

THIS COLLECTIVE AGREEMENT is made pursuant to the provisions of the Industrial Relations Act this XXth day of XXX 2015 between the **A COMPANY PTE LTD.**, being a company registered in the Republic of Singapore, and having its place of business at XXXXXXXX (hereinafter called the “Company”) of the one part, and the **SHIPBUILDING AND MARINE ENGINEERING EMPLOYEES’ UNION** at 116 Changi Road #03-03/04/05 Singapore 419718 being a trade union of employees registered pursuant to the Trade Unions Act (hereinafter called the “Union”) of the other part.

NOW IT IS HEREBY AGREED AND DECLARED between the parties as follows:

PART I GENERAL PROVISIONS

CLAUSE 1 TITLE

This Agreement shall be known as the “**A COMPANY PTE. LTD EMPLOYEES’ AGREEMENT 2015**”.

CLAUSE 2 SCOPE

This Agreement shall cover all confirmed unionised employees of the Company, but shall exclude:

- (a) all officers and management executives holding grades M7 or above
- (b) all Finance staff
- (c) all Human Resource staff
- (d) all IT staff with access to confidential information
- (e) all confidential secretaries
- (f) all probationary and temporary employees

- (g) Work pass and permit holders that are not Malaysians

CLAUSE 3 RECOGNITION AND CO-OPERATION

(1) Recognition

- (a) The Company recognises the Union as the collective negotiating body relating to the conditions of employment of its members who are employees of the Company.
- (b) The Union recognises the rights of the Company to control, operate and manage its business in all respects as it thinks fit, and acknowledges the rights of the Company accorded by law.
- (c) The Company shall inform the Union before changes in the conditions of employment as defined herein are put into effect and the Union shall inform the Company before it takes action of any kind on behalf of or involving the employees of the Company.
- (d) The Union agrees to use its best endeavour to ensure that all its members loyally co-operate in working for the advancement of the Company's interest and business in all respects.
- (e) The Company shall extend its support and co-operation to the Union to enable it to fulfill the objectives laid down in this clause.
- (f) Correspondence from the Company to employees covered by the agreement and relating to matters within the scope of this Agreement, if necessary, shall be copied to the Union and its branch.

(2) Co-operation

The Company and the Union undertake to co-operate fully by:

- (a) actively facilitating all procedures designed to increase productivity and efficiency;

- (b) urging all employees of the Company to exercise their best effort to increase productivity and awareness in health and safety matter;
 - (c) inculcating a spirit of close co-operation between the workers and the Company in all matters, particularly economy of time, material and equipment;
 - (d) observing the grievance procedure as provided herein; and
 - (e) using their best endeavour to ensure that all employees respect and abide by this Agreement and any understanding reached from time to time between the Company and the Union.
- (3) Every employee shall carry out his duties within and/or outside Singapore as directed.
- (4) In the event of an employee refusing to perform his duties as directed, the Company may after due inquiry take disciplinary action against him in accordance with its rules and regulations.

CLAUSE 4 DURATION

- (1) This Agreement shall be effective on 1st XXX 2015 and shall remain in force until 31st XXX 2018.
- (2) This Agreement shall be in full and complete settlement of all claims by the Union relating to the rates of pay and terms of employment of the employees.
- (3) During the tenure of this Agreement, neither the Company nor the Union shall vary, modify or annul any of its terms save as is herein provided for, or in accordance with the provisions of the Industrial Relations Act.
- (4) Negotiations for a new collective agreement may commence three months before the date of expiry of this Agreement.

CLAUSE 5 NON-UNION MEMBERS

Employees of the Company within the scope of this Agreement, who are not members of the Union, shall not receive more favourable benefits than those conferred on union members.

CLAUSE 6 REFEREE

Any dispute arising out of the operation of this Agreement whilst it is in force, shall be referred by either party to the President of the Industrial Arbitration Court who shall have the discretion to select a referee appointed in accordance with section 43 of the Industrial Relations Act to determine the dispute.

CLAUSE 7 GRIEVANCE PROCEDURE

- Step 1: Any employee who has a grievance or complaint shall bring the matter to his supervisor or the next level if grievance is against his immediate supervisor. Decision shall be given within three working days by the person reported to.
- Step 2: If the matter is unresolved within three working days it shall be referred to the Department Manager (either by the employee or the branch union representative) and a decision shall be given by the Department Manager within three working days.
- Step 3: If the matter is still unresolved within three working days it shall be raised to the HR Dept (either by the employee or the branch union representative) and a decision shall be given after due investigation.
- Step 4: If the matter cannot be amicably resolved after Step 3 has taken place, the matter shall be dealt with at the Company and Union (HQ) level.
- Step 5: If the grievance is still not amicably settled, either party may refer it to the Ministry of Manpower for conciliation.

Step 6: If the grievance is still unresolved, the matter shall be dealt with in accordance with clause 6 of this Agreement.

PART II GENERAL TERMS AND CONDITIONS OF EMPLOYMENT

CLAUSE 8 PROBATION

- (1) For Job Grade M8, S, F and J, the probationary period is three months, during this period resignation or termination notice to be given shall be one week.
- (2) After confirmation, resignation or termination notice to be given shall be one month.
- (3) At the discretion of the Company, the probationary period may be extended up to another three months if the probationary employee is found not suitable for confirmation at the end of the period of three months.
- (4) Confirmation letter shall be given upon staff confirmation.

CLAUSE 9 WORKING HOURS

- (1) Company working hours:
Mondays to Fridays
0730 hrs - 1215 hrs (working hours)
1215 hrs - 1300 hrs (lunch break)
1300 hrs - 1700 hrs (working hours)
Night Shift working hours:
1900 hrs – 2330 hrs (working hours)
2330 hrs – 0015 hrs (meal break)
0015 hrs – 0415 hrs (working hours)

PART III TERMS AND BENEFITS ON TERMINATION OF EMPLOYMENT

CLAUSE 10 RETIREMENT

- (1) Retirement age to be in accordance with the provisions of the Retirement and Re-employment Act and the provisions there of.
- (2) Employees who are Singaporeans or Permanent Residents of Singapore who turn 62 after 1st January 2012, will be covered by the Retirement and Re-employment Act.
- (3) Upon reaching the retirement age, an employee may be re-employed in service after retirement upon such terms as the Company may determine subject to mutual agreement provided such employee is medically fit for work. As a general rule, the re-employment's service period would be one year.
- (4) Staff who are eligible for re-employment with the Company shall be offered re-employment contract at least 3 months in advance. If employee is re-employed in the same job, he/she shall be paid the same pay.
- (5) Employees who reach retirement age in January - June shall retire in June of that year and those reaching retirement age in July - December shall retire in December of that year. The employee who retires may be awarded pro-rated annual bonus (based on the completed months of service within the year he retires) subject to his performance and at the discretion of the Company.
- (6) In the event where the Company is unable to find suitable jobs for eligible retired employees for purpose of re-employment, the Company shall offer a one-off Employment Assistance Payment (EAP) equivalent to at least 3 months of the employee's last drawn gross salary (subject to a minimum of \$4,500/- and a maximum of \$10,000/-). The amount of EAP shall reduce over time and be pro-rated as the employee approaches the age of 65 in accordance with the recommendation provided in the Tripartite Guidelines on Re-employment of Older Workers.

CLAUSE 11 TERMINATION NOTICE / PAYMENT

Company shall inform the Union before the termination and dismissal of employees and the termination/dismissal shall be administered in compliance with the Employment Act.

CLAUSE 12 RETRENCHMENT

- (1) In the event of retrenchment the Company shall inform the Union in writing of the impending retrenchment at least one month before the last day of service of affected employees and before notice is given to employees.
- (2) Notice of termination to employee shall be one month or one month's pay in lieu of notice.
- (3) Any retrenchment benefits agreed between the Company and Union shall be paid to all retrenched employees affected by that retrenchment.

CLAUSE 13 BEREAVEMENT FUND

The Company shall provide immediate financial relief equivalent to one month's gross salary in the event of death of an employee to the affected employee's next-of-kin.

PART IV SALARY AND OTHER MONETARY ITEMS

CLAUSE 14 SALARY RANGES

The salary ranges for industrial/junior employees are as follows.

<u>Job Grade</u>	<u>Salary Range</u>
J	S\$1,000.00 - S\$2,150.00
F	S\$1,200.00 - S\$2,500.00
S	S\$1,400.00 - S\$3,500.00
M8	S\$2,000.00 - S\$4,850.00

CLAUSE 15 ANNUAL INCREMENT

- (1) All confirmed employees under the scope of this Agreement shall be considered for an increment in their salaries on an annual basis on the 1st of January of each year.
- (2) Based on Company's performance and the company's ability to pay, increments shall be granted on the basis of performance of each employee which shall be determined by a performance appraisal exercise and in consultation with the Union.
- (3) The annual increment for January shall be based on the salaries of eligible employees in the preceding December.
- (4) The Company shall consult and negotiate with the Union and reach an agreement on the average increment quantum of the year, after the release of the NWC guidelines.

CLAUSE 16 ANNUAL WAGE SUPPLEMENT

- (1) The Company shall pay to employees who are confirmed an annual wage supplement of one month's salary in the month of December based on their basic salary drawn in December.
- (2) In the event of poor business or severe downturn, the annual wage supplement may be varied based on negotiation between the Union and Management.
- (3) For disciplinary cases, the annual wage supplement may be held back. For such cases where the annual wage supplement is held back, the Union shall be informed of the Company's decision at least one week before the annual wage supplement payout date.
- (4) The annual wage supplement is part of the variable bonus as set forth in clause 17.

CLAUSE 17 VARIABLE BONUS SCHEME

- (1) A variable bonus shall be payable to all confirmed employees who have served at least 3 months of service and will be based on the Company's business and individual performance for that completed year.
- (2) For all confirmed employees who have not served a full year, payment shall be pro-rated based on working days served in the calendar year.
- (3) All unpaid leave shall be taken into consideration and pro-rated in computing the Variable Bonus.
- (4) For employees who come under disciplinary and/or underperformance cases, deductions or forfeiture shall be made when computing the variable bonus. The Company is to inform the Union in writing on employees under such cases prior to the variable bonus payouts.

CLAUSE 18 SEA TRIAL ALLOWANCE

- (1) Company to provide meals and drinks for employees going on sea trial.
- (2) Employees who are working out at sea beyond their normal working hours shall be paid overtime rates in accordance with Employment Act.

CLAUSE 19 DIVING ALLOWANCE

The Company shall pay a diving allowance of S\$20.00 for each dive.

CLAUSE 20 OUTSTATION EXPENSES

Outstation expenses are set out in Appendix I.

CLAUSE 21 TRANSPORT

- (1) If Company transportation is unavailable and the MRT facility is available, employees will be reimbursed taxi fare to the nearest MRT (Boon Lay MRT) after the following timings:
 - (a) Monday - Friday - After 2100 hours
 - (b) Saturday - After 1700 hours
 - (c) Sundays/Public Holidays - After 1700 hours
- (2) After 2200 hours, employees will be reimbursed taxi fares to their homes.
- (3) All taxi bookings must be arranged on a four persons sharing a cab basis system through the security department. Reimbursement of taxi claims must be supported by receipts.

PART V LEAVE

CLAUSE 22 ANNUAL LEAVE

- (1) For Job Grade S, F and J, employees who have served the Company continuously for at least three months shall be entitled to paid annual leave for each year of service as follows:

Year of Service	Annual Leave Entitlement
1st year	12 working days
2nd year	13 working days
3rd year	14 working days
4th year	15 working days
5th year	16 working days
6th year	17 working days
7th year and above	18 working days

- (2) M8 employees who have served the Company continuously for at least 3 months shall be entitled to 18 days of paid annual leave for each year of service. M8 employees will be entitled to

21 days of leave for each year after reaching the 10th year of service.

- (3) Any employee who did not complete 12 months of continuous service in any year shall only be entitled to pro-rated annual leave.

CLAUSE 23 SICK LEAVE

- (1) Every employee who has served the Company for a period of at least three months and with the production of a medical certificate from the Company's panel of Doctor or a registered Doctor or any Government medical officer in Singapore shall be eligible for paid sick leave not exceeding in the aggregate:
 - (a) 14 days in each calendar year, if no hospitalisation is necessary; or
 - (b) 60 days in each calendar year, if hospitalisation is necessary provided that if any employee is hospitalised for less than 46 days in any year, his entitlement to paid sick leave for that year shall not exceed the aggregate of 14 days plus the number of days on which he is hospitalised.
- (2) The Company shall treat all sick leave certificates issued by any registered dentist as paid sick leave to be offset against the employee's sick leave entitlement.

CLAUSE 24 LONG TERM SICK LEAVE

- (1) In the event of an employee (with at least one year of service) contracting stroke, tuberculosis, cancer, heart or kidney diseases, he shall be granted the following long term sick leave provided he is being certified to be unfit for work by the Company's appointed doctor or any government medical officer:
 - (a) First 6 months - Full pay
 - (b) Second 6 months - Half pay and
 - (c) Next 6 months - No pay

- (2) Company will send the employee for medical assessment at the end of every 6 months period during the long term sick leave. If the employee is unable to continue working after utilizing the full 18 months of long term sick leave, the Company will medically board out the employee with the payment of the Group Term Life Insurance as per clause 32 of this agreement.
- (3) Each employee shall be entitled to a maximum of 18 months of long term sick leave cumulatively during their employment with the Company.

CLAUSE 25 COMPASSIONATE LEAVE

- (1) The Company shall grant five consecutive calendar days of compassionate leave to an employee in the event of death of his parent, spouse or child.
- (2) In the event of the death of his brother, sister, parent-in-law or grandparent, the compassionate leave is one calendar day.

CLAUSE 26 PATERNITY LEAVE

- (1) Male employees are entitled to Government-Paid Paternity Leave (GPPL) for all births if:
 - (a) The child is a Singaporean citizen
 - (b) The employee are or had been lawfully married to the child's mother between conception and birth.
- (2) Male employees not covered by the Child Development Co-Savings Act shall be entitled to one working day paid paternity leave for the birth of their first three legal children.
- (3) Male employees will have to serve the Company for a continuous period of at least 3 months before the birth of their child to be eligible for paternity leave.

CLAUSE 27 MARRIAGE LEAVE

- (1) The Company shall grant five consecutive calendar days of marriage leave to confirmed employees on their first legal marriage.
- (2) Marriage leave has to be consumed within 6 months from registration of the marriage or forfeited.

CLAUSE 28 MATERNITY LEAVE / BABY GIFT

- (1) Maternity leave benefits, childcare leave and unpaid infant care leave will be provided in accordance with the Employment Act or the Child Development Co-Savings Act.
- (2) The Company shall send a gift of \$80 on the occasion of the birth of each child.

CLAUSE 29 UNION LEAVE

The Company shall grant leave with full pay to Branch officials who attend union educational courses and industrial relations matters. Such officials have to furnish proof of event (at least one calendar week in advance) which is subject to Company's exigencies.

PART VI MEDICAL AND DENTAL BENEFITS AND INSURANCE

CLAUSE 30 MEDICAL AND DENTAL BENEFITS

- (1) The Company and the Union agree to the principle of co-payment by the employee in provision of medical benefits.
 - (a) For every outpatient consultation with the Company's panel of clinics or government clinic, the employee shall co-pay a medical fee of S\$5.00.
 - (b) The Company shall reimburse costs incurred for specialist treatment subject to a cap of S\$1,000 per year in

accordance to the insurance plan (current insurance coverage subjected to annual renewal).

- (c) The following exclusions will apply for medical coverage:
- (i) Obstetric and neonate
 - (ii) Organ Transplant
 - (iii) Psychiatric Treatment
 - (iv) Assisted Reproduction
 - (v) Private Nursing Services
 - (vi) Self-inflicted Injuries
 - (vii) Congenital abnormalities
 - (viii) House Call
 - (ix) Drug addiction and alcoholism
 - (x) Cosmetic treatment / surgery
 - (xi) Provision of appliances
 - (xii) Dental and optical
 - (xiii) Injuries resulting from mental disorder
 - (xiv) General Check-ups or routine examination/tests that are not medically necessary.
- (2) The Company will make an annual lump sum payment of \$40.00 in March for each employee who has joined the Company on 31 Aug 2013 or earlier following the introduction of co-payment for outpatient consultation.
- (3) Medical expenses incurred for consultation conducted with the traditional Chinese medicine (TCM) medical clinics will be reimbursable in accordance to the Outpatient and Outpatient Specialist policies.
- (4) The Company shall adopt a dental scheme for confirmed employees where the employee shall be reimbursed up to a maximum of S\$150 per calendar year, based on receipts issued by any registered dental clinic in Singapore.

CLAUSE 31 HOSPITALISATION COVERAGE AND BENEFITS

Medical benefits for employees will be covered as spelt out in Appendix 2 (current insurance coverage subjected to annual renewal).

CLAUSE 32 GROUP TERM LIFE INSURANCE

<u>Job Grades</u>	<u>Sum Assured</u>
M8, S, F & J	As per insurance policy but not to be less than S\$25,000.00

The Company shall submit an insurance claim under the Group Term Life Policy for an employee who is being certified medically unfit to continue to work by a registered doctor or any Government medical officer. The insurance claim is subject to the insurance company's assessment and payout.

PART VII MISCELLANEOUS

CLAUSE 33 UNIFORMS/SAFETY FOOTWEAR

- (1) Three sets of overalls and one pair of safety shoes will be issued to new employees.
- (2) Thereafter replacements shall be provided for torn uniforms and damaged safety shoes resulting from normal wear and tear.

CLAUSE 34 LONG SERVICE AWARDS

Long service awards shall be presented to employees who have completed 5 years of service and every 5 years thereafter.

CLAUSE 35 SAFETY COMMITTEE

One Union member shall be part of the HSE committee so as to help to promote effectively the safety, health and environmental activities of the Company.

CLAUSE 36 WORK INJURY COMPENSATION INSURANCE

All employees shall be insured by the Company, for the purposes of work injury compensation under the provision in Work Injury Compensation Act.

CLAUSE 37 EQUAL REMUNERATION

- (1) Both parties accept that the principle of equal remuneration for men and women for work of equal value shall apply. "Remuneration" means salary (as defined in the Employment Act) and any other consideration, whether in cash or in kind, which the employee receives directly or indirectly, in respect of employment.
- (2) The employer shall ensure that the principles of equal remuneration for men and women for work of equal value are adhered to. Regardless of their gender, employees will be paid and rewarded based on the value of job, performance and contribution.

CLAUSE 38 SPECIAL BRANCH FUND

The Company shall contribute an amount of S\$3,000 lumpsum at the signing of this Collective Agreement to the SMEEU-A Branch Activities Fund, which shall be managed by the Union Headquarter for the purpose of organising Union activities and welfare for members from the Company.

IN WITNESS WHEREOF the parties hereto have hereunto set their hands the day and year first hereinbefore mentioned.

Signed for and on behalf of:

A COMPANY PTE. LTD

**SHIPBUILDING AND MARINE
ENGINEERING EMPLOYEES'
UNION**

General Manager

Executive Secretary

Group Human Resource Manager

Branch Chairman

Branch Secretary

Branch Treasurer

In the presence of:

Human Resources Manager

Assistant Executive Secretary

A COMPANY PTE. LTD AGREEMENT 2015

OVERSEAS ASSIGNMENTS AND ALLOWANCE

- (1) When making flight and hotel reservations, the following guidelines shall apply:
Job Grade M8, S, F, J Flight Class: Economy Class
Two or more employees under job grade M8, S, F and J of the same sex who are travelling on the same assignment shall be provided with twin-sharing accommodation and three meals daily on overseas business trip.
- (2) Expenses that may be reimbursed to an Employee during business trips are as follows:-
 - (a) hotel accommodation
 - (b) business entertainment
 - (c) passport/visa application
 - (d) health examinations/inoculations
 - (e) airport tax
 - (f) baggage handling costs
 - (g) local transportation costs for official purposes
 - (h) business telephone calls, business communications, e.g. fax, telex (including one short telephone call of not more than ten minutes to family/spouse for every three days' stay overseas)

Note: Expenses unrelated to or not commensurate with the purpose of the business travel and the job grade of the Employee shall not be reimbursed by the Company.
- (3) The Company shall provide travel insurance for Employees who are on overseas business travel.

A COMPANY PTE. LTD AGREEMENT 2015

Name of Policyholder : **A COMPANY PTE. LTD**
 Group Policy No : 73646
 Period of Insurance : 1 Jan 2015 to 31 Dec 2015

S/N	Schedule of Benefits Limits Per Any One Disability	
1	Daily Room & Board – Per Day (Max 120 days for Private/Restructured/Government Hospital including ICU & Nursing Home)	4 Bedded (Pte)
2	Intensive Care Unit	\$10,000
3	Hospital Miscellaneous Services	\$2,000
4	Surgery (subject to Schedule of Surgical Benefits except for Government & Restructured Hospital including NUH)	\$3,000
5	In-Hospital Attending Doctor's Visit Per Day - (Max 120 days for Private/Restructured/Government Hospital)	\$50
6	Pre-Hospitalisation Specialist Consultation	\$1,000
7	Pre-Hospitalisation Diagnostic X-Ray & Lab Test	
8	Post-Hospitalisation/Surgery Treatment	
9	Medical Report Fees (For Admissible claims Only)	\$75
10	Dental Treatment due To Accidents	\$650
11	Ambulance Fees	\$150
12	Emergency Outpatient Treatment (For Accidents Only)	\$2,000
13	Death Benefit	\$10,000
14	Outpatient Kidney Dialysis/Cancer Treatment Max Per Policy Year: No Co-Insurance (Waiver of Co-Payment for both In & Outside Singapore)	\$10,000
15	Rehabilitation Benefits (Up to 31 days)	\$5,000
Overall Limit Per Disability for items 3 to 9 for admission to Singapore Government/Restructured Hospital including NUH		\$16,000

Extension of Cover for Members above Age 65 on Policy Renewal

Members insured under this Policy before the age of 65 shall be eligible for cover upon Policy Renewal, subject to the following conditions:

- (a) Participation shall be on compulsory basis.
- (b) Full benefit shall be payable under Group Hospital & Surgical Policy, Group Major Medical Benefit Rider and Outpatient Specialist Consultation and Outpatient Diagnostic X-Ray & Laboratory Test Benefit Rider per policy year per Insured Member.
- (c) Cover for the Insured Member shall automatically be terminated on the earliest of the following dates:
 - (i) The date of termination of his active full-time employment with the Policyholder.
 - (ii) The date of termination of the Policy.
 - (iii) The date of expiration of the period for which the last premium payment is made in respect of his insurance.
 - (iv) The date of expiration of the period within which the Insured Member reaches his 70th birthday.