

MARK WARD

AUTOMOTIVE GROUP

Executive Summary

Ward Automotive Group – Established 03.1984

The company is led by Mark Ward who has spent over 30 years in the automotive industry. Mark has been very successful in acquiring and running multiple auto franchises.

Current Locations

Ward Chrysler Center – Carbondale, IL Located on 4 acres with a 16,000sq/ft sales/service building. This location will have at any given time 100 new & 100 used vehicles. The real estate holdings are held by the Ward Automotive group.

Ward Chevrolet – Metropolis, IL Located on 4 acres with a 14,500sq/ft sales/service building. This location will have at any given time 50 new & 100 used vehicles. The real estate holdings are held by the Ward Automotive group.

Financials

2017 Revenues Annual Sales of \$52,974,555.04
2018 Forecasted Annual Sales \$75,000,000.00
2019 Forecasted Annual Sales \$150,000,000.00

Investment Plan

To grow beyond the two current locations to five locations throughout Illinois, Kentucky and Missouri. I have an expert team of legal, accounting, sales personnel & fixed operations processes to facilitate the expansion.

Company Endorsements

Chrysler Corporation, General Motors, Chrysler Capital, Hyundai Motor Company & Banterra Bank

Respectfully,



Mr. Mark Ward
Chairman
Mark Ward Automotive Group

Client Information Sheet (CIS)

In accordance with Articles two (2) through five (5) of the Due Diligence Convention and the Federal Banking Commission Circular of December 1998, concerning the prevention of money laundering, and Article 305 of the Swiss Criminal Code, the following information may be supplied to banks and/or other financial institutions for the purpose of verification of identity and activities of the investing Member, and the nature and origin of the funds that are to be utilized. All parties have an obligation to respect professional secrecy and to take all appropriate precautions to protect the confidentiality of the information each holds in respect of the others' activities. This legal obligation shall remain in full force and effect at all times.

Corporate Information	
Full Name of Corporate Institution	Ward Chrysler Center, Inc.
Registration Number	FEIN: 37-1360265
Date of Registration	Incorporation Date: August 1, 1996
Domicile / Jurisdiction	Illinois
Postal Address	1412 West Main St., Carbondale, IL 62901
Registration Address	Same
Physical Address (if different from Registration Address)	Same
Business Telephone Number	618-457-8155
Business Facsimile Number	618- 529-5972
E-mail Address	mward@wardautogroup.com
Website	www.wardchryslercenter.com
Corporate Officers and Titles	Mark Ward, president Mark Ward, secretary
Details of Signatory to Contract – Corporate and Individual	
First Name	Mark
Last Name	Ward
Date and Place of Birth	
Nationality	Caucasian
Passport Number	540373212
Date of Issue of the Passport	December 14, 2015
Expiry Date of the Passport	December 13, 2025
Title Within the Corporation/Company	President
Mobile Phone Number	618-925-0112
Home Address	574 Sweetgum Rd., DuQuoin, IL 62832
Home Phone Number	N/A
Home Facsimile Number	618-542-5271
E-Mail Address	mward@wardautogroup.com
Do you speak English?	Yes
If not, what language do you speak?	English
Translator's Name	N/A
Translator's Address	N/A
Translator's Phone Number/s	N/A
Translator's Facsimile Number	N/A
Translator's E-mail Address	N/A

Declaration:

I/we swear under penalty of perjury, the information given above is both true and accurate. I am the signatory on the aforementioned bank account. I have full and absolute authority to execute all of the contracts and agreements relating to this Investment Agreement, and that I fully understand that all future communication will be directly between Fund Provider and Business Service Provider.

All monies/assets engaged in this transaction are derived from non-criminal origin: and are good cleared. The origin of funds/assets is in compliance with Anti-Money-Laundering Policies as set forth by the Financial Action Task Force (FATF) 6/01.

Signed this 1st day of August, 2016

For and on behalf of:



Name :
Passport Number :
Country of Issue :
Date of Issue :
Date of Expire :





This Sales Training Manual is the sole and exclusive property of Hamilton-Oakley Group. Any reproduction, application, or use of the contents of this Manual, without express written permission of the General Manager, is strictly prohibited.

Upon termination of employment from this dealership, you are required to return this Training Manual, the Employee Handbook, etc. Failure to do so will result in the holding and possible retention of any and all payment of wages and compensation. When such items are returned, your wages and compensation will be given to you.

Mark Ward Automotive Group retains the right to file the appropriate legal action to recover losses which may occur due to the illegal use or failure to return the above items.

I do hereby understand and agree to the above listed provisions. I understand that failure to comply will release this dealership from all liabilities which may occur due to efforts to enforce the above policy.

Employee's Printed Name

Employee's Signature

Date

Welcome to Mark Ward Automotive Group!

We welcome you to a career in automotive sales and to our family here at Mark Ward Automotive Group. If this is your first experience in the automotive industry, you have in front of you an opportunity that, at this moment, you probably cannot fully appreciate. **The possibilities are endless.**

If you are coming with experience from another dealership, you need to know that this is not like any place you have worked before. Mark Ward Automotive Group has a unique vision based on our mission statement as follows:

- ï Do the right thing.**
- ï Do your best.**
- ï Be honest.**
- ï Treat others the way you want to be treated.**

Although this is not a difficult concept, it usually is not associated with a car dealership.

Training is the most important thing we can give you as a Mark Ward Automotive Group Sales Manager. You will be given specific directions about how we expect you to handle our customers. We have a lot of information to give you, and we will expect a lot of you.

Listen well, study hard, and you will receive everything you need to become successful in this business.

Be a Professional ... Here's How!

Most customers enter an automobile dealership with a preconceived notion of dread. They have had bad experiences in their past dealings, and expect the same when they enter our dealership. Whether their bad experiences had to do with the sales department, service department, finance department, or just from general conversations with friends, customers expect to be greeted by pressure and an intimidating salesperson.

The automobile industry is the most competitive business in the United States Marketplace. Therefore, in order to be successful, you must be able to prove yourself to be entirely different than what is expected. **Professional image** is one of the most important ways to set yourself apart and demonstrate your abilities.

Although there are many definitions of success, certain traits or characteristics seem to be in common in all successful people. Only through taking a personal inventory can we determine where we may need to direct efforts to better ourselves to join this elite grouping.

What are some of the characteristics possessed by a winning professional?

Aggressiveness	Communication
Assertiveness	Being a Good Listener
Persistence	Integrity
Enthusiasm	Intelligence
Energetic Personality	Organizational Skills
Desire	Neat Appearance
Being a Self Starter	Aptitude
Being a Motivator	Dedication
Caring and Empathy	Sincerity

Endowments of a Professional Sales Manager

How much baggage are you carrying?

How do you eliminate baggage?

Baggage is the result of years of negative thought patterns that aid in creating doubts in our talents and abilities. Negative doubts (i.e. “I can’t do that,” “I don’t have the ability to succeed,” “What if they say No to me?” “I can’t handle rejection,” “I don’t know anything about cars”) tend to create such baggage.

Being “positive” means seeing the full vision. You must be able to see yourself succeeding in the future in order to have the durability and the tenacity to make the journey. Hamilton-Oakley Group can help you with the vision, but you must supply the effort. If you find yourself developing the baggage described above, you must be willing to become involved in committing yourself to change.

**Change will occur only if you make the necessary
commitment and involvement.**

Sources of Business

The stereotypical, garden-variety salesperson comes to work to “wait” (i.e., waiting on a customer to show up, waiting for directions from a supervisor, etc.) The professional Sales Manager comes to work to “work.” The average salesperson expects the dealership to generate all the sales opportunities through advertising, which results in the salesperson being at the mercy of the “ebb and flow” of market conditions. The professional Sales Manager recognizes the different sources for potential business. They include the following:

1. **Repeats** have done business with Mark Ward Automotive Group and/or a Sales Manager in the past. Additional opportunities occur within the same home.
2. **Referrals** are obtained from existing customers at the time of delivery or in follow-up conversations.
3. **Phone Pops** are incoming phone calls requesting vehicle or sales information. These are usually generated by the dealership’s advertising efforts.
4. **New Business** is generated outside the dealership through the Sales Manager’s circle of influence.
5. **Unsold Showroom Traffic** consists of customers who have visited the dealership but have yet to purchase a vehicle.
6. **Floor Traffic** is generated by the dealership’s advertising efforts or geographical location.

If you employ this order of priority, you will find yourself having much greater control over your productivity. Opportunities from the above six customer sources are as follows:

Repeats	75% closing ratio
Referrals	40% closing ratio
Phone Pops	35% closing ratio
New Business	30% closing ratio
Unsold Showroom Traffic	30% closing ratio
Floor Traffic	15% closing ratio

The professional Sales Manager measures time and performance by results, not efforts. Recognizing the source of business that has a higher potential for closing makes their work plan much more effective and productive.

Customer Opinion Survey

Your Guess	Actual Ratio	Customer Situation
_____ %	_____ %	Is “just looking.”
_____ %	_____ %	Decides to buy before leaving the house.
_____ %	_____ %	Buys something other than what is planned.
_____ %	_____ %	Says their sales consultant was not likeable.
_____ %	_____ %	Does not get a good presentation or demonstration.
_____ %	_____ %	Wants to test drive before buying.
_____ %	_____ %	Will purchase within 3 days of their first dealership visit.
_____ %	_____ %	Will purchase within a week of their first dealership visit.
_____ %	_____ %	Will purchase within 4 hours of their first dealership visit.
_____ %	_____ %	Bought in the past—but never contacted about buying another vehicle.
_____ %	_____ %	Could not remember the sales consultant’s name after the first year.
_____ %	_____ %	Has a friend or relative who will buy within 6 months.
_____ %	_____ %	Will replace the vehicle they bought in 3 years.
_____ %	_____ %	Considers fewer than 3 makes of vehicles.
_____ %	_____ %	Comes to the dealership with product knowledge from a third party.
_____ %	_____ %	Will visit 5 dealerships.
_____ %	_____ %	Takes an average of 14 days of their first dealership visit to purchase.

The National Closing Ratio is 20% (2 out of 10).

Sales Tools

*A person who desires success must not only act professional
but also take full advantage of all available tools!*

A successful person will always take advantage of tools that are provided to make the job easier. Just watch Sears when a new Craftsman tool arrives on the shelves. From skilled technicians to backyard mechanics, you will see a desire to possess a tool that will make their job easier. Not only do they save elbow grease and skinned knuckles, they recognize the valuable time saved by using the proper tools.

Mark Ward Automotive Group has provided you with the proper tools needed to be successful. Let's discuss the following tools that are available to make your job easier and your efforts more rewarding:

- ï Inventory**
- ï Product Knowledge**
- ï Source Book**
- ï Evidence Manual**
- ï Leasing System**
- ï Ten-Step Selling System**
- ï Management Turnovers**
- ï Dealership (i.e., Reputation)**
- ï Mail**
- ï Advertising (Price, Broadcast, Word of Mouth)**

Warranties

Every vehicle purchased from Mark Ward Automotive Group comes with excellent warranty coverage. Given our reputation for quality, customers may never discover how good it really is. However, if they should ever need it, we've got them covered.

Basic Coverage All components other than normal wear and maintenance items are covered for 36 months (36,000 miles).

Powertrain Coverage The engine, transmission/trans-axle, front-wheel drive, rear-wheel drive, seatbelts and airbags are covered for 5 years (60,000 miles).

Rust-Through Coverage Corrosion perforation of sheet metal is covered for 60 months (unlimited miles).

Customer Personalities

To be successful in the sales process and earn a potential customer's business, you must identify what type of person you are selling to.

The automotive industry has taken advantage of the studies that psychologists have made on the various customers in today's marketplace. There are four different personality types of customers: Friendly, Talkative, Quiet, and Hostile. If you recognize your customer's personality type, you will have a distinct advantage within the first 60 seconds of your "Meet and Greet." (We will discuss this later in our Ten-Step Selling System.) This will help you create a business relationship almost immediately, which will bring you more sales and greater success. Let's discuss the four customer personality types:

Friendly—This personality type is very outgoing, socially oriented, and just happy-go-lucky. You should communicate the same outgoing personality, both verbally and physically (body language). In other words, just be friendly right back to them!

Talkative—This personality type provides an opportunity to do a lot of listening. They tend to be ready to do business but have a lot to say, and they expect everyone to listen to them. They may also be using the talk to throw you off your game plan or to cover up what they're really thinking. You should introduce various statements to attempt to get a response about their feelings about the vehicle. Basically, you are after a response that will allow you to see whether the sales process is headed in the right direction.

Quiet—This is one of the most difficult personalities to deal with. They know what they're thinking, but they don't want anyone else to know. They feel that as long as they keep quiet, they have the winning hand. They're right. It is virtually impossible to earn a person's business when they won't open up. The most effective manner in dealing with this personality type is to compliment their questions and comments, and to be truly sincere.

Hostile—This personality type is tough to control, both at the "Meet and Greet" and usually through the entire selling process. This customer has probably been given a hard time at another dealership. You must "bite your tongue" and attempt to earn their business. Explain to the customer that you are a superior Sales Manager at a superior dealership. Tell them that Hamilton-Oakley Group does not do business that way, and ask them to give you a chance to prove it. If you can please this customer, you will succeed where others have failed.

*Knowledge is power, and power is knowledge.
Use it to your advantage, and watch your income levels blossom.*

Vehicle Characteristics

There are six characteristics that all automobile manufacturers try to build into their vehicles. These qualities are the elements that determine overall value to retail consumers. They are why Mark Ward Automotive Group stands out. The six vehicle characteristics are:

- 1. Dependability**
- 2. Durability**
- 3. Reliability**
- 4. Resale Value**
- 5. Economy**
- 6. Safety**

You can remember these characteristics by using the first letters of each word: **D D R R E S.**

Ten-Step Selling System

The following “Ten Steps to the Sale” have been developed over many years, and have proven to work over and over again. This systematic, step-by-step process was designed to help you walk your customer straight to the only logical decision they can make ... to buy! Using the following, one step at a time and never leaving anything out, will give you a “measuring stick” for your sales process:

1. **Meet and Greet**
2. **Building Rapport**
3. **Qualifying**
4. **Selecting a vehicle**
5. **Presentation**
6. **Demonstration**
7. **Recap**
8. **Trial Close**
9. **Close and Turnover**
10. **Delivery and Follow-up**

Take it to heart, learn it inside out, use it every time, and it will not fail you.

Step #1

Meet and Greet

This is where you make a first impression, good or bad. This is when the customer makes a decision about you as a Sales Manager. Enthusiasm, sincerity, eye contact, friendliness, and a firm handshake are all elements you want to include. Welcome the customer, ask if they're here for a big sales, and let them know that it is a buyer's market.

Remember: You only get one chance to make a good first impression. Your first ten words can be more important than the next 10,000.

Step #2

Building Rapport

Establish common ground with the customer in order to develop trust. You can build rapport by sincerely being interested in your customer and wanting to learn more about them. Rapport building can be as simple as the fact that you both love the same sport or come from the same area of the U.S. Be a good listener. Use your eyes and ears to find things you have in common. Most people enjoy talking about themselves and will tell you all you need to know if you ask the right questions.

Remember: People like to buy from people they like. Nobody cares how much you know until they know how much you care.

Step #3

Qualifying

This is where you gather information about the customer's wants and needs. Qualifying is assuring that you understand what the customer desires. If you plan to make a sale, you must have this information.

Remember: When you ask questions, you learn what the customer's goals are.

Step #4

Selecting a Vehicle

This step allows you to start using the information you've gathered and take the customer to the vehicle that best fits their needs, wants, and affordability. You can then "sell up" by starting at a low-priced model and allow the customer to raise it to one with more options. This is much easier than making them "fall in love" with the most expensive vehicle, then trying to take options away when price negotiations begin.

Remember: The #1 reason a customer wants to leave without buying is because you selected the wrong vehicle for them.

Step #5

Presentation

As a professional Sales Manager, set yourself apart from the typical salesperson by presenting a vehicle in a truly professional manner. (Remember: Feature, Benefit, Advantage ... Feature, Benefit, Advantage ... Feature, Benefit, Advantage.) In qualifying the customer, you should have been able to pick up some "hot button" areas of interest. Tailor your presentation to appeal to their issues. Never leave out safety features. These might be just the things the typical salesperson might ignore. Give the customer a quality walk-around to build value in the vehicle.

Remember: Be thorough. Be enthusiastic. Ask the customer leading questions.

Step #6

Demonstration

This is the point in the selling process where the customer begins to take mental ownership of the vehicle. The time has arrived to get the customer behind the wheel. As a Sales Manager, you are required to ride with the customer on the demo. This will give you time to improve rapport and answer any questions. The customer will get comfortable and relax their defenses. During the drive, sit quietly and listen. Allow the customer to maximize their feelings and emotions about the vehicle. They may give you a clue to the sale.

Remember: Continue to build rapport. Handle any objections.

Step #7

Recap

The customer is almost sold on the vehicle but is still wondering if there's enough for them to validate the price. This is when you sell the dealership by mentioning the Service Department, President's Awards, etc. Remind the customer of the enjoyment they experienced during the drive. If there is a major hot button, repeat it.

Remember: This is your final chance to sell before you sit down. Back up what you have said with third-party evidence.

Step #8

Trial Close

This involves asking the customer questions in the later stages of the process (i.e., "Did the _____ handle and perform the way you expected it to?" or "Who's the first person you'll show your _____ to?") These questions allow you to gauge the customer's "temperature" before you go further.

Remember: Questions allow you to determine if you can move ahead or need to handle an objection.

Step #9

Close and Turnover

This is the part where most new Sales Managers need the most help. From the first minute of the "Meet and Greet" when you smile and offer your hand, you are closing. Every time you find something that you have in common with the customer, you are closing. Every time you smile/nod and they smile/nod, you are closing. Every time you describe a feature or benefit, you are closing. The "Close" can be as simple as merely writing it up, or hours of negotiation. Be patient. You will learn. The "Turnover" is when you turn over the customer to the General Manager. Sometimes a second face will be all it takes to close a deal. Never underestimate the years of experience of your General Manager.

Remember: The desk starts every deal and decides when you're ready for a turnover.

Step #10

Delivery and Follow-up

The last impression a customer will remember is how they are delivered their vehicle. Your responsibilities include showing them how to operate and adjust every control switch and button in the vehicle. This is also the time to inspect the vehicle inside and out to make sure it is clean and ready to take possession. You want to sincerely thank and congratulate the customer at this time, and let them know how important they are to you and the dealership.

Remember: Follow-up is very clearly defined and laid out so that everyone knows what is expected of them.

The 8 Benefits of Leasing

According to surveys, if you went to a shopping mall and asked individuals if they planned on leasing their next vehicle, only a very small percentage would answer Yes.

Most people don't fully understand the benefits of leasing. It is your obligation as a Sales Manager to point out these benefits:

What are the 8 benefits?

- 1. Lower taxes**
- 2. Lower interest rates**
- 3. More car for lower payments**
- 4. Guaranteed future payments**
- 5. Always under warranty**
- 6. Lower out-of-pocket expenses**
- 7. 2 to 3 new cars every 5 years**
- 8. Takes all the risk out of ownership**

So ... What does Leasing Mean to You?

You now have the information you need to be very successful in convincing the customer to convert over to leasing. It's really just a matter of using this information properly—the same way you would use a tool you've been provided. Leasing is a very valuable option for our customers to explore ... and you can be their guide.

Are you convinced? Like a customer, you might still have some doubts. You might be wondering the following:

- ï *What is in it for you?*
- ï *Why should you try to convert them?*
- ï *What do you care how the people feel, as long as you sell the car and make a commission?*

There are reasons Sales Managers appreciate the leasing option. Let's go over some of them.

- 1. Higher gross**
- 2. Higher customer relations**
- 3. Higher customer satisfaction**
- 4. 2½ new cars every 5 years**
- 5. More car for lower payments**

Proper Word Usage

Like a carpenter's tools, **words** are the Sales Manager's primary tools. Doctors, lawyers, and accountants all use language and phraseology common to their occupation. As a professional Sales Manager, you must become proficient in your own vocabulary. Below is a listing of words and phrases that can have drastically different emotional reactions when used. Study them and make changes to your language where it is needed.

<i>Don't Say</i>	<i>Say This Instead</i>	<i>Don't Say</i>	<i>Say This Instead</i>
Contract	Written contract	Can I help you?	Has anyone offered you assistance?
Sign this	OK this, authorize this	We would give you	Own
Finance	Terms	Think about it	Evaluate this together
Finance manager	Business manager	You're wrong/mistaken	3 F's: Feel, Felt, Found
Demo	Evaluation vehicle	Why don't	Let's
Payments	Agreeable terms	Credit application	Customer statement
Depreciation	Usage value	Sign here	OK, approve, authorize, autograph
Interest	Cost of funds	Taxes and licenses	Fees
Gas mileage	Fuel economy	Down payment	Initial investment
Appointment	Get-together	Monthly payment	Monthly investment
Mechanic	Technician	Today	Now
Deposit	Partial payment	Manager	Boss
Help	Be of service to you	I am sorry	Forgive me
Folks	First name, last name	Problem	Situation, opportunity
Explain	Share with you	How far apart are we?	How close are we?
Discount	Savings	Thank you	Congratulations
Asking price	Market value	F & I department	Finance services department
Deal	Proposal	Sales contract	Agreement, paperwork
Taxes	Fees	Service department	Car center
Customer	Quest	Service writer	Service consultant

Negotiations ... How to Handle the Next Move

Negotiations are what most beginning salespersons fear most. Not only is there a desire to stay away from the stereotypical, garden-variety, old-school car salesperson image, there is also a hesitancy to say either too much or the wrong thing. Needless to say, negotiations are where most of our Sales Managers freeze up. Our goal is to create a win/win situation for the customer, the Sales Manager, and the dealership. When customer purchase our vehicles, they win by getting a quality product for a very fair price. *Remember that a fair deal is all in what the customer believes to be fair.* In turn, both the Sales Manager and the dealership receive gross profit for their efforts once the deal is closed, as well as building a potential customer base for future sales. It can actually be a very pleasurable and profitable experience for all.

Down Payment

Lending institutions generally require 15 to 25 percent down in order to obtain preferred lending rates for the customer. You will find that many customers are “upside down,” or owing more money on their vehicle than what it is worth. Often the only way to complete the deal is to receive a large enough down payment to help in covering the deficit..

As a professional Sales Manager, you will be paid a percentage of the deal. There are many times you will work long and hard, only to have the customer leave without purchasing. Take advantage of the opportunities you have to make money. Don't short-change yourself.

Trade-In

This is a figure we never show the customer. Most customers believe their trade is worth much more than what the market will allow. If you take it upon yourself to inform the customer of the figure listed on the ACV, prepare yourself for fireworks.

There are two ways in which we can trade for vehicles: 1) retail to retail, and 2) wholesale to wholesale. If the customer wants retail book price for their vehicle, then we must charge them the MSRP on ours. If they want us to discount the price on our vehicle, we can only give them a “discounted” or wholesale price on theirs. Although customers expect it (perhaps because of information they've received on the value of the vehicle from a bank, credit union, or other source), it is impossible for us to trade “retail to wholesale.”

Term Length

In this area, we will generally start by showing a very short lease term in comparison to a lengthy retail installment purchase. This will show customers how to get the most for their money and will help them to decide that leasing is the best option for them. (No other dealership begins their deals with a 24-month figure.) By doing it this way, the customer can't compare the figures they've gotten elsewhere against ours. In fact, many times they'll disclose a competitor's price, obviously giving us an edge.

Monthly Payment

Nearly 85% of U.S. buyers are payment buyers, so this is a very delicate area. Proper word track usage is very important. Let's take the following example:

\$4,000	\$4,000
1996 Cavalier	1996 Cavalier
24	48
\$459	\$596

The set of figures on the left are lease figures; those on the right are retail installment purchase figures. In the lease, we are asking the customer for \$4,000 down and their trade. On a 24-month lease plan, payments would be \$459. Apply the same philosophy to the retail figures on the right.

Suppose the customer states that there is no way they can come up with \$4,000 down. You should ask, "How close can you come to that figure then?" If their response is \$2,000, ask them, "But if the banks needed more, you could go up to what?" You may find yourself getting more money down than by simply asking, "What do you want to put down?" No one wants to put anything down. They'd take it for free if you'd let them, so be sure to ask the "up to" question.

You now have a commitment for \$2,500 down (receiving another \$500 after asking the above question). Subtract that from the \$4,000 on the work sheet, in front of the customer, to show \$1,500 remaining. Divide the \$1,500 by the length of the term, in this case 24. This should come out to \$62.50. Add this to the payment figure for a total of \$521.50. If the customer barks at this, ask them how close they can come to that figure. Suppose they say \$400. Multiple the \$121.50 times 24, for a total of \$2,916. (If you divide \$2,916 by 12 months, you'll find yourself with an additional monthly sum of \$243, which after costs may get the job done on a 36-month payment plan.) Now take the commitment up to the Desk Manager to see what can be done. *Remember: the less time you take running back and forth to the desk, the better your chances of closing the customer.* The stronger you are in this area, the faster you will see results in your paychecks.

Basic Word Tracks and Facts

Winners will ask themselves the following three questions:

1. *Is there an opportunity for me to succeed?*
2. *Am I handicapped from being able to succeed?*
3. *Am I prepared to succeed?*

Keep in mind that you're building your future each and every day you're working here. The positive customer base you build today will return to you in the future. A negative customer base will bring you nothing more than you had the day you hit the selling floor. *Start building your future now!*

There are 2½ cars per household in the United States. The average buying cycle is somewhere around 32 to 36 months per vehicle. This means that the average household is in the buying market at least every 18 to 20 months. What have you done to ensure that they will be coming back to see you the next time they enter the marketplace?

To maximize your chances of closing the sale, get the customer to go on a test drive. This will also aid in getting you the maximum amount of gross at the time of close.

There are only so many ways to waste time, so consider this instead. If each second of your life was worth a penny, and each minute worth 60 cents, and each hour worth \$36, how much money do you waste in a year?

When considering a customer's lease trade-in, ask yourself the following questions:

1. *How much is their payment?*
2. *How many months are left in their lease term?*
3. *What is their residual value at the end of the term?*

Remember the odds in selling: 20% can be sold by anyone, 60% are on the fence waiting for a quality salesperson, and 20% can't or won't buy. Although there are times you may question these figures, remember that it's happened to us all. Keep your head up, do the necessary things to motivate the customer, and soon any bad luck will end. *It's in the odds!*

Never let the customer start the negotiation process! If the customer starts the negotiation process, it is inevitable that everyone (customer, Sales Manager, and dealership) will lose! Our goal is to set up a win/win situation for everyone. We start high so that the customer can see us coming down dramatically. They are more likely to make a purchase this way. Otherwise, the customer would start way too low, creating an uphill battle for us to ever come close. You must believe in our system, follow our system, and allow our system to work for you.

The definition of success is "when preparation and opportunity come together." Are you prepared for the opportunities you'll find available at Mark Ward Automotive Group?

Handling Objections ... It's Not Really That Hard To Do

So, you've done everything right, yet you're not getting anywhere. Every time you think the customer is ready to purchase because of your expertise, they come up with another reason not to purchase. It's driving you crazy ... but should it?

A Senior Sales Manager relishes this experience. Each time an objection comes up and is handled, the sale is one step closer. Objections are ways of gauging your customer's true feelings. They let you know if you have a serious buyer or just someone that is playing with you. They bring unanswered questions to the surface, expose false beliefs, and give you direction in how to best take care of the customer. Only in your inexperience will you dread hearing an objection. The more sure of yourself you become, the more confident you will be in handling customer objections. In fact, if you don't get objections, you may want to start wondering what's wrong with the customer!

So, how do we handle objections? Each, of course, will depend on the objection topic itself. However, there are several ways to get yourself together while pooling your thoughts.

It's easy to handle objections if you put them into formula. There's a basic four-step formula to handling objections:

1. Show Empathy or Understanding
2. Restate the Objection
3. Expose that Objection
4. Commitment

After you get good at that, you might want to install the 3-F (feel, felt, found) method into your daily vocabulary. For example: "I can totally understand how you feel. In fact, there's been many other folks who have felt the same as you. However, what they've found is that by simply taking a couple of seconds to consider their options, there just isn't any reason to delay the purchase of this car any longer. Wouldn't you agree?"

Use these and other word tracks to develop your skills in handling objections. The quicker you do so, the better you'll be when a customer has no mercy on your newness to the industry.

Basic Word Tracks When Dealing With Common Questions/Objections

Customer says:

“I’m just looking.”

You reply:

“Great. Let’s make this an information day for you. I’ll give you all the information you need to make an intelligent buying decision—so that when you’re ready, you’ll know you’ve made the right choice.”

Customer says:

“I don’t have a lot of time. I just want your best price.”

You reply:

“I understand. However, without giving me the time to show you what this vehicle has to offer, how do you know that it’s truly the vehicle you want to own? Most salespeople have two prices available to them. One is what we call “lowball pricing.” This is a price they can’t sell the vehicle for, but it sounds good enough to get you to come back. (The only difference between “lowball pricing” and “lying” is the spelling.) The second price is what we call “fair market price.” This is generally the book value of the vehicle, but our management team may be able to work with you, if this is truly the vehicle you want to own. Hamilton-Oakley Group does things professionally. We know the customer is #1 and deserves to be treated that way. We feel that if we can’t agree on price, it is our fault—not yours. We also want to give you the information you deserve in order to make an intelligent buying decision. Would you allow me enough time to do that for you?”

Customer says:

“I don’t want any help. I’m just looking.”

You reply:

“That’s great. We always want our customers to have an opportunity to find exactly what they have in mind. Instead of being a pushy salesperson, just think of me as a tour guide who would like to show you the sights. Were you looking for a car or truck?”

Continue to qualify the customer’s needs, and work on rapport.

Customer says:

“I just want to think about it.”

You reply:

“I can understand that chain of thought. Many of our customers have expressed that same feeling. But do you know what they’ve discovered? There are only two things to consider. The first would be whether you like the vehicle enough to own it. You’ve already told me that you do. The second would be whether you can fit it into your family budget. We are right at the payment you asked for. Why don’t you allow me to get it cleaned up for you, so you can drive home in a new vehicle?”

Customer says:

“These numbers are way too high. I just can’t afford this.”

You reply:

“I’ll bet you were looking for a lot longer term. How close can you come? I will try to get it approved for you?”

Customer says:

“I have to talk to my wife about it.”

You reply:

“I like to discuss things over with my spouse before making major decision. However, what I’ve found is that there are really two things to consider. You are improving your situation by going with a new vehicle and eliminating chance of breakdown and future repair costs. We also have the payment where you want it. Do you think your wife will complain about improving your situation, or about finding a quality vehicle that will fit your budget?”

If that one doesn’t work,

get management approval and make the following offer:

“Let’s make sure that your wife will like the vehicle. We can go ahead, do all the paperwork, and make ownership contingent upon her approval. That way, after you help her decide that it’s the right vehicle for your needs, you can simply call and request that we send the paper-work to the lending institution.”

Customer says:

“I’m going to look around. Maybe I’ll be back.”

You reply:

“Mark Ward Automotive Group is a volume dealer. That means we sell more vehicles than the competition. We do this by professionalism, treating customers right (during and after the sale), offering the lowest prices on our vehicles, and by selling only quality pre-owned vehicles. Obviously I haven’t done my job properly. Would you share with me where you feel I have failed in presenting you with the vehicles you truly want to own?”

***By eating a little crow, you may get the customer to open up
and give you the true reason they’re leaving.***

F & I Department Requirements

Prior to bringing a customer to the Business/Finance office, you must ensure a problem-free visit. The last thing we want is for the customer to endure the trials and tribulations of delays while you hustle to tackle the paperwork you should already have completed. The following is a listing of requirements that need to be followed to ensure that this part of the customer's visit is as painless as possible.

- ï Two (2) copies of driver's license
- ï Social Security number
- ï Date of birth
- ï Fully completed credit application
- ï Copy of ACV (with VIN number and actual mileage)
- ï Insurance card information
- ï Deal jacket (new and used vehicles)

Please note the following:

All copying (i.e., work sheet, due bill, ACV, and gross sheet) should be made before going to the Finance office. *Sales Managers are responsible for making their own copies.*

Seat your customers, and advise them that the next available Business Manager will be with them as soon as possible to complete the necessary paperwork.

Sign in customers on the clipboard, and place folders to the left of the clipboard.

Advise your customers where you will be (getting the vehicle washed, picking up the owner's manual, etc.) and that you'll meet them at the door when they are done.

Delivery Package Forms

So, you've just succeeded in selling a vehicle. ***Congratulations!*** This is a joyous moment that is the result of your hard work and effort. Your methods and techniques have proven worthy of your customer's expectations, and the vehicle will soon be theirs. Now comes the "dreaded" paperwork.

Actually, paperwork doesn't have to be a nightmarish experience. Simply remember that each of the forms has a purpose. It's just a matter of understanding this and being able to explain them to the customer in a timely manner.

Let's go over each of the forms to give you a better idea as to their purpose.

Cover Sheet

This is nothing more than the folder cover sheet. Fill out the top lines (Customer name, stock number, Sales Manager) and staple it to the front of the manila folder. This form is used as a tracking statement for the Finance Department to gauge how long it has been since the initial submitting of the contract to a lending institution, and the results of that submission.

Insurance/Payoff Information Sheet

This sheet is vital to the delivery package. The top portion is the insurance information portion. From the insurance card and information provided by the customer, fill out as much of the statement as possible and have it signed by the customer. This authorizes the insurance company to increase coverage as required by the contract or by law. We can always fax the company a copy of this form to ensure that coverage is accurate if discrepancies are found. However, if you fail to have this portion of the form signed, you assume financial liability for the vehicle. It is absolutely necessary for customers to have insurance coverage on vehicles prior to leaving the dealership! Under no circumstances shall any financed vehicle be allowed to leave the lot without insurance. If the customer has no insurance, we must contact an agent and receive a binder for the required coverage prior to vehicle departure. The bottom portion of this form is for any discrepancies in the payoff of the trade-in vehicle. If the customer has stated that the payoff is less than what the bank indicates, the customer is responsible for the difference. If this portion of the form is not signed, you assume liability for any difference. Make sure this is completed in as much detail as possible to ensure ease in verification later.

Vehicle Verification Certificate

This is used for the trade-in vehicle certification. This form states that the vehicle: 1) is not a salvage, rebuilt, or water-damaged, 2) is entirely the year and model shown on the title certificate, and 3) has no liens or encumbrances other than shown on the title certificate, nor is it subject to any unpaid motor vehicle taxes. Make sure the customer has signed this form.

Customer Due Bill

This is one of the most important forms we use. Everything must be listed on this form, such as gas, repairs, add-on's, take-off's, etc. (do not list prices). All due bills must be signed by management if something is owed. After all signatures have been made, give a copy to the customer. Indicate the importance of retaining a copy, as it will prove to be valuable when they return to get the work completed.

New Delivery Checklist

This is also a very important form. The first portion can be completed while you are with the customer in the showroom. Be sure to go over the Owner's Manual as well as the Supplements, Service Procedures, Warranties, and Vehicle Registration Information, before taking the customer to the Finance Department. When you take the vehicle to Detail, place the checklist on top of the dash on the driver's side. Detail personnel will inspect the interior and exterior of the vehicle, then initial the checklist. When the customer departs Finance, go over the rest of the form, checking off each item as you go. Only if a problem exists is it necessary to have management sign. Give a copy to the customer, again stressing its importance. Place the original in the basket located at the reception desk.

Security System Acknowledgment

This is a checklist to ensure that the customer is aware that a security system is not included in any price negotiations. Make sure it is signed before taking the customer to Finance.

The following are additional items that should be in the folder when you go Finance:

- ï Copy of ACV
- ï Credit Bureau Report
- ï Work Sheet
- ï Gross Sheet
- ï Credit Application
- ï 2 copies of the customer's driver's license

Make it simple for everyone. Just do the paperwork correctly the first time, and you'll have little to worry or complain about.

Trade Folders

The vehicle has been delivered; the customer is happy; and you're pleased with the results. Now comes the only paperwork you have left to do ... the Trade Folder.

Brown Trade Envelope

This envelope has one side printed, making it easy to fill out. Simply list all applicable information in the proper blanks, then list the answers to the four questions we ask each customer in order to "build value in their vehicle." List several of the vehicle's features (power locks, power windows, AM-FM-cassette, etc.) and the number and location of key sets.

Full Disclosure Statement

This form needs to be completed and stuck to the front corner of the driver's-side front windshield. This form is required by law, and packs a heavy penalty for those who do not adhere to it.

"As Is" Sticker

This form only needs the stock number, VIN number, and other requested information. If there is any warranty left on the vehicle, Used Car personnel will see that it is marked appropriately. (The original "As Is" sticker is placed on the driver's-side rear windshield.)

Key Tags

Put each set of keys on a separate key ring. Complete the tags, then place keys in the Trade Folder.

ACV Copy

You should always place the yellow copy of the ACV form in the Trade Folder. If this is lost, make a copy from the original or pink copy.

When completed, take the Trade Folder to management.

Then go get another customer!

Lease Turn-Ins

The option for lease turn-ins or drop-offs is taken when the customer simply recognizes that the value of the vehicle is less than the amount owed, or when management makes the decision that it would be less expensive to return the vehicle to the manufacturer than take it on trade. If it is a vehicle that is required to stay on the lot until the actual leasing period ends, it is the customer's responsibility to maintain the required insurance coverage. The customer must understand that there are certain lending institutions that require the customer to return the vehicle directly to them. This way, the lending institution can determine the vehicle's current condition and enforce their "abuse and abnormal usage" clauses for their protection.

It is the Sales Manager's responsibility to ask if the lease vehicle just received in trade is a true trade vehicle (one that the dealership will keep and sell on the lot) or a lease turn-in. The following steps are necessary to prepare a lease turn-in properly. Follow these steps, and the process will go smoothly for everyone.

Fill out an odometer statement and a disposition form. These can be found in the Finance office. The customer will need to sign these, so it must be done while the customer is still on the premises.

Mark the front windshield with the following: 1) name of leasing institution, 2) "Lease Turn-in" and 3) customer's name. Park the vehicle in the appropriate spot.

Fill out the Trade Folder with "Lease Turn-in" clearly marked on the front. Enclose the keys and all applicable paperwork.

Notify the Finance Department that the vehicle is a lease turn-in, then inform management as to where the vehicle is parked.

Notify the leasing institution (unless directed otherwise by Finance) that the vehicle is on our premises and ready for pickup.

INTRODUCTION

Welcome to the Mark Ward Automotive Group!

As an employee of the Mark Ward Automotive Group, you become an important member of our team. We believe that by working together with a clearly defined purpose, and guided by the values and principles mentioned below, we can continue to provide an exceptional product, unsurpassed service, and a continued commitment for excellence to our customers

... who are the reason we are in business.

We are proud to have you as a part of the team of Mark Ward Automotive Group, and we hope you feel pride in the job you do. Our growth and success depend, in great part, on the job you do. We hope your employment with us is both challenging and rewarding.

Introduction to the Handbook

At-Will Employment

The Employee Handbook of Mark Ward Automotive Group (the "Handbook") is designed to provide an overview of current policies, procedures, and benefits for our employees. This edition of the Handbook supersedes any previous manual, handbook, policies/procedures, etc., whether written or unwritten. This Handbook is subject to change at any time, in the overall best interests of Mark Ward Automotive Group. We will notify you of such changes by appropriate means such as posting or by internal employee memoranda. Changes will be effective on dates determined by the dealership.

This Handbook is not an employee contract, and the contents set forth do not imply any contractual obligations on the part of Mark Ward Automotive Group or the employee. It is absolutely critical that you understand and acknowledge that all employment relationships at Hamilton- Oakley Group are "employment at-will" relationships and may be terminated with or without cause or notice, at any time, by you or the dealership. Statements of specific grounds for termination set forth in this Handbook or elsewhere are not intended to be all-inclusive and do not restrict the dealership's right to terminate any employee at-will (with or without specific grounds).

The information in this Handbook describes the current operating practices of the dealership and, unless superseded in writing by an authorized person, all employees are expected to follow these practices. No Officer or Manager of the dealership is authorized to make any agreement with any employee inconsistent with the express language contained in this Handbook.

Each employee will be given a copy of the Handbook at the time it becomes effective, or at the initial point of employment with the dealership. Every employee is expected to review the Handbook carefully. The General Manager will be glad to answer any questions. If you are uncertain about any policy or procedure, it is your responsibility to check with the General Manager to clarify your understanding.

Employees should keep a copy of the Handbook in a convenient place, reviewing the information therein from time to time and referring to it when questions arise on any policy, procedure, or benefit. This Handbook remains the property of the dealership, and it must be returned to the General Manager when an employee leaves the employment of Mark Ward Automotive Group.

Dealership Philosophy

The policies described in the Mark Ward Automotive Group Handbook reflect our philosophy of running a successful full-service car dealership. By way of introduction to our dealership and our policies, this section highlights the operating principles we feel are extremely important. We hope that when you understand these principles, you will understand why our policies and procedures are necessary and benefit the dealership, its employees, and most importantly its customers.

Mission Statement

Mark Ward Automotive Group has been successful because of all our employees who have followed our Mission Statement. This is one of our major advantages over our competition. We believe in and practice the following Mission Statement:

- Ô Do the right thing.
- Ô Do your best.
- Ô Be honest.
- Ô Treat others the way you want to be treated.

Taking Good Care of Customers

The #1 rule in customer service at Mark Ward Automotive Group is as follows: ***If we don't take care of our customers, someone else will!*** This means absolutely nothing until a customer comes in our door. It continues to mean nothing if a customer's experience with us is not totally satisfactory. If a man came to your door every week and handed you a \$100 bill, week after week, you would probably treat him in a very special way:

- Ô Answer the door quickly so he didn't have to wait.
- Ô Be very courteous and smile.
- Ô Learn his name and use it when talking with him.
- Ô Be very careful not to show that you might be busy (or grumpy).
- Ô Answer all his questions honestly.
- Ô Quickly find out the answers to any questions you're not sure about.
- Ô Do your best to show that you are not upset with him in any way.
- Ô Promise him only things that you know you can get done.
- Ô Make sure he realizes how happy you are that he dropped by, and thank him for his business.

Obviously we should treat customers just like we would treat the man with the \$100 bills because that is exactly what our customers do: They drop by and leave money.

Mark Ward Automotive Group has products that people want, and we perform services that people need. Usually the only reason a customer stops dropping by with his money is because one of us forgot to show him how important he is to us. Every employee should greet every customer they see! It is important to remember that as a team, each one of us must do our part to ensure our continued success in customer satisfaction. Many of our Pay Plans are designed to give incentives to our employees to ensure top performance and continued effort in satisfying customers. If an employee allows an unsatisfied customer to remain unsatisfied, he is letting down his fellow workers who are striving for customer satisfaction.

Handling Customer Complaints

In our business, we sell and service a product that is very complex and expensive. In most cases, our customer's vehicles are the second most expensive investment they have (second only to their house). Although we all strive constantly to keep our customers happy with our products and services, it is inevitable that we will have customer complaints.

It is imperative that we deal quickly and fairly with unhappy customers. Every employee may have a role in dealing with a customer's complaint. An unhappy customer should be directed to the appropriate Department Manager, Customer Relations Manager, or General Manager if necessary. It is everyone's responsibility to bring complaints to a satisfactory conclusion. It is everyone's responsibility to ensure that if a customer feels unfairly treated or dissatisfied with settlement of a complaint, all reasonable steps must be taken to resolve the issue.

The customer is our most important asset. Swift and fair resolution of customer complaints is one of the most important responsibilities of the dealership management team!

Remember:

If we don't take care of our customers, someone else will.

Doing Your Job to the Best of Your Ability

Several factors will help determine how great a success you make of your career:

- Ô Your natural talents and skills.
- Ô Your ability and desire to learn new tasks and adapt to new ideas.
- Ô The quality of your work.
- Ô The amount of work you accomplish.
- Ô Your personal and professional appearance, including how you dress.

You should have a good understanding of what you are expected to do on your job. If you should ever have a question about what you are supposed to do, it is your responsibility to ask your supervisor. If there is anything you do not know, have not been told, do not understand, or have forgotten, you should ask. Only you are responsible for knowing what you are supposed to know.

Training

You are expected to take advantage of every opportunity given to you to increase your job-related knowledge and skills, including the following:

- Ô On-the-job training (formal or informal) from dealership employees or outsiders.
- Ô Outside seminars and schools that are recommended by the dealership.
- Ô Reading and maintaining a personal file of printed information, usually supplied by the dealership, that keeps you abreast of changes in products and procedures.
- Ô Any outside training, night school, vocational school, etc., that you feel would help you advance.

Correcting Mistakes

If you go an entire day without making a mistake, you probably aren't working very hard. Everybody makes mistakes. The important thing is what happens after a mistake is made. One of the major differences between successful people and those who are not-so-successful is what they do after making a mistake. Recovering properly from a mistake involves four simple steps: 1) recognize it, 2) admit it and apologize, 3) correct it, and 4) think about it.

Recognize the Mistake. It is best, of course, to recognize an error before someone else does (particularly a customer). Understanding your job well and knowing the role your job plays within the dealership will help you catch mistakes easily and start the process of taking steps to "fix" the mistake.

Admit the Mistake and Apologize. Usually you discover your own mistakes. If so, admit it to yourself and to any dealership employees directly involved. When mistakes involve customers, they will often be upset. If an employee tries to cover up a mistake or talk their way out of it, the customer may get upset—and rightfully so. ***The easiest way to separate ourselves from the competition is to admit our mistakes, and then correct them.***

Correct the Mistake. When it comes to this area, remember our mission statement: *Do the right thing; Do your best; Be honest; Treat others the way you want to be treated.* Usually you can figure out how to correct the mistake yourself. If not, ask for help. Ignoring a mistake is one of the most unacceptable things you can do in your job performance. The important thing to remember is that even though the mistake might inconvenience someone (i.e., customer, supervisor, fellow employee), if we don't admit to it and correct it, that inconvenience will just be compounded.

Think About The Mistake. After the panic is over and the mistake is corrected, think about what caused it and what you might do to avoid a repeat performance in the future. Then carry on, secure in the knowledge that you have just done what relatively few people can do after they have made a mistake. If you are not absolutely sure of what to do to prevent the same mistake in the future, discuss it with someone with greater experience.

Working With Fellow Employees

Mark Ward Automotive Group wants you to get started on the right foot as a new employee. After completing your orientation class, you will be given a tour of the dealership. Next, you will be introduced to your fellow employees. Get to know them! Teamwork is essential to a smooth-running, successful dealership. A smile and pleasant disposition make a more lasting impression than grumpiness or indifference. Employees who interact smoothly together create a comfortable atmosphere for our customers. When working with your fellow employees, remember our mission statement: *Do the right thing; Do your best; Be honest; Treat others the way you want to be treated.*

Personal Appearance

Your personal appearance is important in properly representing the dealership and yourself to our customers in a professional way. Employees should dress in a manner that is consistent with good taste and appropriate to working conditions. Remember that your personal appearance may be a customer's first impression of Mark Ward Automotive Group. Make it the best possible impression. Think like a customer. Ask yourself: *If the person you see in the mirror were the only employee you had seen from this dealership, would you trust them with your business?*

Keeping Your Work Area Neat

Mark Ward Automotive Group spends a lot of money in an effort to keep the dealership attractive in appearance and expects employees to keep their work areas orderly, neat, and clean as possible. Once again, think like a customer. Ask yourself: *If this area were the only part of the dealership you had seen, would you trust them with your business?*

Cost Containment

You can help the cost containment efforts of Mark Ward Automotive Group by your prudent use of materials and effective use of your time. Wasting time, office supplies, and shop materials is costly to everyone. It is every employee's responsibility to keep waste to an absolute minimum at all times.

Suggestions

"Suggestions" are ideas for a better way of doing a job. Mark Ward Automotive Group welcomes constructive suggestions from you. If you have an idea for improving quality, methods, working conditions, advertising, or anything that will help the dealership sell more goods, your idea will be carefully considered. Please put your suggestions in writing and give it to the Human Resources Manager. If you sign your suggestion and it is used, you will receive appropriate recognition. If you wish, you can make your suggestions anonymously.

Promoting The Dealership

It is every employee's responsibility to speak positively and enthusiastically about the dealership. You and your fellow employees come in contact with thousands of people when you are away from the dealership, most of whom are potential customers. All of us are, in effect, salespeople for the dealership when we talk to others. If your job, the dealership, or other employees are subjects of conversation, we ask that you leave a positive impression. It is understood that our dealership is not perfect. Problems do arise from time to time. Discussion of these problems should be limited to appropriate employees within the dealership, on a need-to-discuss basis. There are proper procedures outlined in this Handbook for solving problems. It does no good to discuss your on-the-job problems with people not directly concerned. It is important to remember that in spite of the occasional problems that occur, you are a member of one of the finest automobile sales and service teams in the state. Mark Ward Automotive Group is committed to doing everything possible to stay in that position.

The Environment

Mark Ward Automotive Group has equipment and procedures in place that prevent problems relating to the work environment. All employees are responsible for supporting our efforts in this area. Employees should take pride in our facilities. It is the responsibility of every employee to pick up trash and any other items that may spoil the professional appearance of the dealership. Smokers are responsible for disposing of their cigarettes in the proper containers. Leaving them on the ground is strictly prohibited.

Purchases By Friends and Relatives

Mark Ward Automotive Group employs a large group of people who depend on it for their livelihood. It also represents a very large investment of money on the part of stockholders of the dealership. In order for our dealership to justify its existence and continue to employ a large group of talented and well-trained people, it must operate at a profit. In order for it to operate at a profit, it must sell its goods and services at retail prices. Every employee has a huge circle of friends and relatives who are in the market for goods and services. You should impress upon them that it is to their advantage to buy from us at retail prices. First, they will be doing business with one of the finest automobile dealerships in the area. Second, they have a great contact (you) to help make sure they are taken care of. If we encourage our friends and relatives to do business with Mark Ward Automotive Group and then we do everything we can to make sure their experience with us is good, we will all reap the benefits.

Your Help In Recruiting

The continuing pressures to find sufficiently qualified people make it mandatory that individuals with talent and ambition be sought after as potential employees and encouraged by attractive compensation and equitable advancement with the organization. For some reason, one of the best-known secrets in the business world is the fantastic opportunity that exists in the automobile business for people who have many different talents and interests. We ask that you actively seek out superior, potential new employees. Keep abreast of the various positions we are trying to fill, and help us fill them. If you know of a good potential employee and think no current job opening exists, arrange for that person to interview with the dealership anyway. The only way for us to be the finest dealership is to have an organization made up of the finest people. We need your help in finding these people.

Dealership Organization

See separate attachment.

EMPLOYMENT POLICIES

Hiring

It is our intent to employ capable people who are committed to our mission and philosophy of superior service to our customers. New employees are selected by careful evaluation of written applications, personal interviews, checking of references, and/or testing when applicable. Sales personnel who operate dealership vehicles must be licensed to sell automobiles as required by state law. In addition, all sales personnel must hold a valid driver's license.

Equal Opportunity Employment (No Discrimination)

Mark Ward Automotive Group selects individuals for employment on the basis of individual merit and the needs of the dealership, with the overall goal of obtaining individuals who are best qualified to fill positions. It is the dealership's policy, in accordance with federal, state and local laws, not to discriminate against employees or applicants for employment on the basis of race, color, religion, national origin, age, sex, pregnancy or related conditions, marital or familial status, veteran status, or disability. All employees are recruited, hired, trained and promoted without regard to the above attributes. Employees are not discriminated against because of any protected characteristic with respect to any term, condition, or privilege of employment.

Mark Ward Automotive Group will provide reasonable accommodation as required by the Americans With Disabilities Act (ADA) or Civil Rights Act for qualified individuals, provided the applicant or employee advises the dealership of the need for an accommodation. Finally, the dealership prohibits the harassment of any individual for any reason of any of the principles listed above, including any other characteristics established as "protected" by law.

Complaints of suspected discrimination are taken very seriously and will be promptly investigated. Employees are required to report discrimination experienced or suspected to have occurred. It is every employee's responsibility to participate fully in any investigation under this policy. In addition, retaliation against any employee because of a report under this policy or because an employee has participated in an investigation under this policy is strictly prohibited and will not be tolerated. Employees are required to immediately report suspected retaliation to the Human Resources Manager or General Manager. Complaints of retaliation will also be promptly and fully investigated. Information about how to report discrimination complaints or employee obligations with respect to reporting suspected discrimination is discussed below.

Policy Against Harassment

Mark Ward Automotive Group strives to maintain a harassment-free work environment. It is the dealership's policy that any form of harassment on the basis of race, color, religion, national origin, sex, age, veteran status, marital or familial status, disability, or any other characteristic protected by law will not be tolerated in the workplace. Harassing conduct or condoning such conduct may result in disciplinary action up to and including dismissal or other action as appropriate. All managers and employees must take this policy extremely seriously.

Included within this prohibition are unwelcome sexual advances, requests for sexual favors, and other verbal or physical conduct of a sexual nature including but not limited to any attempt to make submission to such conduct a term or condition of an individual's employment, or where the submission or rejection of such conduct is used as a basis for employment-related decisions, or where such conduct has the purpose or effect of substantially interfering with an individual's work performance or creating an intimidating, hostile, or offensive working environment.

The dealership's policy against workplace harassment applies to all managers and employees of the dealership, whether committed by supervisors or non-supervisors. In addition, the dealership's policy against workplace harassment applies to vendors, customers, and other third parties with whom our employees come into contact while conducting dealership business, provided the dealership is made aware of the objectionable conduct. It is important to remember that any unwelcome verbal or physical conduct may be viewed as harassment if such conduct is because of the protected characteristics listed above, and has the purpose or effect of unreasonably interfering with an individual's job performance or creating an intimidating, hostile, or offensive work environment.

We cannot list all possible examples of poor judgment or unprofessional conduct, but the following examples will serve to illustrate the kind of conduct we will not tolerate in our workplace, once provided notice of its alleged occurrence. Prohibited conduct includes but is not limited to such things as verbal abuse of a sexual, racial or ethnic nature; sexual gestures; commenting on an individual's body in a sexually or otherwise offensive manner; using offensive or degrading words in connection with an individual's race, age, sex, religion, ancestry or disability; and suggestive or offensive objects, pictures, cartoons, magazines, e-mails or computer images. *It is important to remember that inappropriate and unprofessional remarks or conduct may be reason for intervention and discipline, whether or not they are actually "harassing."*

Reporting Suspected Discrimination, Harassment, or Retaliation

It is everyone's responsibility to maintain a work atmosphere that is free of discrimination, harassment, and retaliation (see below)—not only by fellow employees but also by other persons whom the employees encounter in the course of their employment with the dealership, provided the dealership is made aware of such discrimination or harassment. If an employee has a complaint or concern about possible harassment or discrimination in connection with an incident experienced in the workplace, or if they become aware of such an incident, they are required to report it immediately. The dealership is prepared to receive complaints about behavior that is perceived as unprofessional or inappropriate regardless of whether the behavior constitutes unlawful harassment or discrimination. A report of concern or a complaint must be made immediately to your supervisor or to the Human Resources Manager. If an employee is uncomfortable reporting to either of the above individuals, then a report should be made to the General Manager. Reports will be thoroughly investigated and, where appropriate, prompt corrective action will be taken. If, in the employee's view, there is another incident of inappropriate conduct following a report, they must report it again, immediately. Investigation and corrective action will again be undertaken as appropriate.

No Retaliation for Reporting Discrimination or Harassment

Retaliation against an employee because of a report under this policy, or because an employee has participated in an investigation under this policy, is strictly prohibited and will not be tolerated. Any suspected retaliation is required to be immediately reported to management. Regardless of who is involved or the status of the accused, retaliation is not permitted. Complaints of retaliation will be investigated and, where appropriate, may lead to disciplinary action up to and including dismissal. *No employee will be penalized for reporting under this policy.*

Violations of These Policies and/or False Reports

Any employee who is determined, after an investigation, to have engaged in discrimination, harassment and/or inappropriate conduct in violation of this policy will be subject to disciplinary action up to and including termination. In addition, because false accusations regarding harassment can have serious effects on those accused, any false or bad-faith accusations may likewise result in disciplinary action up to and include termination.

Accuracy of Information

Mark Ward Automotive Group relies upon the accuracy of information contained in every employee's employment application, as well as the accuracy of other information or data presented to the dealership at any time throughout the hiring process or employment period. Any misrepresentations, falsifications, or material omissions in any information or data provided by an employee or prospective employee shall result in the exclusion of the individual from further consideration of employment; or, if the individual has been hired, may result in discipline up to and including termination of employment.

Employment Eligibility Verification

As a result of the Immigration Reform and Control Act of 1986, Mark Ward Automotive Group is required to inspect and verify acceptable documentation (e.g., driver's license, birth certificate, passport, Social Security card, and green card) to establish the identity and right to work of every new employee. All new employees must sign an I-9 form attesting to their employment eligibility. This form is then signed by the dealership's representative who examines the documentation. This process must be completed within three (3) business days of the date employment begins. The completed I-9 form is kept on file in an employee's personnel file. New employee paperwork will not be processed until this form has been accurately completed and properly authorized.

Open Door Policy

Any time an employee feels that there is a problem in the workplace or in a work relationship, the employee is encouraged to bring the concern to a supervisor, the Human Resources Department, or the General Manager. Mark Ward Automotive Group management has an open-door policy and will discuss any work-related problem with any employee. Employees who bring such problems to the attention of management will not jeopardize their employment with the dealership.

Employment Outside the Dealership

Mark Ward Automotive Group offers employees an opportunity for earning a livelihood for their families. In fairness to each employee and to the dealership, with the exception of entities which are related to the dealership, no employee may hold employment at another dealership or business which is, in any way, competitive with the dealership's business or which could adversely affect employment. In addition, employees are not to deal in buying and selling automobiles in private transactions (except personal vehicles) for the purpose of supplementing their income. Employees are required to advise the dealership of any outside employment. If, in the dealership's judgment, such outside employment interferes with the employee's ability to properly perform their job responsibilities, the employee may be asked to relinquish such outside employment.

Confidential Information

During the course of employment with Mark Ward Automotive Group, an employee may have access to confidential information essential to the dealership's operations or, on occasion, sensitive information about our customers, including personal financial information. This information is strictly confidential, and it is a serious violation of policy for any employee to discuss such information to a third party, either directly or indirectly. All internal correspondence is confidential and the property of Mark Ward Automotive Group. Except as authorized in writing by the dealership, employees are prohibited from disclosing or using, either directly or indirectly, any confidential or sensitive information to which they have access.

Confidential or sensitive information includes but is not limited to the following:

- Ô Financial information relating to Mark Ward Automotive Group business that is not available to the general public.
- Ô Business plans.
- Ô Budgets.
- Ô Employee or customer mailing lists.
- Ô Personal or financial information relating to customers or employees.
- Ô Mark Ward Automotive Group Employee Handbook and any internal policies or procedures concerning business operations.
- Ô Any other information, disclosure of which could cause harm to the legitimate business interests of Mark Ward Automotive Group.

All employees should use extreme caution to ensure that customer information is held in strict confidence. Disclosure of confidential or sensitive information can result in disciplinary action up to and including termination.

Employee Information and Personnel Files

The contents of employee files are confidential, and access to those files is restricted. They may be reviewed only by management, on a need-to-know basis. Employees may review their personnel files by making a request with the Human Resources Manager at least 24 hours in advance. Contents of personnel files are the property of Mark Ward Automotive Group. Maintenance and access to those files is handled by the Human Resources Manager.

Release of Employee Information

Mark Ward Automotive Group will not release confidential information regarding employees to third parties except in the following instances:

- Ô In response to a written request from a third party, an employee's or a former employee's salary, job title, dates of employment, social security number and/or address will be verified in writing where such information has already been furnished to the third party.
- Ô Information requested by law enforcement agencies, or information required to be released by statute/regulation or in response to a lawfully issued judicial or administrative order or process, will be made available after consultation with legal counsel.
- Ô Upon receipt of an employee's authorization in writing, information within the scope of such authorization will be released.

Employment References

Only the Human Resources Manager and General Manager are authorized to verify or provide references on current or former employees, and such release of information must be consistent with the dealership's policies. Phone calls or letters requesting references or employment verification must be forwarded to the Human Resources Manager.

Personnel Record Changes

Employees must notify the Payroll Manager in writing, as soon as possible, if there is a change in home address, phone number, name, or marital/dependent status. Employees will be asked to complete new forms, when applicable. Any name change must be registered with the Social Security Administration before the change can be made on the dealership's personnel/payroll system. In addition, employees shall complete new tax forms when marital status changes or when they move from one county to another. Changes must be submitted in writing prior to becoming effective. Home addresses and phone numbers of employees may be published internally unless specifically indicated, in writing, by an employee.

Probationary Period and Performance Evaluations

Probationary Period

All employment relationships at Mark Ward Automotive Group are at-will relationships. The dealership considers the first ninety (90) days of employment a "probationary period." This probationary period provides employees an opportunity to find out if they are satisfied with their employment. It also gives the dealership a chance to determine if an employee's work, attitude and/or attendance measure up to the standards of Mark Ward Automotive Group. During this period, an employee may decide to resign without a stated reason. In addition, the dealership may release an employee from work without a stated reason. Following the 90-day probationary period, the employment relationship continues on an at-will basis, and neither the dealership nor the employee forfeits any rights under the at-will doctrine. The dealership may, in its discretion, extend an employee's trial period for up to an additional sixty (60) days to further evaluate the employee's suitability for employment.

Performance Evaluations

The job performance of every employee is evaluated on an ongoing basis. Employees also receive periodic written evaluations of their performance. Such evaluations will normally occur after completion of the probationary employment period and annually. If employees are promoted or transferred to new or different positions, they may be evaluated in writing after some period in the new job. Management may conduct special written performance evaluations when necessary or appropriate to address work performance or related issues that may arise. Performance evaluations are based strictly on job performance. They are used, among other things, 1) to provide notice to employees of their strengths and weaknesses in job performance and workplace conduct/attitudes, and 2) when decisions are made by the dealership regarding compensation, continued employment, or other employment-related issues.

Work Schedules

Managers will communicate work schedules to employees on a regular basis. Full-time non-exempt employees are provided with two paid 10-minute rest periods and one unpaid hour for a meal break each 8-hour day, as required by law. Meal breaks are scheduled to ensure proper functioning of the dealership. Employees are prohibited from eating food in high-traffic areas that are visible to the public. Every employee is responsible for cleaning up the eating areas. It is essential that employees adhere to their prearranged work schedules, not only when reporting to work but when taking lunch breaks and leaving for the day. Frequent late arrivals, extended meal breaks, or frequent absences affect the entire dealership and its ability to meet customer needs, and will not be tolerated.

Absences and Tardiness

If employees must be absent or late for work for any reason, they are required to notify the dealership no later than thirty (30) minutes prior to the scheduled time to start work. Excessive absenteeism and tardiness adversely affect the dealership and its operations, and will be grounds for discipline up to and including termination of employment. *When calling in late, an employee must talk directly to a manager. Leaving word with the phone operator or another employee is not acceptable.*

Job Abandonment

An employee who is absent from work for three (3) consecutive days, and fails to report such absence consistent with the above policy, will be assumed by the dealership to have voluntarily resigned employment without notice.

Dress and Appearance

Employees of Mark Ward Automotive Group are required to dress in a manner that is professional and consistent with the dealership's objectives and mission. The dealership reserves the right to direct an employee to change into appropriate attire, at management's discretion. An employee's personal appearance should always reflect good grooming habits. Neat, well-trimmed mustaches or beards are acceptable for employees (except for Sales Managers, unless there are extraordinary circumstances). The dealership also reserves the right to require employees to wear uniforms, if deemed appropriate. If required, uniforms must be worn at all times during work hours. Any deviations from these standards must be approved by the General Manager.

Smoking Policy

Smoking is permitted only in designated areas. Smoking in any vehicle is prohibited.

Business Office and Cashier's Office

Admittance to the Business Office

Traffic in the business office must be kept to an absolute minimum. An employee should not be in the business office unless it is essential, and should contact a manager before contacting the business office.

Guidelines for Accepting Money

All monies paid to an employee for service, parts, materials or automobiles (including deposits) are to be turned in to the cashier or the business office immediately. The employee is responsible for immediately providing written receipt to the customer.

Expenses

Prior to incurring an expense on behalf of the dealership, an employee must have the expense approved in writing by the General Manager. Such expense may be submitted with appropriate documentation to the business office for reimbursement. Authorized expenses will be reimbursed within a reasonable period of time.

Safety and Security

Safety Precautions

It is every employee's responsibility to perform their job duties in a safe manner in order to avoid serious injury. Employees are expected to use due diligence with respect to safety, including using available safety devices at all appropriate times (i.e., jacks, stands, goggles, dusk masks, etc.). OSHA regulations must always be followed.

Reporting Safety Hazards or Violations

It is an employee's responsibility to report to management any awareness of an unsafe condition or practice at the dealership. No employee will be penalized for such reporting. However, an employee who is aware of an unsafe condition/practice and fails to report it may face discipline up to and including termination of employment. Any questions regarding safety should be directed to a manager for questions.

Building Access

Dealership offices and main entrances to the building are open to the public during regular business hours. Employees are expected to be on the premises during their working hours only. Employees should not be on the premises when the dealership is not open.

First Aid

A basic First Aid kit is available by the time clock in the service area. Other locations will be posted as appropriate.

Fire Safety

All employees should familiarize themselves with the specific locations of the fire alarms and fire extinguishers throughout the facility. An employee who discovers a fire should immediately call Emergency Service (911) and sound an alarm. Employees should assist customers and other employees in evacuating the building, if necessary, and move a reasonably safe distance away from the building. Employees are required to be familiar with the fire extinguisher nearest their normal work area and how to properly use it. However, fire extinguishers should only be used when good judgment warrants.

Work-Related Injuries or Illnesses

Employees who are injured while working, or who become ill because of a work-related condition, must immediately report it to management. Any injury or illness (no matter how minor) must be reported within 24 hours, even if medical attention is not required. Job-related injuries or illnesses may be covered by insurance under the Workers' Compensation statutes. When an employee is eligible, this insurance may provide medical treatment costs in addition to payment for earnings lost due to a work-related injury or illness. If practical, before seeking medical attention, the employee should contact the business office to get the proper Workers' Compensation forms and other instructions, including where to go for treatment.

Injuries Requiring Medical Assistance

In the case of an accident involving an employee or a customer where medical help is necessary, the following steps should be taken.

- Ô Call Emergency Medical Service (911).
- Ô Assist at the scene, if necessary, to an appropriate extent.

Unacceptable Behavior and Discipline

Employees are expected to abide by the policies outlined in this Handbook. Mark Ward Automotive Group reserves the right to take appropriate disciplinary action when policies are violated, or in any circumstances in which an employee's conduct or work performance falls short of reasonable expectations or is detrimental to the dealership's interests. Depending on the facts and circumstances, any of the following disciplinary actions may be taken, at the discretion of management:

- Ô Verbal warning.
- Ô Written warning, filed permanently in the employee's records.
- Ô One to three days of unpaid or paid leave (suspension).
- Ô Termination of employment.
- Ô Other appropriate measures.

Employee Theft

Definition of Theft. "Theft" is the unauthorized removal and/or permitting or causing to be removed from the dealership's premises any item, including but not limited to parts, accessories, vehicles, equipment, supplies, money, or any property of the dealership, a customer, or another employee.

Package Inspection. If deemed appropriate, management may at any time inspect any package or container in the possession of any employee entering or leaving the building, or on the premises (i.e., vehicles or lockers).

Removing Equipment. No dealership equipment may be removed from the premises for personal use without prior written authorization by management.

Reporting Theft. If any employee has a reasonable basis to believe that an item belonging to the dealership has been removed from the premises without authorization, the employee is required to immediately report it to management.

Dishonesty or theft will result in immediate termination of employment.

Unused Parts and Shop Supplies

All parts or shop supplies not used upon completion of a job may be the property of the customer or the dealership, never the employee, and are to be returned to the Parts Department immediately upon completion of that job.

Accepting Favors or Gifts

No employee is permitted to accept a personal favor, gift, or money from any outside party who would stand to gain by influencing the employee's job at the dealership.

Personal Gain at the Dealership's Expense

Employees are not permitted to do favors for fellow employees or outsiders that might result in personal gain for one of the parties at the dealership's expense. It is understood that there are instances where doing a favor for a customer or potential customer is good business for the dealership. However, to avoid potential problems, such situations should first be cleared with the General Manager.

Damage to a Customer's Vehicle or a Dealership Vehicle

During the course of normal business, if an employee damages or causes to be damaged any vehicle belonging to a customer or to the dealership, the employee is to immediately report such damage to management. If the damage was unavoidable and not the employee's fault, the employee will be expected to be financially responsible for necessary repairs to the extent not covered by dealership insurance (the deductible amount of \$1,000). If the loss was caused by an employee's willful or intentional disregard of the dealership's interest, the employee agrees to absorb the cost of repairs through payroll deduction.

Damage to a Demonstrator Vehicle

The dealership will carry liability insurance and current deductible collision insurance on demos. In case of an accident, the employee will be expected to pay the \$1,000 deductible. All accidents must be reported immediately to the business office. In cases where employees are cited for alcohol or drug-related accidents, the demo privilege will be suspended, and the employee will be subject to discipline up to and including termination.

Drug and Alcohol Policy

It is the dealership's policy to provide a safe work environment and to encourage good personal health habits.

Unacceptable Conduct

The following unacceptable conduct could result in disciplinary action:

- Ô Violation of any dealership policy, or any policy contained in this Handbook.
- Ô Deliberate destruction or damage to dealership property, customer property, tools, machines or equipment, or property of fellow employees.
- Ô Dishonesty in dealing with a customer or the dealership.
- Ô Unauthorized use of dealership cars and trucks.
- Ô Misuse or waste of materials or supplies.
- Ô Unauthorized use of phones, voice mail, e-mail, or internet system in violation of dealership policy.
- Ô Insubordination.
- Ô Refusal to accept work assignments.
- Ô Concerted or deliberate restriction of output (i.e., slow-down or delaying the work of others).
- Ô Reporting for work under the influence of alcoholic beverages, illegal drugs, or legal drugs that adversely affect job performance, or possessing or using same on the premises or while conducting dealership business.
- Ô Absence or tardiness without giving proper notification.

- Ô Excessive absenteeism.
- Ô Excessive tardiness.
- Ô Overstaying a leave of absence or vacation without management approval.
- Ô Stopping work before the time specified.
- Ô Leaving the premises during working hours without permission of a manager.
- Ô Leaving work area without permission.
- Ô Entering a "No Admittance" area of the Parts Department without permission.
- Ô Entering the business office unnecessarily.
- Ô Loitering, loafing, or sleeping during working hours.
- Ô Abuse of breaks or meal times.
- Ô Eating in unauthorized areas.
- Ô Not wearing required uniforms or being improperly attired during work hours.
- Ô Failure to notify management when holding an outside job, full-time or part-time.
- Ô Conducting personal business on dealership time.
- Ô Falsification on employment application or other dealership records or paperwork.
- Ô Altering time records, handling or tampering with another employee's time record, or failure to punch the required time card.
- Ô Willful violation of safety rules or dealership safety practices.
- Ô Improper action in a fire or injury emergency.
- Ô Using gasoline for cleaning purposes.
- Ô Willful neglect and mishandling of a machine or other equipment.
- Ô Carrying and/or concealing weapons on dealership property during working hours, including in company-owned vehicles.
- Ô Smoking in a "No Smoking" area.
- Ô Fighting, inciting a fight, or disorderly conduct.
- Ô Horseplay or throwing things.
- Ô Creating or contributing to unsanitary conditions or littering.
- Ô Threatening, intimidating, or coercing fellow employees on the premises, at any time and for any purpose.
- Ô Discourteous treatment of customers, visitors, or other employees.
- Ô Inappropriate or unprofessional treatment of any person because of race, religion, ethnicity, marital status, familial status, gender, national origin, or disability.
- Ô Abusive or discourteous language or behavior.
- Ô Immoral conduct or indecency on dealership property.
- Ô Malicious gossip and/or spreading of rumors.
- Ô Soliciting, collecting contributions, or distributing literature of any kind during working hours or any time that interferes with the work of another employee. (Special exceptions must have management approval.)
- Ô Posting or removing notices, signs, or writing in any form on any bulletin boards on dealership property, without management approval.
- Ô Parking in an unauthorized area.
- Ô Gambling on dealership property.

Prohibition of Tape Recording in the Work Place

Under many circumstances, the surreptitious recording of conversations in the workplace can be harmful to morale, inhibit normal business communications, and create an atmosphere of distrust. Under certain circumstances, it can also be unlawful. Therefore, the following policies shall apply to all employees:

1. Recording any part of a conversation by means of any electronic, mechanical, or other device is prohibited unless the expressed written permission of all parties to the conversation is obtained prior to recording.
2. Employees who violate this policy will be subject to discipline up to and including termination of employment.

This policy does not apply to tape recordings made by the dealership for business purposes.

Prohibition of Workplace Violence and Weapons

Mark Ward Automotive Group expressly prohibits any acts or threats of violence by an employee against another employee, vendor, or customer in or about the dealership's facilities or elsewhere, at any time, while involved in or conducting dealership business. Such prohibition includes but is not limited to verbal threats, physical intimidation or actual harm, obscene or threatening phone calls, stalking, or harassment. The dealership will not condone any acts of this nature against its employees, vendors, customers, or visitors to the dealership, at any time, or by any employee while engaged in business with or on behalf of the dealership, on or off the dealership premises.

Possession of weapons of any kind by employees or customers on dealership premises is strictly prohibited. An employee who becomes aware of an individual on dealership property in possession of a weapon is required to report it to management immediately.

Employees who engage in violent, abusive, or threatening behavior, or who otherwise engage in behavior that is deemed offensive, inappropriate, or in violation of policy, will be subject to disciplinary action up to and including termination. Employees who observe or are aware of any suspicious workplace activity that appears to be covered by this policy is required to report it to management immediately. These situations will be fully and promptly investigated, and confidentiality will be maintained to the extent possible without causing undue risk to the individuals involved.

Technology Use Policy

Personal Computers

Mark Ward Automotive Group may provide employees with desktop or laptop personal computers in order to aid and assist in their job duties. Only occasional personal use of dealership computers, software, and printers will be allowed. Employees will be monitored and disciplined if such PC use is excessive or interferes with job performance. PC hardware (including peripherals) is installed and maintained only by the dealership. Only authorized employees may install a PC (including printer, personal digital assistant, scanner, or any other peripheral) or may install, copy, or remove any software (including Screen Savers) on dealership premises.

Prohibition Against Harassing, Discriminatory, and Defamatory Use of Technology

As set forth in this Handbook, the dealership does not tolerate discrimination or harassment based on gender, pregnancy, child birth (related medical conditions), race, color, religion, national origin, ancestry, age, disability, marital status, familia status, medical-leave status, veteran status, or any other status protected by federal, state or local laws. Therefore, no employee using a dealership PC may transmit, receive, or store any information that is discriminatory, harassing, or defamatory in any way (i.e., sexually explicit messages, jokes, and cartoons related to protected characteristics).

Prohibition Against Violating Copyright Laws

Employees are prohibited from using a dealership PC to copy, retrieve, forward, or send copyrighted materials without authorized permission (unless accessing a single copy for employee reference purposes).

Other Prohibited Uses

Employees are prohibited from use a dealership PC for any illegal purpose, violation of any dealership policy, in a manner contrary to the dealership's best interests, or that in any way discloses confidential or proprietary dealership information to third parties.

Employees who violate the above prohibitions may be disciplined up to and including termination of employment.

Telephones and Cellular Phones

Employees may be provided with a telephone or cellular phone to use on dealership business. It is expected that all employees will use restraint in placing or receiving personal phone calls. Time spent on such personal calls should be at a minimum and will be monitored. Employees are strictly prohibited from using dealership phones for personal long-distance calls.

Prohibition Against Driving While Using Dealership-Provided Cellular Phone

Employees are prohibited from talking on dealership-provided cellular phones while driving. If an employee must make or receive a phone call while driving (and no "hands free" device is available), they must safely pull off the road.

Insurance on Personal Property

Technicians and some other employees may have personal property (tools, etc.) on dealership premises that are worth a considerable amount of money. Personal property is not covered by dealership insurance. Employees should contact their own insurance company for coverage on this type of property. Any such coverage will be at the employee's own expense.

Voluntary Resignation

Notice

Sufficient notice of an employee's intent to resign allows time for the dealership to take care of the paperwork necessary to process an employment separation and prepare a final paycheck in a timely manner. A resigning employee is expected to provide management with a written notice of resignation two weeks prior to the effective date. The resignation should contain a reason for the resignation and include the effective date of resignation (employee's last day of work).

Employees may not substitute accrued vacation time for their two-week notice, although the dealership, in its discretion, may direct substitution of accrued vacation time in lieu of the final two weeks of work. In addition, any employee who fails to provide a two-week written notice will forfeit pay for any accrued but unused vacation time.

The time frame for notice may be modified, in advance, based on the mutual agreement of the employee and the dealership.

Reemployment

Employees who have a satisfactory performance record and resign with adequate notice may be considered for rehire. Should a regular full-time employee leave to serve in the Armed Forces, reemployment is guaranteed with certain qualifications consistent with the Uniformed Services Employment and Reemployment Rights Acts of 1994 (USERRA). Questions regarding USERRA provisions should be addressed to the Human Resources Manager.

Exit Procedures and Exit Interviews

When an employee terminates employment with Mark Ward Automotive Group, either by resignation or otherwise, all dealership property (including this Handbook) must be promptly returned. On or about the effective resignation date, the employee will be asked to participate in an exit interview. Although the exit interview will cover major topics of information for the employee (i.e. insurance), it will also be an opportunity to offer suggestions for the betterment of the dealership.

Employee Privacy Not Guaranteed

Employee Work Space

Mark Ward Automotive Group provides every employee with a work space so that they may efficiently perform their job duties. This work space may include, but is not limited to, a desk, cubicle, or office. In some cases, the dealership may provide employees with a lock and key in order to secure their work space (including the cabinets and drawers therein). This fact does not confer on an employee a right to privacy with respect to that work space or any items stored inside.

Mark Ward Automotive Group reserves the right of access to all dealership property at any time. Employees are expected to take appropriate measures to protect files, equipment, and confidential information from unauthorized access and use by other persons. However, access to all such work space will be available to the dealership, at their discretion, and employees are not guaranteed prior notice of such access. Entry into work spaces will be made as deemed necessary. Employees are prohibited from installing or using personal locks or security devices on property or space belonging to Mark Ward Automotive Group. Employees who believe that a business purpose would be served by securing a personal work space should notify management.

Personal Computers

Mark Ward Automotive Group utilizes desktop and laptop personal computers, a loan area network (LN), a systematized backup process, and other means to maintain and preserve electronic data relating to the dealership, its employees, and its customers. All computer equipment and files, data, and communications contained therein are the property of Mark Ward Automotive Group and, as such, may be accessed and monitored on a regular basis. Although the employee may be given passwords and password capability in order to protect the confidentiality of and access to certain data and electronic mail, this does not mean the employee has a right to privacy with respect to such data. It is and remains at all times the property of Mark Ward Automotive Group. Management may access such data without prior notice.

Voice Mail

Mark Ward Automotive Group may utilize voice mail to enhance efficiency of operations. Although employees may have the capability to restrict access to voice mail messages through passwords for purposes of confidentiality, any such voice mail communication may be monitored or accessed by management without prior notice.

Employees are expected to cooperate fully when asked for assistance in accessing their records, files, or voice mail. Refusal to provide such assistance could result in disciplinary action or discharge.

COMPENSATION and BENEFITS

The following summarizes the compensation and benefits for the employees of Hamilton-Oakley Group. These policies are subject to change at the discretion of management.

Mark Ward Automotive Group compensates its employees in a manner consistent with wage and hour laws (without regard to race, color, religion, national origin, sex, age, veteran status, marital status, familial status, disability, or any other basis protected by law. Benefits are a valuable part of an employee's compensation. It is the dealership's intent to provide its employees with a benefits package that attracts and retains the best employees so that the dealership can continue to provide superior service to its customers. Employees should fully acquaint themselves with all the benefits available.

Mark Ward Automotive Group reserves the right to amend or modify benefits at any time, and will provide appropriate notice to any participating employees. All benefits provided through insurance carriers are governed solely by the terms of the plans themselves, not by the summaries provided in this Handbook. Questions regarding any of the dealership's benefits may be directed to the Human Resources Manager.

Employee Classifications

Exempt and Non-Exempt Employees

For purposes of compensation, employees of Mark Ward Automotive Group are classified as either exempt or non-exempt in accordance with wage and hour laws. These classifications are determined by an evaluation of an employee's job duties consistent with the law. Employees will be advised whether they are exempt or non-exempt at the time of hire, promotion, or transfer.

Definition of Exempt Status

Exempt employees are regular full-time employees whose compensation is based on a set salary or a commission (paid by the hour). The "exempt" classification means that the position is exempt from the overtime requirements of the law.

Definition of Non-Exempt Status

Non-exempt employees may be full-time or part-time. The full-time employees work a regular work week (35 to 40 hours) according to each employee's job. The non-exempt classification means that these employees are paid by the hour and must be paid overtime in accordance with wage and hour laws.

Regular Employees

Regular employees of Mark Ward Automotive Group whose employment is intended to be of indefinite duration are employed at least 40 weeks per year and are classified as either full- time or part-time. Only regular full-time employees are entitled to employee benefits.

Temporary Employees

Temporary employees of Mark Ward Automotive Group (not temporary agency personnel) whose employment is expected to be of limited duration are non-exempt employees paid by the hour. Temporary employees are not entitled to employee benefits.

Full-Time Employees

Full-time employees work a minimum of 32 hours per week. Regular full-time employees are entitled to all benefits upon meeting individual eligibility requirements.

Part-Time Employees

Part-time employees work less than 32 hours per week. Part-time employees are not entitled to employee benefits.

Converting from Full-Time to Part-Time Employment

Employees who convert from full-time to part-time status are given the option of being paid for accumulated leave time or holding the time on the books and using it as needed. Upon converting to part-time status, an employee will no longer be eligible for benefits, including additional paid leave.

Pay Periods and Pay Dates

Pay periods run bi-weekly, ending on alternating Fridays. Paychecks are distributed on alternating Fridays for the period ending the previous Friday.

Commission Payments

Sales Manager commissions and any other monthly bonuses are paid no later than the 10th day of the following month.

Pay Advances

In only extraordinary circumstances, an employee may be granted an advance on future pay. Such a request must be approved by the General Manager in writing. Upon approval, the employee will be required to agree in writing to repayment of the advance by way of regular payroll deduction or commission deduction. No pay advance will be made without the employee's agreement in writing.

Direct Deposit

Direct deposit is available to all employees who choose this option. Employees should make appropriate arrangements with the Payroll Manager to set up their direct deposit.

Time Clocks and Time Cards

All employees who are paid by the hour are required to punch in and out using the time clock when entering or leaving the premises, including lunch or dinner breaks. Employees are not allowed to punch or otherwise alter another employee's time card. Doing so is grounds for disciplinary action up to and including termination.

Sales Manager Time Sheets

Sales Managers are required to fill out weekly time sheets indicating the hours they actually worked. These weekly time sheets are to be turned in on Friday mornings. In addition, Sales Managers who are granted the use of a demonstrator vehicle are required to turn in mileage records for such demonstrator vehicle each Friday.

Overtime

Hourly non-exempt employees will receive overtime pay at one and one-half (1½) times their normal hourly rate ("time and a half") for each hour worked over 40 hours in the work week. Any overtime compensation earned in a particular work week is paid on the regular pay day for the period in which the work week ends. Overtime is paid only when hours reported within the work week are over 40 hours of actual time worked. For example, paid time off does not count toward hours worked for overtime calculation purposes.

Management tries to avoid asking employees to work beyond their normal working hours, but it is occasionally necessary. Whenever practical, management will attempt to divide those extra hours equally among employees. In order to receive overtime pay, management must approve the overtime in advance and indicate their approval by signing the employee's time card.

Garnishments

A garnishment court order requires Mark Ward Automotive Group to withhold the stated amount from an employee's paycheck and forward such amount to whomever the court designates.

Deductions From Pay

Employees should remember that take-home pay is not the full amount of earnings (gross earnings). Deductions required by law include federal, state, city, county, occupational, and Social Security taxes. Other deductions may include a participating employee's portion of the health insurance or other premium for group benefits. All of these deductions represent earned income that the dealership has paid, but is not reflected in the net paycheck amounts.

Paid Leave

Mark Ward Automotive Group extends paid leave benefits to full-time employees who have completed the eligibility requirements, as indicated below. Part-time employees are not eligible for paid leave. Paid leave time includes the following:

- Ô Paid Time Off (PTO)
- Ô Paid Holidays
- Ô Jury Duty Leave
- Ô Voting Leave

Paid Time Off (PTO) Policy

The dealership's PTO year runs from each employee's anniversary date. The number of paid days given to each employee depends on length of service. Employees are given no more than three (3) weeks of paid vacation on their 7th anniversary date. Paid vacation days are as follows:

1 Year	5 Paid Days
2 Years	10 Paid Days
3 Years	11 Paid Days
4 Years	12 Paid Days
5 Years	13 Paid Days
6 Years	14 Paid Days
7 Years	15 Paid Days

PTO will be used for events such as vacations, sick days, and bereavement days (i.e., funeral services). An employee may carry over a maximum of five days of PTO from one year to the next. If not used, carry-over days will be lost the following year.

PTO may not be taken before it has been earned. Payment for any accrued but unused PTO upon employment separation will be made, or not made, on the following bases:

- Ô Employees who voluntarily resign employment with the dealership, in good standing, having provided two weeks of notice, may cash out accrued but unused PTO at a 50% rate.
- Ô Employees who voluntarily leave but fail to provide two weeks of notice forfeit the opportunity to cash out accrued but unused PTO.
- Ô Employees who are the subject of an involuntary termination forfeit the opportunity to cash out accrued but unused PTO.

Using PTO for Vacations

When using PTO for vacation purposes, an employee must complete a Vacation Request form and have it approved by management at least three (3) weeks prior to the first day of the vacation. All dates are subject to management approval. Arrangements for vacation dates should be made as far in advance as possible. Seniority will be a factor if more than one person in a department want vacation leave at the same time. However, the dealership will take into consideration its overall business needs in making such decisions. Anticipated absences of four (4) or more working days must be approved at least two (2) weeks in advance.

Using PTO for Sick Days

When an employee must be off from work due to sickness, PTO may be used under the following conditions:

- Ô The first day off with pay may be considered “unexcused.” The need for additional paid sick leave that would qualify for FMLA leave must be verified by a medical certification.
- Ô There must be PTO in the employee’s account.
- Ô Any anticipated absence (such as surgery, etc.) should be scheduled in advance, just like vacation time, with at least three (3) weeks of notice.

Using PTO for Bereavement Leave

PTO may be used without prior scheduling in cases of bereavement within the immediate family. The dealership reserves the right to limit the use of PTO for bereavement purposes to a maximum of three (3) days and to require proof of death and relationship.

Rates of Pay for PTO

Rates of pay for PTO will vary:

- Ô Salaried and hourly employees will be paid for PTO days at their regular rate of pay.
- Ô Employees who are paid salary and bonus will receive both their normal salary and any bonus earned for their PTO days.
- Ô The PTO rate for Sales Managers will be equal to their average week’s earnings based on their commissions for the previous six months, with no maximum limit.
- Ô The PTO rate for technicians will be equal to their average week’s earnings for the previous six months, with no maximum limit.

Paid Holidays

Eligibility

Full-time employees are eligible for paid dealership holidays after six (6) months of continuous employment at Mark Ward Automotive Group.

Policy on Paid Holidays

To be paid holiday pay, employees must work their regular scheduled workdays immediately preceding and immediately following the holiday, unless written authorization from management is sent to the business office. The only exception to this policy concerns Sales Managers where sales events may dictate a difference, in which case the business office should be notified.

Holiday Pay

Salaried and hourly employees are paid their regular pay during a holiday. Sales Managers or anyone paid on a commission will receive no additional compensation.

Jury Duty

Full-time employees will be compensated at the regular rate of pay for time off to serve jury duty. Employees must provide evidence of Jury Duty Notice to a manager. Any stipend paid to the employee for jury duty must be turned in to the Payroll Manager.

Unpaid Leaves of Absence

The following describes the circumstances under which an eligible employee may be granted an unpaid leave of absence.

Military Leave

Mark Ward Automotive Group provides military leaves of absence to all regular full-time and part-time employees in compliance with the Uniformed Services Employment and Reemployment Rights Act of 1994 (USERRA) and other applicable federal and state laws. Requests for military leave should be submitted promptly and accompanied by documentation supporting the need to take such leave.

Family and Medical Leave

Under the Family and Medical Leave Act (FMLA), employees may be eligible for an unpaid leave of absence of up to twelve (12) weeks. The following describes the dealership's FMLA leave policy:

Eligible Employees

To be eligible for FMLA leave, employees must have been employed by the dealership:

- Ô for at least 12 months (which need not be consecutive);
- Ô for at least 1,250 hours during the 12-month period immediately preceding the commencement of the leave; and
- Ô at a work site with 50 or more employees, or where 50 or more employees are located within 75 miles of the work site.

Events Which May Entitle an Employee to FMLA Leave

FMLA leave may be taken for any or a combination of the following reasons:

- Ô the birth of the employee's child, or to care for the newborn child;
- Ô the placement of a child with the employee for adoption or foster care, or to care for the newly placed child; or
- Ô the employee's own serious health condition, making it impossible for the employee to perform one or more job functions.

A "serious health condition" is an injury, illness, impairment, or physical or mental condition that involves inpatient care or continuing treatment by a health care provider.

Amount of FMLA Leave That May Be Taken

An eligible employee is entitled to up to 12 work weeks of unpaid leave during a 12-month period for any FMLA qualifying reason. The 12-month period is a rolling 12-month period measured backward from the date an employee uses FMLA leave. Any questions about this should be addressed to the Human Resources Manager or Payroll Manager.

Limitations on FMLA Leave

Leave to care for a newborn or for a newly placed child must conclude within 12 months after the birth or placement of the child. When both spouses are employed by Hamilton-Oakley Group, they are together entitled to a combined total of 12 work weeks of FMLA leave within the designated 12-month period for the birth, adoption, or foster care placement of a child with the employees, or for aftercare of the newborn or newly placed child. Each spouse may be entitled to additional FMLA leave for other FMLA qualifying reasons (i.e., the difference between the leave taken individually for any of the above reasons and 12 work weeks, but not more than a total of 12 work weeks per person). For example, if each spouse took 6 weeks of leave to care for a newborn child, each could later use an additional 6 weeks due to their own serious health condition or to care for a child or parent with a serious health condition.

Intermittent or Reduced Work Schedule Leave

“Intermittent Leave” is leave taken in separate blocks of time. “Reduced Work Schedule Leave” is a leave schedule that reduces an employee’s usual number of hours per work week or work day. Leave to care for a newborn or a newly placed child may be taken all at once, intermittently, or on a reduced work schedule. Leave because of an employee’s own serious health condition, or to care for a spouse, child or parent with a serious health condition, may be taken all at once or, where medically necessary, intermittently or on a reduced work schedule. If an employee takes leave intermittently or on a reduced work schedule basis, the employee must, when requested, attempt to schedule the leave so as not to unduly disrupt dealership operations. When an employee takes intermittent or reduced work schedule leave for foreseeable planned medical treatment, the dealership may temporarily transfer the employee to an alternative position with equivalent pay and benefits for which the employee is qualified and which better accommodates recurring periods of leave.

Requests for FMLA Leave

An employee should request FMLA leave by completing a Request for Leave form and submitting it to the Human Resources Manager. When leave is foreseeable for childbirth, placement of a child, or planned medical treatment for the employee or a family member’s serious health condition, the employee must provide the dealership with at least two (2) weeks of advance notice. When the timing of the leave is not foreseeable, the employee must provide the dealership with notice of the need for leave as soon as practicable (i.e., within 1 or 2 business days of the need for the leave).

Required FMLA Documentation

When leave is taken to care for a family member, the dealership may require the employee to provide documentation regarding family relationship (i.e., birth certificate, court document, etc.) An employee may be required to submit medical certification from a health care provider to support a request for FMLA leave for the employee's or a family member's serious health condition. Medical certification forms can be obtained from the Human Resources Manager. The dealership may: 1) with the employee's permission, have a designated health care provider contact the employee's health care provider in an effort to clarify or authenticate the initial certification, and 2) require the employee to obtain a second opinion by an independent dealership-designated provider, at the dealership's expense. If the initial and second certifications differ, the dealership may, at its expense, require the employee to obtain a third, final binding certification from a jointly selected health care provider.

During FMLA leave, the dealership may request that the employee provide recertification of a serious health condition at intervals in accordance with the FMLA. In addition, during FMLA leave, the employee must provide the dealership with periodic reports regarding the employee's status and intent to return to work. If the employee's anticipated return to work date changes, and it becomes necessary for the employee to take more or less leave than originally anticipated, the employee must provide the dealership with reasonable notice (i.e., within 2 business days) of the employee's changed circumstances and new return to work date. If the employee gives the dealership notice of the employee's intent not to return to work, the employee will be considered to have voluntarily resigned.

Before the employee returns to work from FMLA leave for the employee's own serious health condition, the employee will be required to submit a "fitness for duty" certification from the employee's health care provider with respect to the condition for which the leave was taken, stating that the employee is able to resume work. FMLA leave or return to work may be delayed or denied if the appropriate documentation is not provided in a timely manner.

Use of Paid and Unpaid Leave

FMLA provides eligible employees with up to 12 work weeks of unpaid leave. However, if an employee has accrued but unused PTO, the employee is required to utilize any qualifying paid leave first. "Qualifying Paid Leave" is leave that would otherwise be available to the employee for the purpose for which the FMLA is taken. The remainder of the 12 work weeks of FMLA leave, if any, will be unpaid leave. Any paid leave used for an FMLA qualifying reason will be charged against an employee's entitlement to FMLA leave. This increases leave for disability or Workers' Compensation injury/illness, provided the leave meets FMLA requirements. Substitution of paid leave for unpaid leave does not extend the 12-week work period.

Designation of Leave

The dealership will notify employees that leave has been designated as FMLA leave. They may provisionally designate the employee's leave as FMLA leave if they haven't received medical certification or otherwise been able to confirm that the employee's leave qualifies as FMLA leave. If the employee has not notified the dealership of the reason for the leave, and the employee desires leave to be counted as FMLA leave, the employee must notify management, within two (2) business days of the employee's return to work, that the leave was for an FMLA reason.

Personal Time and Holidays During FMLA Leave

PTO will not be accrued during FMLA leave. Employees will not be paid for any dealership holidays that fall during FMLA leave. However, these days will not be counted toward the 12 weeks of allowable FMLA leave.

Maintenance of Health Benefits During FMLA Leave

During FMLA leave, an employee is entitled to continue group health plan coverage at the same level and on the same terms as if the employee had continued to work. This means that the employee will still be responsible for payment of the current percentage portion of the monthly premium, under existing dealership policy at the time. Likewise, the dealership will continue to pay its current percentage portion of the employee's monthly premium, under existing dealership policy at the time. Thus, if the FMLA leave is unpaid, the employee is responsible for submitting payment for the employee-paid portion of each month's premium.

Return From FMLA Leave

Upon return from FMLA leave, the employee will be placed in the same position held before the leave (or an equivalent position with equivalent pay, benefits, and other employment terms).

Limitations on Reinstatement After FMLA Leave

An employee is entitled to reinstatement for the same duration as if FMLA leave had not been taken. Thus, an employee is not entitled to reinstatement if, because of a layoff, reduction in force or other reason, the employee would not be employed at the time job restoration is sought. In addition, consistent with law, the dealership reserves the right to deny reinstatement to salaried, eligible employees who are among the highest paid 10% of the dealership's employees who are employed within 75 miles of the work site ("key" employees) if such denial is necessary to prevent substantial and grievous economic injury to the dealership's operations. The dealership will notify an employee of such "key" status at the time FMLA leave is requested.

Failure to Return to Work Following FMLA Leave

If the employee does not return to work following the conclusion of FMLA leave, the employee will be considered to have voluntarily resigned employment. The dealership reserves the right to recover health insurance premiums that it paid on behalf of the employee during any unpaid FMLA leave, except that the dealership's share of such premiums may not be recovered if the employee fails to return to work because of the employee's or a family member's serious health condition or because of other circumstances beyond the employee's control. (In such cases, the dealership may require the employee to provide medical certification.)

Unpaid Personal Leave

Under extraordinary circumstances, an employee may be granted unpaid leave for personal reasons. Permitting any employee to take unpaid leave is within the discretion of the General Manager. Factors taken into consideration in determining eligibility for unpaid leave include, but are not limited to, an employee's job position, the reason underlying the need for leave, the employee's record of service, the employee's seniority, detriment to the dealership in the employee's absence, and the best interests of the dealership. Any employee who fails to return to work from unpaid leave at the time agreed will be considered to have voluntarily resigned employment.

Abuse of Paid or Unpaid Leave

Provision of the above-described leave benefits does not condone absenteeism. Employees who use or attempt to use leave benefits for circumstances for which they are not eligible will be considered in violation of these policies and subject to disciplinary action up to and including termination. Employees who are on leave under one of the above policies are not necessarily immune from performance reviews, counseling, disciplinary action, changes in status or position, changes in compensation, or other personnel actions, to the extent that the personnel actions are warranted and otherwise taken for legitimate, nondiscriminatory reasons related to the dealership's needs.

Insurance

The dealership realizes that insurance benefits may be an important component of every eligible employee's compensation, and they strive to keep benefit options in place to assist employees and their families. From time to time, the dealership offers different benefit plans. Some of the common benefit plans include a 401K Plan and insurance (health, life, cancer, dental, and disability). The extent to which the dealership assists in premium payments for such plans varies. Benefit plans provided through insurance carriers are governed solely by the terms of the plans themselves, not by any representation contained in this Handbook. Questions regarding dealership insurance should be directed to the Human Resources Manager.

Dealership Related Benefits

Uniform Service

The dealership pays 50% of the cost of uniform service when uniforms are required for a position.

Discounts on Automobiles

The dealership allows any full-time employee to purchase one automobile (new or used) per calendar year. Pricing will be as follows:

Ô New—\$750 over gross invoice price. Market may dictate more profit being needed.

Ô Used—During the first 60 days that the unit is available, the price will be \$750 over dealer cost. After 60 days, it will be \$400 over dealer cost.

Other policies regarding automobile purchase include:

Ô Vehicles will not be charged to an employee's A/R account.

Ô If an employee purchases a vehicle through a Sales Manager, the Sales Manager will receive a \$50 commission plus a counter.

Ô Sales Managers cannot sell vehicles to one another.

Ô A lease renewal only counts if there is a minimum gross profit of \$300.

Discounts in the Service and Parts Departments

The following prices apply to all employees and their personal cars (and no others):

Service Department	Cost plus 10%
Parts and Accessories	Cost plus 10%

Service Department or Detail Shop

The dealership's service technicians are permitted to use the Service Department to work on their personal cars (not relatives or friends). Prior to engaging in any work, the Service Manager must be informed and a repair order processed.

Benefits Required By Law

Mark Ward Automotive Group pays into three different government programs on the behalf of their employees. Although paying into these programs is mandatory, the employees may not actually derive benefits.

Social Security

Under the Federal Contribution Act (FICA), the dealership pays an amount equal to, and in addition to, the FICA amount deducted from an employee's paycheck each week. Upon eligibility, Social Security may provide retirement income or other income under certain conditions of disability.

Unemployment Compensation

Upon becoming unemployed, an employee may be eligible to receive unemployment compensation benefits under certain conditions.

Workers' Compensation

Workers' Compensation may provide certain income or medical benefits in cases of job-related illness or injury. Questions regarding eligibility should be addressed to the business office.

Continuation or Termination of Benefits Upon Separation From Employment

Health Insurance

The dealership's contribution to an employee's health insurance coverage, if applicable, will be paid through the end of the month in which the employee actually works.

COBRA

The dealership adheres to all the requirements of the Consolidation Omnibus Budget Reconciliation Act (COBRA) as they apply to its employees. Generally, COBRA provides eligible employees, their spouses and/or dependent children who become otherwise ineligible for health care coverage (because of a "qualifying event") an opportunity to purchase coverage as a group member for a legally-specified period of time. The dealership does not contribute to the premiums owed for health insurance continuation under COBRA. The employee pays the full cost of coverage at the dealership's group rate.

An employee's election of coverage continuation upon the occurrence of a qualifying event is not automatic. An affirmative election form of coverage must be submitted in writing. Such form will be sent with the notice of eligibility. This notice will provide the employee with information regarding eligibility and the steps to take.

**FRONT
RECEPTION/ACCOUNTING
DRESS CODE**

It is the policy of Mark Ward Automotive Group that each employee's dress, grooming, and personal hygiene should be appropriate to the work situation. Employees who have regular contact with the public must comply with the following appearance standards.

Employees are expected at all times to present a professional, businesslike image to customers, prospects, and the public. Your appearance should compliment an environment that reflects an organization that is efficient, orderly, and professionally operated.

Clothes are to be cleaned and pressed daily.

**Skirts and dresses must meet the minimum
business standard length of three fingers above the knee.**

**There should be no exposed cleavage of any kind
or half-shirts exposing midriffs.**

Clean hair and nails are mandatory.

You should familiarize yourself with the above rules so we can eliminate problems and maintain an appropriate and businesslike work environment. Employees will be notified if their dress attire is not appropriate.

Employee

Date

Manager

ALCOHOL AND DRUG POLICIES AND PROCEDURES

Suspected Violation of Law

An employee who is arrested in connection with any drug or alcohol offense (including DUI) under federal or state law is required to immediately report such arrest to management. Failure to comply with this provision will result in discipline up to and including termination of employment.

Prescription Drug Use

Any employee taking prescribed medication that has cautionary warnings associated with the prescription must notify management before reporting to work. The employee should not identify the particular drug or the health reason for taking the drug. Mark Ward Automotive Group is interested only in the side effects of taking the prescribed medication that could negatively impact work performance or create a safety issue.

Company-Sponsored Events

On occasion, Mark Ward Automotive Group sponsors social events that may include the serving of food and alcohol to attendees. Employees who attend these social functions are expected to conduct themselves in a legal, responsible, and professional manner with respect to their alcohol intake. We fully expect employees not to drive if their alcohol intake during the event makes it inadvisable for them to operate a motor vehicle. Alternate transportation must be arranged. Violation of this policy will result in discipline.

Drug and Alcohol Screening

This policy establishes the right of the dealership to screen employees for drug and/or alcohol use or impairment during working hours. The following section describes the circumstances under which an employee may be required to undergo a drug and/or alcohol screening. All employees must consent, in advance, to such a screening under this policy (described below) as a condition of their employment and/or continued employment.

Pre-Employment Screening

A prerequisite of receiving a conditional offer of employment with Mark Ward Automotive Group is the applicant's consent to submit to a drug and/or alcohol screening. An offer of employment will be contingent upon the applicant receiving a clean drug and/or alcohol screening.

Post-Accident Screening

Any employee involved in a work-related accident which 1) requires medical treatment, 2) requires an OSHA report, 3) involves lost work time, or (4) results in property damages in excess of \$100 will be required to submit to a drug screening within eight (8) hours of the accident, as arranged by the Company.

Return to Work Screening

Any employee who returns to work following a suspension for a drug or alcohol related violation of company policy, or rehabilitation in connection with drug or alcohol use or abuse, will be tested at random intervals, as well as in connection with the other provisions of this policy.

Reasonable Suspicion Screening

Any employee may be required to submit to a drug screening upon “reasonable suspicion” that the employee is engaging in the use of, or is impaired by, alcohol or drugs in the work place. Reasonable suspicion will be left to the discretion of management, but should be based on specific, observable facts and/or reasonable inferences drawn from those facts in light of ordinary knowledge or experience. For example, abnormal conduct or erratic, altered behavior at work might include but is not limited to a significant or sustained deterioration in mental ability or work performance, lower quantity or quality of work, slurred speech, excessively dilated pupils, unusual confusion or disorientation, or the odor of alcohol or drugs on the employee’s person.

Return to Work Screening

Any employee who returns to work following a suspension for a drug or alcohol related violation of company policy, or rehabilitation in connection with drug or alcohol use or abuse, will be tested at random intervals, as well as in connection with the other provisions of this policy.

Random Screening

Mark Ward Automotive Group reserves the right to conduct random screenings of all employees, particularly those in safety-sensitive positions. Periodically, up to ten percent (10%) of all employees will be directed to report for drug and/or alcohol screenings, as arranged by the company.

Refusal to Submit to Screening or Cooperate with Screening

Any employee who refuses to submit to a requested drug or alcohol screening pursuant to this policy will be terminated for insubordination. Any employee who refuses to provide an adequate test specimen (urine, hair, breath, or blood) without a valid medical basis, or who otherwise refuses to cooperate during specimen collection, or who attempts to provide or is successful in providing an altered or substitute specimen, will be terminated for insubordination.

Rehabilitation

Mark Ward Automotive Group is also committed, under certain circumstances, to assist employees who suffer from a drug or alcohol misuse or abuse problem, if possible. An employee who self-discloses a drug or alcohol problem is eligible to discuss the possibility of entering a licensed rehabilitation program, with the company's assistance. Upon certification of successful completion of the program, the employee may apply to return to work if eligible for an open position. Management reserves the right to determine the circumstances under which an employee may qualify for the company's assistance under this provision and to set the conditions of such participation according to the facts of each particular situation.

Employee's Acknowledgment:

I have read the "Alcohol and Drug Policy" herein, understand it, and have been given an opportunity to ask questions about it. In addition, I agree to abide by the terms of the policy. I give my consent, in advance, to be screened for alcohol and/or drug use pursuant to the provisions in this policy, and I agree to the release of any medical information in connection with this process. I further knowingly and voluntarily release Mark Ward Automotive Group from any and all liability associated with this policy or with any drug or alcohol screening in connection with this policy.

Employee

Date

Manager

**NO HARASSMENT
POLICIES AND PROCEDURES**

Mark Ward Automotive Group does not and will not tolerate harassment of our employees. The term “harassment” includes but is not limited to slurs, jokes, and other verbal, graphic or physical conduct relating to an individual’s sex, race, color, religion, national origin, citizenship, age or disability. Harassment also includes any sexual advances, requests for sexual favors, unwelcome or offensive touching, and other verbal, graphic or physical conduct of a sexual nature.

**Violation of these policies and procedures
will subject an employee to disciplinary action
up to and including immediate discharge.**

If you feel that you are being harassed, in any way, by another employee or by a customer or vendor, you should make your feelings known to your supervisor immediately. The matter then will be thoroughly investigated and, where appropriate, disciplinary action will be taken. If you do not feel that you can discuss the matter with your supervisor, or if you are not satisfied with the way your complaint has been handled, please contact the Human Resources Manager or the General Manager. You will not be penalized in any way for reporting such conduct concerning yourself or another person.

**Do not assume that the company is aware of the problem.
It is your responsibility to bring your complaints and
concerns to our attention so that they may be resolved.**

Employee’s Acknowledgment of Receipt:

I acknowledge receipt of the “No Harassment Policies and Procedures” of Mark Ward Automotive Group, have carefully read them, understand their content, and agree to abide by them.

Employee Signature: _____

Date: _____

PAYROLL DEDUCTIONS

All employees are required to sign the following consent form.

Consent to Payroll Deductions

Your execution of this form evidences your consent to deductions from your wages. Please read carefully.

Mark Ward Automotive Group is hereby authorized to deduct from any sums due the Employee (including Employee wages) the following deductions to the extent allowed by applicable law.

1. All charges for items purchased by Employee from Hamilton-Oakley.
2. All charges for damage to property, lost or stolen (including keys).
3. Group insurance premiums/contributions.
4. Payroll advances, including overpayment of wages or other funds.
5. Returned checks signed by an officer of Mark Ward Automotive Group.
6. Market value of all items issued to the Employee (e.g. training materials, aprons, uniforms, tools, etc.) damaged or returned by the Employee.
7. Amounts paid by Mark Ward Automotive Group on the Employee's behalf.

No deductions from the Employee's wages for any period shall cause such wages for any such period to be less than the wage required to be paid by Mark Ward Automotive Group pursuant to applicable law. Deductions not taken for such period may be carried over to succeeding pay periods and deducted from the wages due in succeeding pay periods to the extent allowed by law.

Employee's Signature

Date

Printed Name

Social Security Number

EMPLOYEE PAY PLANS

*The following Pay Plans are available to each Sales Manager.
Please check the Plan you find appropriate for your needs.*

 **PLANA**

I understand that I am to be paid a commission on all vehicles I sell, in accordance with the schedules of commission. I will receive a bi-weekly draw check of \$300, of which the monthly total will be subtracted from my commission total at the end of the month.

 **PLAN B**

I understand that I am to be paid a bi-weekly gross check of \$300 and a settle-up check for the balance of my \$2,000 per month guarantee in accordance with the standard dealership pay schedules. I recognize that I forfeit all commissions to the vehicles I sell under this Plan as well as any participation in all contests and bonus opportunities. I will have the one-time option at the end of 90 days to change to Plan A (with the approval of the General Manager).

Any Pay Plan different from the normal plans mentioned above must be approved and signed-off by the General Manager before your employee packet is turned over to Personnel. Special pay and instructions must be described below. (Note that such instructions will sufficiently delay payment.)

<p>Special Instructions or Amendments to Pay Plan</p> <hr/> <hr/> <hr/>
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I acknowledge that I am aware of and understand the above plans. I have made my selection freely, and I understand the circumstances.

Sales Manager

Date

General Manager

CONTACT INFORMATION

Mark Ward Automotive Group makes every effort to be careful, but accidents do happen. If one does occur, it may be necessary to contact your spouse or other family member.

Please complete the following Emergency Contact information.

Employee _____ **Name** _____
Department _____
Current Phone _____

Contact _____ **Name** _____
_____ **Relationship**
_____ **Home**

Address _____
Home _____ **Phone** _____

_____ **Employer**
Name _____ **Work**

Address _____
Work _____ **Phone** _____

_____ **Work Hours**

*We must have a copy
of your
Valid Driver's License*

*We must have a copy
of your Social Security Card
and/or Passport*

**DISCLOSURE OF INTENT
TO OBTAIN A CONSUMER REPORT**

In compliance with the Fair Credit Reporting Act, we hereby notify you that for employment purposes, we may request a consumer report in connection with your application for employment or your employment. This report from a consumer reporting agency may include information bearing on your character, general reputation, personal characteristics, or mode of living. It is our normal practice to limit the consumer report to driving records available from the appropriate state departments of motor vehicles. Our insurance company may request a consumer report on you for insurance underwriting purposes only. (Date of birth information is used to insure an accurate investigation and will not be used in any employment decision. The Age Discrimination in Employment Act prohibits discrimination against persons 40 years of age or older.)

**Certification of Receipt of Disclosure
and Authorization to Obtain a Consumer Report:**

I acknowledge that I have read and understand the above "Disclosure of Intent to Obtain a Consumer Report." I voluntarily authorize Mark Ward Automotive Group to obtain a consumer report regarding me in connection with my application for employment, or my employment. I also voluntarily authorize the company's insurance company to obtain a consumer report regarding me for insurance underwriting purposes. I understand that I have a right to dispute any inaccurate information by directly contacting the agency. I understand and agree that I can revoke this authorization only in writing, and the revocation will be effective only upon receipt.

Printed Name _____
Date of Birth _____
Maiden Name or Alias _____
Driver's License # _____

Signature _____
Date _____

NON-COMPETITION AGREEMENT

This Non-Competition Agreement is entered into this ____ day of _____, 20____, between Mark Ward Automotive Group (hereinafter referred to as "Employer") and _____ (hereinafter referred to as "Employee").

Witnesseth

Whereas, Employer is located at 3001 Lexington Road, Nicholasville KY 40356.

Whereas, Employer is engaged in the business of operating an automobile dealership where new and used automobiles are sold and repaired; and

Whereas, Employee is going to work for Employer as a Sales Manager selling new and used cars for Employer; and

Whereas, as part of the consideration for Employer agreeing to employ Employee, Employer is requiring that Employee enter into this Non-Competition Agreement; and

Whereas, the parties have orally agreed to the terms and conditions of this Agreement and now desire to reduce their oral agreement in writing.

Now, Therefore, in consideration of Employer agreeing to hire Employee as a Sales Manager for its automobile dealership, and further consideration of the monies to be paid by Employer to Employee, and further consideration of the mutual agreements between the parties hereto, the parties do hereby agree and contract as follows:

1. Employee intends to become a Sales Manager selling new and used automobiles for Employer. Employer intends to expend a considerable amount of time and money training Employee to become proficient as a Sales Manager. As part of the consideration for Employer agreeing to hire Employee as a Sales Manager, Employee agrees to the following covenant not to compete.
 - a. Employee covenants and agrees that during employment with Employer and for a period of six (6) months following termination as a Sales Manager with Employer, Employee shall not, as a proprietor, shareholder, contractor, consultant, advisor, or in any other capacity, for his/her own benefit, or for the benefit of any other person, firm, or corporation whatsoever, directly or indirectly work for, make substantial investment in, or in any manner assist another business which is now or hereafter becomes competitive with the business of Employer, including but not limited to any business which sells new or used cars. Employee acknowledges that there is no adequate remedy at law in favor of Employer, in addition to all other rights, which may be available to Employer, and shall have all specific rights as described herein.

- b. This Non-Competition Agreement shall apply to any business which is now or hereafter becomes competitive with the business of Employer, located at 3001 Lexington Road, Nicholasville KY 40356.
 - c. In the event of a breach of the terms of this Non-Competition Agreement by Employee, in addition to any other rights which may be available to Employer, Employer shall be entitled to receive as damages from Employee the sum of Two Hundred Fifty Dollars (\$250.00) per day for each day Employee violates this Non-Competition Agreement, to continue for a period of 100 days for a maximum of Twenty-Five Thousand Dollars (\$25,000.00).
2. The parties agree that this Non-Competition Agreement shall remain in effect for three (3) years from the date first above written. If Employee leaves employment on or after three (3) years from such date, this Non-Competition Agreement shall not apply and be null and void.
 3. This Non-Competition Agreement shall be considered to have been entered into in Jessamine County, Kentucky.
 4. This Non-Competition Agreement shall be construed in accordance with and governed by the laws of the Commonwealth of Kentucky.
 5. This Non-Competition Agreement shall be binding upon the heirs and successors of the parties.
 6. This Non-Competition Agreement is not specifically assignable.

In Witness Whereof, the parties hereto have executed this Non-Competition Agreement as of the day and year first above written.

EMPLOYER: _____
Hamilton-Oakley Representative **Signature**

EMPLOYEE: _____
Printed Name **Signature**

WITNESS: _____
Printed Name **Signature**

NEW SALES MANAGER ORIENTATION

Please initial each of the following as to understanding each.

Sales Meetings

- ï Sales meetings are held Monday through Saturday at 8:30 a.m.
- ï Meetings are usually held in the dealership's conference room.
- ï All Sales Managers are expected to be at the meetings promptly at 8:30 a.m.
Do not be late!

Calling In Sick

- ï If you are unable to come to work because of sickness or any other reason, you must talk directly to management.
- ï If no one from management is available, you are expected to call back.
- ï Never leave a message with the phone operator.

Dealership Vehicles

- ï The dealership vehicles are for customer demonstration only.
- ï Do not take vehicles off the lot for lunch, errands, etc.
- ï Our insurance will not cover you in a dealership vehicle off the lot unless you are on a customer demonstration drive.
- ï Never take a dealership vehicle home with you.

Temporary Tags

- ï Only one temporary tag may be issued per vehicle sold.
- ï Temporary tags must be logged in before the customer leaves the lot.
- ï No temporary tags are issued for vehicles that have hard license plates.
- ï The dealership will generally pay for tickets the customer might receive for expired plates, but not for other violations (i.e., speeding, reckless driving, etc.)
- ï State Law and Penalties will prevail if the above is not followed.

Dress Code

- ï Mark Ward Automotive Group is a state-of-the-art, high-profile dealership. We maintain this image by our professional actions and dress.
- ï Sales Managers are expected to maintain a professional appearance at all times.
- ï Wear clothing that allows you to move freely and demonstrate vehicles.
- ï You must always look neat and clean to maintain the desired professional image.

Insurance

- ï All insurance coverage will begin six (6) months after the date of employment.
- ï An insurance representative will meet with you and discuss various plans offered (i.e., health, life, cancer, dental, disability, etc.)
- ï All coverage can be payroll-deducted with your approval.

Due Bills

- ï Anything promised to be installed or removed on a vehicle sold must be on the due bill and authorized by management.
- ï If there is no completed due bill, or if it is improperly filled out, all expenses will be covered by your out-of-pocket expenses.
- ï If something is promised but not entered on the due bill, the dealership is not under obligation to honor it.
- ï All customers must receive a copy of their due bill.

Message Tray

- ï When leaving the dealership, Sales Managers must notify both management and the receptionist.
- ï Be sure to check the Message Tray often for customer messages.

Cell Phones

- ï All personal phone calls during working hours should be made by cellular phone.
- ï Mark Ward Automotive Group receives hundreds of calls daily pertaining to business, and personal calls could detract from our effectiveness in handling these calls.

Customer Complaints

- ï *Our #1 priority is to handle customer complaints immediately.*
- ï Never lie to a customer! If you need help, ask management for assistance.
- ï Improper handling of complaints can only add to the problem, and can cost you and the dealership on Customer Satisfaction Surveys.

Keys

- ï Keys to all dealership vehicles should be in the key machine. Each Sales Manager will be issued a key code.
- ï You are responsible for all keys checked out in your code. You will be charged for any key that is lost. If a locksmith is needed, you will be charged their fee.
- ï Before our Parts Department can make you a key, they must receive an AVO authorized by management.

Telephone Usage

- ï An outside line can be reached by dialing “9” on any phone in the dealership.
- ï Each Sales Manager has the option of using a phone code.
- ï If you make personal long-distance calls, you must pay for them each month.

Lunch Breaks or Dealership Departure

- ï Leaving the dealership for lunch or for any other reason must be approved by management. *No exceptions!*
- ï Lunch breaks are sometimes required by federal and state laws.

AIM Tickets

- ï Sales Managers are required to fill out AIM tickets on customers every time they visit the dealership.
- ï AIM ticket information will be entered into the dealership’s tracking system.
- ï Customer status can be obtained by asking management for a printout.

Customer Sales Packets

- ï A sales packet will be included as part of each customer’s vehicle delivery.
- ï Accompanying the sales packet will be the owner’s manual, keys to the vehicle, and a remote control device.

Customer Satisfaction Surveys

- ï Sales Managers should inform customers about the Customer Satisfaction Survey.
- ï Explain how the survey works to help Mark Ward Automotive Group receive the President’s Award. (There is a sample survey in the delivery folder for this purpose.)
- ï Ask customers if there is anything we have or haven’t done that would keep us from receiving a “Completely Satisfied” rating.

**SALES MANAGER PAY PLAN
ENTRY LEVEL**

Effective January 1, 2006

Commission on Sold Vehicles to be Paid as Follows

<u>Vehicles Sold</u>	<u>Commission Percentage</u>
1 thru 9½	20%
10 thru 14½	22%
15 thru 19½	24%
20 or more	26%

Percentage paid is retroactive to the first unit. There is a \$300 pack on New Units sold and a \$500 pack on Used Units sold. *Deals that are based out from a previous sale month are not to be counted as a unit less against the Sales Manager. However, the gross will be deducted at the current commission pay rate.*

Minimum Commission to be Paid as Follows

New Vehicles	\$50
Used Vehicles	\$50

Free Vacation

If you average 14 sold vehicles per month for 6 consecutive months, you will receive a week's paid vacation. If you duplicate the same performance the following 6 consecutive months, you will receive another week's paid vacation.

***To reach Senior Sales Manager status,
you must:***

- ï Have at least one year of employment with Mark Ward Automotive Group.
- ï Have an average of 12 cars per month sold.
- ï Pass the Mark Ward Automotive Group Salesman Test.

**SALES MANAGER PAY
PLAN SENIOR LEVEL**

Effective January 1, 2006

Commission on Sold Vehicles to be Paid as Follows

<u>Vehicles Sold</u>	<u>Commission Percentage</u>
1 thru 12	22%
12½ thru 15	24%
15½ thru 19	25%
19½ thru 20+	27%

Percentage paid is retroactive to the first unit. There is a \$300 pack on New Units sold and a \$500 pack on Used Units sold. *Deals that are based out from a previous sale month are not to be counted as a unit less against the Sales Manager. However, the gross will be deducted at the current commission pay rate.*

Minimum Commission to be Paid as Follows

New Vehicles	\$75
Used Vehicles	\$75

Free Vacation

If you average 14 sold vehicles per month for 6 consecutive months, you will receive a week's paid vacation. If you duplicate the same performance the following 6 consecutive months, you will receive another week's paid vacation.

Corrective Action Form

Date _____

Employee Name _____

Job Title _____ Department _____

Hire Date _____ Supervisor _____

This is a ...

- Verbal Warning
- 1st Written Warning
- 2nd Written Warning
- 3rd Written Warning
- Termination

Reason for

Corrective Action:

- Absenteeism or Lateness
- Insubordination (Behavioral Infraction)
- Violation of Policy
- Unsatisfactory Performance
- Failure to Follow a Procedure
- Other (please specify): _____

Describe circumstances and the negative effects on the department.

Expectations: State specific performance change and time period for improvement:

Employee Signature: _____

Date: _____ Date: _____ Dat

Supervisor Signature: _____

Witness Signature: _____

Employee Separation

Date _____

*Each terminating employee is requested to complete a confidential Exit Interview.
Please schedule this interview with management, and make note of the date and time below.*

Employee Name _____
Employee I.D. # _____
Department _____
Job Title _____
Last Day Worked _____
Reason for Resignation _____
Forwarding Address _____

Employee Exit Interview

Date: _____

Time: _____

Employee Signature

General Manager

To be completed by Management:

Type of Separation _____

Reason for Separation _____

Termination Effective Date _____

Last Day Worked _____

If these dates vary, please explain: _____

Notice Given:

Eligible for Rehire:

👉 Yes Date: _____

👉 Yes

👉 No

👉 No Explain: _____

BANTERRA BANK
 3201 BANTERRA DR PO BOX 310
 MARION IL 62959
 Tel: (618)273-9346

AMERICAN WARRANTY SERVICE CORP
 1412 W MAIN ST
 CARBONDALE IL 62901

Account No.: 40023494 Enclosures: (2)

Statement Date: 03/08/2018 Page: 1

FREE BUSINESS CHECKING SUMMARY

Category	Number	Amount	Type :	REG	Status :	Active
Balance Forward From 02/28/18		464,869.65				
Debits	2	2,089.00				
Ending Balance On 03/08/18		462,780.65				
Average Balance (Ledger)	463,847.65+					

CHECKS AND OTHER DEBITS

* Indicates a gap in the check numbers

Date	Check #	Amount	Date	Check #	Amount	Date	Check #	Amount
03/07/18	10009	90.00	03/05/18	10011*	1,999.00			

DAILY BALANCE SUMMARY

Beginning Ledger Balance on 02/28/18 was 464,869.65

Date	Balance	Date	Balance	Date	Balance
03/05/18	462,870.65	03/07/18	462,780.65		

This Statement Cycle Reflects 8 Days

WE ARE PARTICIPATING IN VISA ACCOUNT UPDATER, A FREE SERVICE THAT HELPS MERCHANTS RECEIVING RECURRING CARD PAYMENTS HAVE ACCESS TO CURRENT CARD INFO ON FILE. PARTICIPATING MERCHANTS WILL HAVE ACCESS TO CARD EXPIRATION & CARD LOST/STOLEN INFO.

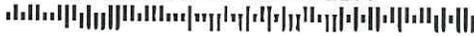


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Member
FDIC

Branch 0002

5420 1 AB 0.405 *0005420 S3
AMERICAN WARRANTY SERVICE CORP
1412 W MAIN ST
CARBONDALE IL 62901-2230



9005420

BANTERRA

27297CD0X.006

Statement Date: **02/28/2018** Enclosures: (5)

Account No.: **40023494** Page: 1

FREE BUSINESS CHECKING SUMMARY

Type: REG Status: Active

Category	Number	Amount
Balance Forward From 01/31/18		116,908.96
Credits	1	69,692.81+
Debits	5	111,316.19
Automatic Withdrawals	1	415.93
Automatic Deposits	1	390,000.00+
Ending Balance On 02/28/18		464,869.65

Average 448,885.29

HSA Contributions Year To Date
HSA Distributions Year To Date

DEPOSITS

Date	Type	Amount	Date	Type	Amount	Date	Type	Amount
02/08/18	DEPOSIT	69,692.81						

Date	Description	Amount
02/05/18	RBC CAPITAL MARK RBCDAIN	390,000.00

ELECTRONIC DEBITS

Date	Description	Amount
02/23/18	PA 552AMERICAN W QC PA SETT	415.93

CHECKS

* Indicates a gap in the check numbers

Date	Check #	Amount	Date	Check #	Amount	Date	Check #	Amount
02/06/18	1002	60,000.00	02/28/18	10008*	166.11	02/28/18	10012*	1,130.08
02/26/18	1003	50,000.00	02/28/18	10010*	20.00			

Statement Date: 02/28/2018 Enclosures: (5)

Account No.: 40023494 Page: 3

DAILY BALANCE SUMMARY

Beginning Ledger Balance on 01/31/18 was 116,908.96

Date	Balance	Date	Balance	Date	Balance
02/05/18	506,908.96	02/08/18	516,601.77	02/26/18	466,185.84
02/06/18	446,908.96	02/23/18	516,185.84	02/28/18	464,869.65

This Statement Cycle Reflects 28 Days

WE ARE PARTICIPATING IN VISA ACCOUNT UPDATER, A FREE SERVICE THAT HELPS MERCHANTS RECEIVING RECURRING CARD PAYMENTS HAVE ACCESS TO CURRENT CARD INFO ON FILE. PARTICIPATING MERCHANTS WILL HAVE ACCESS TO CARD EXPIRATION & CARD LOST/STOLEN INFO.

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BANTERRA

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40024



BANTERRA BANK
3201 BANTERRA DR PO BOX 310
MARION IL 62959
 Tel: (618)273-9346

|||||
 WARD CHRYSLER CENTER INC
 WARD CHRYSLER 2
 1412 W MAIN STREET
 CARBONDALE IL 62901

Account No.: 40105415 Enclosures: (1)

Statement Date: 03/08/2018 Page: 1

FREE BUSINESS CHECKING SUMMARY

Type: REG Status: Active

Category	Number	Amount
Balance Forward From 02/28/18		600,001.00
Deposits	1	50,000.00+
Debits	1	150,000.00
Ending Balance On 03/08/18		500,001.00
Average Balance (Ledger)		587,501.00+

ALL CREDIT ACTIVITY

Date	Type	Amount	Date	Type	Amount
03/02/18	Deposit	50,000.00			

CHECKS AND OTHER DEBITS

* Indicates a gap in the check numbers

Date	Check #	Amount	Date	Check #	Amount
03/06/18		150,000.00			

DAILY BALANCE SUMMARY

Beginning Ledger Balance on 02/28/18 was 600,001.00

Date	Balance	Date	Balance
03/02/18	650,001.00	03/06/18	500,001.00

This Statement Cycle Reflects 8 Days

WE ARE PARTICIPATING IN VISA ACCOUNT UPDATER, A FREE SERVICE THAT HELPS MERCHANTS RECEIVING RECURRING CARD PAYMENTS HAVE ACCESS TO CURRENT CARD INFO ON FILE. PARTICIPATING MERCHANTS WILL HAVE ACCESS TO CARD EXPIRATION & CARD LOST/STOLEN INFO.

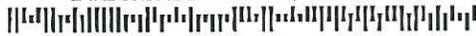


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565 1 PP 0.458 *0000865 53
WARD CHRYSLER CENTER INC
WARD CHRYSLER 2
1412 W MAIN STREET
CARBONDALE IL 62901



0000865

BANTERRA

4159C00X.001

Statement Date: 02/28/2018 Enclosures: (2)

Account No.: 40105415 Page: 1

FREE BUSINESS CHECKING SUMMARY

Type: REG Status: Active

Category	Number	Amount
Balance Forward From 01/31/18		400,047.86
Credits	12	600,000.00+
Debits	2	400,046.86
Ending Balance On 02/28/18		600,001.00

Average 278,574.10

HSA Contributions Year To Date
HSA Distributions Year To Date

DEPOSITS

Date	Type	Amount	Date	Type	Amount	Date	Type	Amount
02/07/18	DEPOSIT	50,000.00	02/13/18	DEPOSIT	50,000.00	02/21/18	DEPOSIT	50,000.00
02/08/18	DEPOSIT	50,000.00	02/14/18	DEPOSIT	50,000.00	02/22/18	DEPOSIT	50,000.00
02/09/18	DEPOSIT	50,000.00	02/16/18	DEPOSIT	50,000.00	02/26/18	DEPOSIT	50,000.00
02/12/18	DEPOSIT	50,000.00	02/20/18	DEPOSIT	50,000.00	02/28/18	DEPOSIT	50,000.00

CHECKS

* Indicates a gap in the check numbers

Date	Check #	Amount	Date	Check #	Amount	Date	Check #	Amount
02/01/18		200,000.00	02/02/18		200,046.86			

DAILY BALANCE SUMMARY

Beginning Ledger Balance on 01/31/18 was 400,047.86

Date	Balance	Date	Balance	Date	Balance
02/01/18	200,047.86	02/12/18	200,001.00	02/21/18	450,001.00
02/02/18	1.00	02/13/18	250,001.00	02/22/18	500,001.00
02/07/18	50,001.00	02/14/18	300,001.00	02/26/18	550,001.00
02/08/18	100,001.00	02/16/18	350,001.00	02/28/18	600,001.00
02/09/18	150,001.00	02/20/18	400,001.00		

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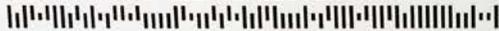


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Branch 0002

858 1 FP 0.458 *0000858 S3
RON AND MARK WARD LLC
1412 WEST MAIN STREET
CARBONDALE IL 62901



00000858

BANTERRA

4117C00X.001

8002

Statement Date: **02/28/2018** Enclosures: **(1)** Account No.: **40004066** Page: **1**

BASIC BUSINESS CHECKING SUMMARY

Type: REG Status: Active

Category	Number	Amount
Balance Forward From 01/31/18		50,257.06
Credits	1	1,661,169.12+
Debits	1	175,000.00
Ending Balance On 02/28/18		1,536,426.18

Average 1,570,848.71

HSA Contributions Year To Date
HSA Distributions Year To Date

DEPOSITS

Date	Type	Amount	Date	Type	Amount	Date	Type	Amount
02/02/18	DEPOSIT	1,661,169.12						

CHECKS

* indicates a gap in the check numbers

Date	Check #	Amount	Date	Check #	Amount	Date	Check #	Amount
02/16/18	513	175,000.00						

DAILY BALANCE SUMMARY

Beginning Ledger Balance on 01/31/18 was 50,257.06

Date	Balance	Date	Balance	Date	Balance
02/02/18	1,711,426.18	02/16/18	1,536,426.18		

This Statement Cycle Reflects 28 Days



**Ohio National
Financial Services**

Ohio National Life Assurance Corporation
P.O. Box 237
Cincinnati, OH 45201

**Variable Universal Life Insurance
Policy Confirmation**

This is not a notice of payment due.

MARK LEON WARD
574 SWEETGUM RD
DU QUOIN IL 62832

Ohio National Representative

Philip M Jarog
Ste 101
400 S 9th St
Springfield IL 62701-0000
(217)241-1642

Policy Information

Policy No:	I6744306
Confirmation Date:	Feb 6, 2018
Representative Code:	005493-000001
Total Stated Amount:	\$1,000,000.00

Gross Transaction:	\$465.00
Owner:	Mark Leon Ward
Insured:	Mark Leon Ward
Policy Type:	GP VUL

CORPORATE RESOLUTION TO BORROW / GRANT COLLATERAL

Principal	Loan Date	Maturity	Loan No	Call / Coll	Account	Officer
\$9,000,000.00	03-01-2018	05-28-2018	60000			DWH

References in the boxes above are for Lender's use only and do not limit the applicability of this document to any particular loan or
Any item above containing "****" has been omitted due to text length limitations.

Borrower: WARD CHRYSLER CENTER, INC. D/B/A WARD
AUTOMOTIVE GROUP (TIN: 37-1360265)
RLW & MLW LLC D/B/A WARD AUTOMOTIVE
GROUP (TIN: 47-4778140)
1412 WEST MAIN STREET
CARBONDALE, IL 62901

Lender: BANTERRA BANK
MARION WEST OFFICE
3201 BANTERRA DRIVE
P.O. BOX 310
MARION, IL 62959

Corporation: WARD CHRYSLER CENTER, INC. D/B/A WARD
AUTOMOTIVE GROUP (TIN: 37-1360265)
1412 WEST MAIN STREET
CARBONDALE, IL 62901

WE, THE UNDERSIGNED, DO HEREBY CERTIFY THAT:

THE CORPORATION'S EXISTENCE. The complete and correct name of the Corporation is WARD CHRYSLER CENTER, INC. D/B/A WARD AUTOMOTIVE GROUP ("Corporation"). The Corporation is a corporation for profit which is, and at all times shall be, duly organized, existing, and in good standing under and by virtue of the laws of the State of Illinois. The Corporation is duly authorized to transact all other states in which the Corporation is doing business, having obtained all necessary filings, governmental licenses and approvals in all states in which the Corporation is doing business. Specifically, the Corporation is, and at all times shall be, duly qualified as a foreign corporation in all states in which the failure to so qualify would have a material adverse effect on its business or financial condition. The Corporation has the full power and authority to own its properties and to transact the business in which it is presently engaged or presently proposing. The Corporation maintains its principal office at 1412 WEST MAIN STREET, CARBONDALE, IL 62901. Unless the Corporation has otherwise in writing, this is the principal office at which the Corporation keeps its books and records. The Corporation will notify Lender of any change in the location of the Corporation's state of organization or any change in the Corporation's name. The Corporation will do all things necessary to preserve and to keep in full force and effect its existence, rights and privileges, and shall comply with all regulations, ordinances, statutes, orders and decrees of any governmental or quasi-governmental authority or court applicable to the Corporation's business activities.

RESOLUTIONS ADOPTED. At a meeting of the Directors of the Corporation, or if the Corporation is a close corporation having no Directors then at a meeting of the Corporation's shareholders, duly called and held on **February 22, 2018**, at which a quorum was present, voting, or by other duly authorized action in lieu of a meeting, the resolutions set forth in this Resolution were adopted.