

WARRANTY CLERK COMPENSATION PROGRAM

CHULA VISTA FORD

WARRANTY CLERK: Candice Lamora DATE: April 1, 2024
DEALERSHIP: Chula Vista Ford REPORTS TO: Service Manager(s)

This "Pay Plan" describes the terms and conditions by which the Associate's (You) compensation as an employee at Chula Vista Ford (the "Company") shall be earned and calculated. It supersedes any and all prior written or oral compensation agreements, arrangements or representations regarding your compensation.

INTRODUCTION:

This Pay Plan lays out the general terms by which you will be eligible for compensation as an employee of the Company.

MONTHLY BASE SALARY

You will receive a Monthly Base Salary in the amount of \$7,450, which is equivalent to an annual salary of \$89,400. Your Base Salary is comprised of two components: (1) \$5,950 base salary for Chula Vista Ford warranties and (2) \$1,500 base salary for Chula Vista Honda warranties. Your Monthly Base Salary will be paid on a "salary basis" in the amount of \$3,725 per pay period. The pay period ending days are the 15th and the last day of the month. Generally, you will be paid seven calendar days from the closing day of the payroll, which typically falls on the 10th and 25th of each month (unless either of these pay days fall on a weekend or holiday, See Employee Handbook).

BONUS COMPENSATION

Chula Vista Ford Warranties: You will earn \$150.00 for the current-month Closed Repair Orders if all of the following Eligibility Requirements are achieved: (1) RO Close To Submit current Month is less than or equal 60 days on schedule #26 (account 26300) and (2) you must be employed by the Dealership through the last day of the month.

Chula Vista Ford Warranties: You will earn an additional \$150.00 for the current-month Closed Repair Orders if all of the following Eligibility Requirements are achieved: (1) RO Close To Submit current Month is less than or equal 30 days on schedule #26 (account 26300) and (2) you must be employed by the Dealership through the last day of the month.

Chula Vista Honda Warranties: You will earn \$150.00 for the current-month Closed Repair Orders if all of the following Eligibility Requirements are achieved: (1) RO Close To Submit current Month is less than or equal 60 days on schedule #26 (account 26300) and (2) you must be employed by the Dealership through the last day of the month.

Chula Vista Honda Warranties: You will earn an additional \$150.00 for the current-month Closed Repair Orders if all of the following Eligibility Requirements are achieved: (1) RO Close To Submit current Month is less than or equal 30 days on schedule #26 (account 26300) and (2) you must be employed by the Dealership through the last day of the month.

If and when all eligibility requirements listed above are achieved, the employee has the potential to earn up to, and no more than, \$600 total in bonuses (\$150 + \$150 + \$150 + \$150 = \$600).

Employee Initials _____

If your employment terminates, voluntarily or involuntarily, for any reason prior to the end of the month, no prorated Bonus Commission will be paid to you regardless of whether the other Eligibility Requirements are achieved.

Bonuses earned generally are paid on the 10th of each month (unless either of these pay days fall on a weekend or holiday, See Employee Handbook).

WORKDAY, WORKWEEK, AND PAY PERIOD:

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 Monday at 12:00 a.m. and ends at midnight (end of) Sunday. On the 10th of each month (unless this pay day falls on a weekend or holiday, See Employee Handbook), you will receive your wages due for the period from the 16th day through the last day of the prior month pursuant to this pay plan. On the 25th of each month (unless this pay day falls on a weekend or holiday, See Employee Handbook), you will receive your wages due for the period from the 1st day through the 15th day of the current month pursuant to this pay plan. These pay dates are subject to modification for weekends and holidays (See Employee Handbook).

PAYMENT AT SEPARATION:

If your employment terminates for any reason, your final compensation will be calculated based on a pro-ration of the number of days that you were employed by the dealership during that month. For example, if you were employed for 10 days of a 30-day month, you would receive your salary the month, all multiplied by 0.33. These final compensation amounts will be paid when reasonably calculable in the Dealership's normal course of business. In addition, your separation pay will include any accrued but unused/unpaid vacation in accordance with the Dealership's vacation accrual policy.

TIMEKEEPING, MEAL AND REST BREAKS AND RECOVERY PERIODS:

Because of state and federal timekeeping requirements, you are responsible for keeping accurate time records, including recording each day when you (1) start and end work, and (2) when you start and end your meal periods. Your compensation cannot be correct unless your working time is properly recorded. Meal periods should be at least 30 uninterrupted and duty-free minutes, to commence before working more than 5 hours each day for the first meal period, and 10 hours each day for the second meal period. Certain exceptions to the meal period rules exist based on the number of hours worked and/or the nature of an employee's duties, but such exceptions are uncommon. Unless an on-duty meal period is approved in writing, you are relieved of all duty and not expected to respond to work-related telephone calls or other communications (email, text messages, etc.) during meal breaks, and are not to perform work of any kind during a meal break. You are permitted to leave Company premises during meal breaks. You will be notified by the General Manager of the length of your meal periods if they are greater than 30 minutes. In no circumstances will they be less than 30 minutes.

Rest breaks are included as hours worked, so employees are not required to document on their time records the time they take for rest periods (10 minutes for each 4 hours of work or major fraction (over 2 hours) thereof). However, the Company generally will not authorize a rest period for employees whose total daily work time is less than three and one-half (3 ½) hours for the day. You are authorized and instructed to take an uninterrupted ten (10) minute rest break if you work more than 3 ½ hours in a day but not more than 6 hours, two 10-minute breaks if you work more than 6 hours but not more than 10 hours, and three 10-minute breaks if you work more than 10 hours but not more than 14 hours. It is your obligation to determine an appropriate time, as close to the middle of each four-hour period of work as possible, to take your break(s). Employees are required to certify the accuracy of their time records each pay period including documentation regarding meal periods. All changes must be signed and initialed by you and an assigned supervisor.

Employees are also authorized and provided the opportunity to take any uninterrupted cool-down periods (of at least five (5) minutes) needed to avoid overheating. Recovery periods are included as hours worked.

You understand that you are to do nothing to incentivize, discourage, coerce, or dissuade any employee from taking meal, rest or recovery periods that are provided by law. If you learn that any other employee, including managers, attempt to incentivize, discourage, coerce, or dissuade any employee from taking meal and rest periods that are required by law, you are to immediately notify the General Manager and/or the Human Resources Department. Failure to comply with these requirements, or honor this policy, can result in discipline up to and including termination.

PAYMENT AT TERMINATION:

Unless otherwise provided in writing and signed by the Human Resources Department, separation pay shall consist of: any compensation due by the date of separation, *plus* any accrued but unused/unpaid vacation in accordance with the Company's vacation accrual policy. If applicable, all incentive pay shall be paid upon termination as soon as reasonably calculable, or as required by law.

TOOL AND EQUIPMENT ACKNOWLEDGMENT:

In compliance with Industrial Welfare Commission, Wage Order No. 7, you voluntarily acknowledge and confirm that the Dealership, at its sole expense, provides and maintains all of the tools and equipment necessary to perform your job duties and responsibilities. You further understand and agree that any additional tools/equipment that you provide or purchase are provided or purchased voluntarily and that the Dealership has not required, encouraged, or suggested that you provide or purchase such additional tools/equipment. You further agree to inform your supervisor in the event that at any time during the course and scope of your employment, additional tools/equipment necessary to the performance of your job are not provided.

NOTICES AND CONFIRMATION OF AGREEMENT TO TERMS:

You acknowledge that you have read this Pay Plan in its entirety, and that you had the opportunity to discuss any questions with your Manager and/or a representative of the HR Department. You also acknowledge that you understand how your compensation is calculated and you understand the requirements that must be satisfied in order to receive compensation. If applicable, bonus compensation is not earned and payable until the completion of the calculation date. No pro rata bonus compensation will be paid for partial calculation periods or partial work completed regardless of whether your employment was terminated voluntarily or involuntarily.

You agree to keep accurate time records, including recording your time at the beginning and end of your work shift and at the beginning and end of your meal periods, and to sign periodic certifications regarding your time records in compliance with Company policy. You agree to review your paycheck for accuracy and to immediately bring any questions concerning the computation or the amount of the paycheck to the attention of your supervisor. Senior management's interpretation of the Pay Plan shall govern any dispute that arises regarding the compensation due, except for clerical or mathematical errors computations. You agree to abide by all of the Company's policies and terms and conditions of employment, including those contained in the Employee Handbook.

You acknowledge this Pay Plan DOES NOT constitute a contract of employment for any purpose other than to establish the terms of compensation.

This Pay Plan Agreement is not an employment contract and may be changed at the discretion of the Company on a prospective basis. You understand that nothing in this Pay Plan creates or is intended to create a promise or representation of continued employment and that your employment, position and compensation is for no definite period, regardless of payment of compensation. You have the right to terminate your employment at any time, with or without cause or notice, and the Company has a similar right. Notwithstanding anything to the contrary

herein, you further understand that your status as an "at-will" employee may not be changed except through a writing specifically modifying the at-will and/or arbitration provision, which is signed by you and the CFO of the Company, and that "at-will" employment is the sole and entire agreement between the parties.

You further acknowledge and agree that any disputes regarding this Pay Plan, or any other aspect of your employment relationship will be decided by binding arbitration, pursuant to the arbitration agreements you have executed with the Company. To the extent that any provision in this Pay Plan conflicts with the Employee Handbook or any agreement regarding At-Will Employment and Arbitration, the provisions of the Employee Handbook and agreement for At-Will Employment and Arbitration will prevail and supersede any conflicting language in this Pay Plan.

This Pay Plan is your total pay package, and no further payments and/or compensation shall be anticipated or expected. This Pay Plan supersedes and replaces any Pay Plan in place prior to the above Effective Date.

You voluntarily agrees to be bound by all terms and conditions of this Pay Plan and your signature also acknowledges that you have received a copy of this Pay Plan signed by an authorized Company representative and you.

By placing my Signature below, I (Employee) voluntarily agree to be bound by all terms and conditions of this Pay Plan and my Signature also acknowledges that I have received my own copy of this Pay Plan signed by an authorized Company representative and me.

Agreed to:

Employee

Company

Candice Lamora

Date

Service Director

Date