

General Sales Manager Pay Plan

SALES COMPENSATION PROGRAM

DEALERSHIP:	<u>Chula Vista Ford</u>	EFFECTIVE DATE:	<u>07/21/2021</u>
GENERAL SALES MGR:	<u>Kamran Syed</u>	EMPLID:	<u>84096</u>
REPORTS TO:	<u>Tony Fodor, Dir of Operations</u>	FILE NO.:	<u>N/A</u>

This Compensation Program is in effect between the Dealership and the General Sales Manager named above from the Effective Date, while General Sales Manager remains actively employed or until the Compensation Program is modified by the Dealership.

SEE ATTACHED PAY PLAN DETAILS

ADJUSTMENTS

You agree that commissions and bonuses may be adjusted at any time for reasons that include the following: (1) to correct any error in the calculation, whether that error is the result of miscalculations by the company, the General Sales Manager, any other manager, or any other person; (2) if any sale or lease is subsequently determined not to have been a Closed Sale; (3) if a Closed Sale is rescinded, reversed, rolled back or otherwise unwound for any reason (e.g., a returned product, policy adjustment or cancelled warranty). (4) if there are any finance and insurance related returns and/or charge backs including, but not limited to, prepaid loans and warranty cancellations; or (5) if customer receivables are not collected (including, but not limited to, down payments, deferred down payments, drive-off fees, insurance coverage, or penalties on trade in). You also agree that any overpayment of your wages on account of an error in timekeeping or pay calculation may be adjusted so long as you receive at least your Base Pay for each pay period after adjustment is made as provided herein. Any such adjustment that results in decreased commissions or compensation will be treated as an Advance, as described herein. Any such adjustment that results in an increased commission or compensation will be paid at the next payday.

PROVISIONAL PAYMENTS

All commission or incentive payments may only be estimates and therefore are subject to adjustments, including deductions from future commission payments to the extent the actual calculated commission is less than the amount paid. You acknowledge that such advances are for your benefit, and you authorize such deductions. After satisfying minimum salary requirements, any overpaid commissions or Advances must be repaid upon your separation from the Dealership and you hereby authorize such deduction from any pay or benefits (including vacation) that may be forthcoming to you. If you are terminated, voluntarily or involuntarily, prior to month end, you are entitled to be paid only for the hours you actually worked pursuant to the applicable minimum wage requirements, taking into account any actual earned commissions you may have earned as permitted by law.

The General Sales Manager must be a current, full-time employee at the time a vehicle or product becomes a "Closed Sale" in order to "earn" a commission on a sale or lease. A vehicle or product is a

"Closed Sale" when it has (a) been delivered, there has been a "report of sale" and the customer is in receipt of the vehicle; and (b) the sale has been "fully funded," regardless of the work done or the fact that the General Sales Manager was employed when the product was sold, when the order was taken, or when the vehicle was delivered. A sale is considered "fully funded" when the customer has paid the sales price in full and/or when the Dealership has received all funds from the lending or financial institution. Under certain limited circumstances authorized by the General Manager (such as "pick-up payments," etc.) the Business Office may designate a sale as "Cleared for Commission" before all funds have been received. No commissions, bonuses, or unit credits will be earned on any deal until the transaction is a "Closed Sale."

MONTHLY PAY CYCLE

For the purpose of computing compensation under this Pay Plan, the workday is the 24-hour period ending at 12:00 midnight; the workweek begins on Sunday at 12:00 am and ends on Saturday at 11:59 pm. You are on a monthly pay cycle for your commissions. On the 25th of each month, you will receive a semi-monthly non-taxable draw for the period from the 1st day through the 15th day of the current month pursuant to this Pay Plan. On the 10th of each month, you will receive a non-taxable draw for the semimonthly period from the 16th to the end of the prior month pursuant to this Pay Plan. On the 15th of each month, you will receive commissions and bonuses earned for the prior month less any draws paid on the 25th of the prior month and the 10th of the current month as described in this pay plan.

SEPARATION PAY

Unless otherwise provided in writing and signed by the General Manager, separation pay shall consist of your earned compensation plus bonuses (if any) or other compensation due by the date of separation. If your employment terminates at the mid-month before end-of-month reconciliation, you will be paid your final commissions and bonuses or your Base Pay. You will not receive your mid-month draw if you terminate on or before the mid-month pay period. Incentive pay earned as of the time of separation shall be paid at the time of separation or as soon as reasonably calculable thereafter, as permitted by law.

GENERAL

This position and associated pay plan are classified "exempt" under California labor law. This Pay Plan does not affect your status as an at-will employee, and your employment is for no definite period, regardless of any provision for payment of wages while employed. Both the Dealership and you have the right to terminate the employment relationship at any time, for any reason, with or without cause, and without notice. The at-will status can only be changed in a writing signed by the President/CEO of the Dealership. The terms of this Pay Plan do not modify or alter either yours or the Dealership's obligation to arbitrate any and all disputes related to your employment, or which may arise out of this Pay Plan. This Pay Plan may be changed at any time, without notice, at the sole discretion of the Dealership. However, no changes to the Pay Plan will be effective unless in writing and signed by the General Manager. No oral representations contrary to this Pay Plan are contractually binding. If you have any questions regarding this Pay Plan, please ask the General Manager.

This Pay Plan may be amended at any time at the Dealership's discretion and that in case of disagreement the General Managers interpretation of the pay plan will prevail.

You acknowledge by your signature below that you have been provided with a copy of and have read this Pay Plan.

Agreed to:



Kamran Syed, General Sales Mgr.

07/21/2021

Date

Approved by:



Tony Fodor, Director of Operations

7/20/21

Date

CHULA VISTA FORD
GENERAL SALES MANAGER PAY PLAN

Monthly commissions paid from the financial statement for Chula Vista Ford. Found on page 2, line 2, this is generated by deals posted to include all holdbacks, DLR Cash and all charge back pertinent to sales deals. All charge backs will be deducted from the total front or back gross prior to calculation of the commission component of your pay plan.

Pay structure as follows:

Effective Date: 07/21/2021

100% Commission based pay plan

- 5.0% of variable gross from dealer statement. To include Ford Protect Quarterly Bonus, New and Used car packs less write downs
 - Finance comp
 - Manager comp
 - Advertising expenses related to sales department
 - Sales department T & E expenses
 - Bad debt expenses related to sales department
 - Other expenses order by GSM
 - Sales comp
- .5% CSI at or above region
- *\$1,500 for meeting New Vehicle Sales Objective as determined by Director of Operations
- *\$1,000 for meeting Used Vehicle Sales Objective as determined by the Director of Operations

***TO BE MODIFIED AT DIRECTOR'S DISCRETION**

Pay schedule:

- 25TH – \$4,000 non-tax draw for period ending on the 15th of the current month (1st – 15th)
- 10th – \$4,000 non-tax draw for period ending on the last day of prior month (16th – last day/mo.)
- 15th – Commissions earned for prior month less taxes, draws, and all other authorized deductions

Allowances: Use of pre-owned or FCTP vehicle

Guarantee: \$15,000 taxable wages per month until 10/31/2021

VACATION: There is no accrual of vacation pay

This is a pay plan. Not a contract of employment for any term or period of time.

All pay plans are subject to change at the discretion of the employer. Any prior written or verbal agreements, either expressed or implied void. The employee and the employer have the right to terminate employment with or without cause at any time.

Pay plan can be changed at any time and that in case of disagreement the General Managers interpretation of the pay plan will prevail.

I have read/reviewed the above and understand the structure of the pay plan and the pay dates.


Kamran Syed, General Sales Manager

07/21/2021
Date


Tony Fodor, Director of Operations

7/20/21
Date