

Chula Vista Finance Compensation plan

FINANCE COMPENSATION PROGRAM

DEALERSHIP: CHULA VISTA FORD EFFECTIVE DATE: 9/13/21
FINANCE MGR: HUGO SOLORZANO EMPLID: _____
REPORTS TO: Telly Gomez FILE NO.: _____

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

SEE ATTACHED COMPENSATION PLAN

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 Salesperson, any 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person; (2) if any sale or lease is subsequently determined not to have been a Closed Sale; (3) if a Closed Sale is rescinded, reversed, rolled back or otherwise unwound for any reason (e.g., a returned product, policy adjustment or cancelled warranty).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 wage 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 salesperson 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 Internet Finance Representative 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."

TIMEKEEPING AND BREAKS

Because of state and federal timekeeping requirements, you are responsible for keeping accurate time records, including recording each day (1) when you start and end work, (2) when you start and end meal periods, and (3) a reasonable estimate of Non-Sales Activity (other than rest periods) as acknowledged each pay period. Meal periods are unpaid and duty-free, and should be at least 30 uninterrupted minutes, to commence before the end of the fifth hour of work each day for the first meal period, and to commence before the end of the tenth hour of work each day for the second meal period. You are allowed to leave Company premises during meal breaks. Rest periods are paid and included in total hours worked and need not be documented separately on your time records. You are required to certify the accuracy of your time records each pay period including documentation regarding meal periods. All changes to your time records must be signed and initialed by you and an assigned supervisor.

All overtime worked must be approved by your supervisor in advance. Failure to obtain approval to work overtime in writing may result in discipline up to and including discharge.

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 any semi-monthly base pay wages 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 the base pay wages for the semi monthly period from the 16th to the end of the month plus commissions and bonuses earned 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 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 your 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.

Pay schedule.

- 25th- \$2000 draw for pay period one
- 10th- \$2000 draw for period two
- 15th – commissions paid for prior month less draws paid

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:

Finance Manager

Date

Approved by:

General Sales Manager

Date

Approved by:

General Manager

Date