional jobs that were recommended throughout the service and complete the job(s)
- Ensure vehicle is in PARK (or Neutral) & the new air filter is installed (if applicable) and start engine
- Let engine run for a minimum of 5 seconds
- Inspect ATF fluid level (if applicable)
- Shut off engine
- Check and verify correct engine oil level
- Verify that there aren't any obvious leaks under vehicle
- Remove fender covers
- Verify all items in proper place and close hood

Step 8

- Finish off RO in the computer (or paper RO) and complete the Multipoint Inspection Form
- Enter vehicle (if applicable, reset oil change indicator light)
- Ensure the reminder sticker had been changed
- Move vehicle to the guest pick up area (or car wash staging area) and note the vehicle location on the key tag
- Ensure there are no dirt marks on the steering wheel or door
- Place the keys in the appropriate area and let the advisor know that the job is complete

- Locate the next job

Ontario Tire Stewardship Fee

As of Tuesday, September 01, 2009 there is a mandated fee that must be charged out with every tire sale. The part number for this fee is "OTS", and quantity will be the same as the amount of tires we sell on the repair order or parts slip, (e.g. if we sell three tires, we bill out quantity of 3 of part number OTS).
This is a fee not a tax, and it very important to inform our guest of this when they inquire. This fee is subject to the same tax rules as applicable to the sale of the tire. This fee has been put into inventory and is being tracked just as tire inventory is.
This is not a profit part; it is billed out at cost. Again, a profit is NOT made on this fee. It is very important that this fee gets charged on every tire sale as the dealership is being charged the fee on every tire purchased.

The Ontario Tire Stewardship website is:

https://www.ontariots.ca

Shop Cleaning

All technicians are responsible for the cleanliness of their work bays. At the end of each shift, the bays are to be washed and squeegee down with provided floor detergent. It is recommended that technicians to be pro active and sweep out their bays after every job performed to ensure that the shop stays as clean as possible.

The tool room must stay clean, organized, and free of clutter at all times. All items have a home and unless in use must stay in their homes.

Trash bins are to be emptied on a daily basis.

Shop walls are to be cleaned on the last Friday of every month. Technicians are responsible for moving tool boxes and cleaning the walls in their bays.

Lunchroom and locker rooms are to stay tidy at all times, if everyone cleans up after themselves there is no need for a mass cleanup

<u>Parts Department Shift Duty List</u>

<u>Weekdays</u>

Early Shift:

Unlock department (before 7:30 am);

- Open gate
- Start computers
- Turn on display lights
- Get TCI mail and packing slips
- Check printer for pre-picks

Receipt orders
Print delivery invoices
Put away parts orders – Special Order first
Notify Service of new backorder releases
Print 6910 – “Service Received Orders” & distribute to advisors
Priority → repair order pre-picks

Late Shift:

Priority → retail counter and phones
Check next day’s appointment sheets for special orders
Convert wholesale orders and send
Create and edit stock order
Check for returns
Clear cage area and prepare cages for shipment
Convert and send special orders
Print order status sheets, highlight backorders
Highlight special order sheet backorders and notify Service
Show delivery invoice backorders and correct ‘shipped’ quantities
Print and post “backorder status” lists
Print and distribute “tires on hand” sheets
Modify “COOLANT“ & “SUPER” quantities
Update gas log
Have truck brought into shop
Prepare cash & invoices for accounting
Close department;

- Close gate
- Turn off display lights
- Log off computers

- Lock doors

Evenings:

Re-stock printer trays
Flatten and pile cardboard for garbage
Sweep floor
Clean retail counter

Saturday

Unlock department (before 7:30 am);

- Open gate
- Start computers
- Turn on display lights
- Get TCI mail and packing slips
- Check printer for pre-picks

Receipt orders
Put away parts orders – Special Order first
Notify Service of new backorder releases
Priority → repair order pre-picks
Priority → retail counter and phones
Flatten and pile cardboard for garbage
Have truck brought into shop
Prepare cash & invoices for accounting
Close department;

- Close gate
- Turn off display lights
- Log off computers
- Lock doors

Parts Binning and Receiving

- Upon receipt of the parts shipment in the morning, remove the packing slip.

- Compare actual received parts to the Stock Order and Special Order reports. These reports were printed when the order was placed the day before.

- Inspect all cartons for damage, if found open and examine contents. Inspect all large back orders received for damage before signing waybill. If damage found, describe on both waybill copies and have driver acknowledge our copies. Take photos showing damage and carton damage

- Upon full receiving compare the cost of the parts on the packing slip to the cost of the parts on the Receiving Report.

- If cost of parts is not the same then complete a comparison line by line to determine discrepancies.

Any discrepancies are detailed onto the Discrepancy Report and submitted to the PDC

Parts Stocking Technique

The parts department will follow the techniques listed below:

1. Store parts according to moving class
- fast moving parts close to parts counters
- other parts located by class for efficient picking

2. Separate location for each part number
- one part number per location allowing visual identification of abnormalities
- visual identification with Noren Tags with part number and location

3. Store parts vertically
- store flat parts such as belts, cables and wiper blades vertically in separator boxes

4. Group similar parts together
- group similar shaped or sized parts together
- group related parts in same location (i.e.: pads with rotors)

5. Storage within easy reach of worker
- Store parts no higher than 6'. Use top shelves for overstock only

6. Store heavy parts down low
- store items such as batteries and rotors in middle shelves to reduce possible injuries

7. Visually grasp those parts with irregular movement
- store overstock on upper shelves and use overstock arrow in Noren Tag
- use of red tape on upper shelf to indicate overstock area

Parts Pre-Pick Procedure

- The Parts Advisor will retrieve the slave printed-paper copy.
- The parts are picked according to repair order items listed and the parts are placed in red pre-pick bins in the bin numbered with the corresponding last digit of the repair order number along with the slave printed copy.
- Under no circumstances will a Technician come to the parts counter requesting parts – Technicians must use pre-pick system.

Additional Sales Parts Pre-Pick:

- For additional parts for sold jobs, Technicians will perform their estimate and leave repair order with parts staff if parts are involved (for up sells of labour only up sells, the Technician will leave the repair order with the service staff and no pre-pick will be required).
- The parts staff will determine parts pricing and availability.
- The parts staff will forward the repair order to the service staff for pricing of labour and guest approval and authorization.
- The service staff will forward the repair order to the parts staff for pre-picking of approved additional sold parts.
- The service staff will advise the technician of the approved additional repairs and advise them to pick up the parts and repair order from the pre-pick rack.
- The parts staff will pick the part and place them in the red bins in the pre-pick rack along with the repair order. OPTIONAL: if time allows, the parts staff will run the parts and repair order back to the technician.
- The Technician will pickup up sell parts from pre-pick rack

Parts - Wholesale Orders

The following policies apply to Wholesale guests (as per policy printed on all invoices):

- Use separate order numbers for easy sorting when they arrive
- All Parts ordered incorrectly by the parts department will be returnable.
- No refund or exchange without the invoice.

- All parts must be new (never used or installed) and in the original undamaged and unsoiled box in order to be re-saleable or returned.
- All parts with blank return code are returnable up to one year.
- No refunds or returns after 15 days.
- No returns on electrical parts or special order parts
- No exceptions for Wholesale accounts unless approved by Parts Manager in the event of a particular circumstance or situation.

All 'charge' invoices must be signed legibly or have receiver's name printed legibly.

Retail – Special Order Parts

- Ensure that all the necessary information to order the parts for the vehicle are available (Complete VIN, Production Date, Trim/Colour codes…) as well as complete and accurate guest information (Name, Address, Telephone Numbers…).

- All orders must be entered into the system with a complete guest profile.

- The Parts Department will order the part in their daily order.

- If the part is back ordered, the Parts Department will advise the guest.

- When the part arrives, the part is placed in the special order shelves and the Parts Department advises the guest.

Parts Scrapping

- After the receipt of the financial statement, the Parts Manager will determine the scrapping value for the month based on a guide of ½ of 1% of the total monthly sales to a maximum value of $500.

- The Parts Manager will run report generator 6910 to determine what non-returnable stock is on hand.

- After reviewing the list, the Parts Manager will determine what parts to scrap.

- Parts staff will pick the selected parts from the list and remove the part from the shelves along with the bin location tag.

- Arrange to have suitable parts donated to local schools and/or scrap all other parts.

- Parts Manager will adjust the inventory in 2010.

- Accounting will be advised of scrapped value

Parts Return Policy

The following policies apply to both Retail and Wholesale guests (as per policy printed on all invoices):

- All Parts ordered incorrectly by the parts department will be returnable.

- No refund or exchange without the invoice.

- All parts must be new (never used or installed) and in the original undamaged and unsoiled box in order to be re-saleable or returned to the manufacturer.

- All parts with blank return code are returnable up to one year.

- No refunds or returns after 20 days.

- No returns on electrical parts or special order parts

- No exceptions for Wholesale accounts unless approved by Parts Manager in the event of a particular circumstance or situation.

Be Safe Warranty

Strickland's sells three different types of be-safe product through its used vehicle business office.

1. **<u>30 Day Be-Safe Warranty</u>** - The guest purchases this warranty at time of sale. It covers just about anything mechanical that could go wrong with the vehicle within 30 days. It does not cover cosmetic items such as paint defects or interior trim that are not reported at the time of sale. This program is administered through the Guest Relations Department. When one of these claims is received, please contact the Warranty, Policy and Special Repairs Administrator (also known as the Guest Relations Manager) for authorization and send the work order to him/her to bill to the proper account.

2. **<u>Be-Safe Extended Warranty</u>** - This is a warranty that is sold at time of sale. There are different levels that the guest can purchase through the business office. It is a separate company within the Strickland Auto Group. We have separate phone lines for this company and all claims are handled through this line. The Guest Relations Manager handles all these claims. There is normally a $100.00 deductible applied to the repair but is waived if the guest has the repair done at any of the Strickland Auto Group repair facilities (Stratford, Brantford and Windsor). When the repair is completed it is normally paid via a company credit card over the phone.

3. **<u>Rust Perforation Warranty</u>** - It is also handled through Be-Safe and is administered by the Guest Relations Manager. This warranty is good for 10 years from the original manufacturers in service date. It maxes out at $2000.00 towards repairs.

These warranties are set up to provide complete guest satisfaction. It gives us complete control on administering our warranties.

Occasionally, claims are denied for the following reasons:

- lack of maintenance
- vehicle abuse
- severe collision
- Not having the proper coverage (if they had an a/c problem but did not purchase a/c coverage) as an example.
- Off road use or drag racing
- Guest modifying the vehicle (lift kits, oversized wheels and tires, installing super chargers or turbo units)

The direct line to Be-Safe is 1-888-257-9421 and fax is 519-272-1078

<u>Be-Safe Claim Procedure</u>

When a guest attempts a Be-Safe claim

1. Get guest's name and/or VIN number
2. Get name of the repair facility and a contact name
3. Verify that the guest has Be-Safe warranty
4. Find a copy of the contract in the filing cabinet
5. Double check that the expiry date and mileage have not expired
6. Have the repair facility fax an estimate Check for specific coverage of the breakdown/repair
7. Check for any deductibles to be applied to the repair
8. If everything is good, authorize the repair
9. Once the repair is completed, pay for the repair using the appropriate company credit card
10. Request a faxed copy of the service invoice and credit card receipt from the repair facility

Make three copies of each. Place one copy into the guest file, the main file in the desk drawer and give the final copy to reception/accounting

4

8

A

B

C

D

T

U

V

W