

12. Attendance Incentive Bonus:

- 12.1 An attendance incentive bonus will be payable to Cabin Crew based upon their individual attendance in the calendar year (with payment based on the actual basic salary at the end of that calendar year on 31st December, being made at the beginning of the subsequent calendar year split equally between the end-February and the end-March payrolls) depending upon the number of days of sickness leave and casual leave unutilised during the calendar year as follow:

<i>Days of sickness/casual leave unutilised in the calendar year</i>	<i>Attendance bonus (calculated on basic salary only)</i>
18 days or more	08 weeks
16-17 days	07 weeks
14-15 days	06 weeks
12-13 days	05 weeks
10-11 days	04 weeks
08-09 days	03 weeks
06-07 days	02 weeks
Less than 06 days	Nil

- 12.2 If an employee is marked as “unauthorized absence” then such days will also be included with the days of sickness leave and casual leave utilised for the purposes of calculating eligibility for this attendance incentive allowance.
- 12.3 For the avoidance of doubt, in the case of Cabin Crew covered and bound by this Agreement, the applicable monthly salary for any annual attendance bonus shall be monthly basic salary only as defined in Section 8 of this Agreement.
- 12.4 The employees to be entitled for this payment, must still be in service and in current employment on the date of payment.

13. All other Allowances:

- 13.1 LONG-SERVICE ALLOWANCE.– When an employee in Grades C1 – C5 (formerly 3C – 7C) has completed 10 years of continuous service but less than 15 years of continuous service, then they will receive a long-service allowance of Rs. 500 per month. Likewise, when an employee in Grade C1 – C5 (formerly 3C – 7C) has completed 15 years of continuous service, then they will receive a long-service allowance of Rs. 750 per month. For the avoidance of doubt, these long-service allowances are not considered to be part of basic salary, but are separate stand-alone allowances intended to reward long-service. These allowances only apply to Grades C1 – C5 (formerly 3C – 7C) inclusive and equivalent parallel grades.
- 13.2 FLYING ALLOWANCE.– With effect from 01st June, 2004, all Cabin Crew covered by this Agreement who are on rostered duty patterns will receive a flying allowance for each duty-day actually worked, expressed in Sri Lankan Rupees (Rs.) per duty-day of:

<i>Grades</i>	<i>Flying Allowance (Rs) per duty-day</i>
C1	200
C2	350
C3	500
C4	700
C5	900

This duty-day flying allowance applies to all types of duty, including (but not restricted to) flying duty, operational duty, repositioning and dead-heading duty, training duty, and stand-by duty. This duty-day flying allowance is only paid if either the duty allocated is performed in full (including all types of duty) or during annual leave (for every day of annual leave), but this duty-day flying allowance is not paid during sick leave or casual leave or any other type of leave or absence.

With effect from the date of signing this agreement, a duty day will mean, each 24 hour period commencing from 0001 hrs and ending at 2359 hours. This will be applicable only for flying allowance payment.

Flying allowances earned in one calendar month will be paid in the payroll at the end of the subsequent calendar month.

- 13.3 LAUNDRY ALLOWANCE.– All cabin crew in Grades C1 – C5 (formerly 3C – 7C) who are required to wear a uniform full-time will receive Rs. 250 per month as a mostly laundry allowance to assist them in keeping their uniform clean. This laundry allowance is intended to reimburse expenses to the employee by paying part of their uniform cleaning bills and is intended as a subsidy rather than payment in-full of all laundry expenses.

With effect from 1st September, 2004, instead of Rs. 250 per cabin crew, the following will be made available with a Laundering Contractor:

Females	–	10 pieces (Sarees, Jackets) to be laundered per month
Males	–	12 pieces (Trousers, Shirts, Jackets) to be laundered per month

For each piece the crew member will have to make a payment of Rs. 25. The balance cost will be borne by the Company.

13.4 TEA ALLOWANCE.– The monthly tea allowance for all cabin crew will be Rs. 200 per month.

13.5 MEAL ALLOWANCE WHILST ON LAYOVER TRIPS OR TURN-AROUND TRIPS (ALL FLEETS).– When Cabin Crew in Grades C1 – C5 (formerly 3C – 7C) go on flying duties (regardless of whether or not a layover in a slip location is involved), meal allowances will be paid as follows (for all locations): (Meal Allowance will be paid in accordance with the monthly Company published Exchange rate)

<i>Allowance</i>	<i>Payment</i>	<i>Timing</i>
Breakfast	US\$ 20.00	07.30-08.30
Lunch	US\$ 20.00	12.30-13.30
Dinner	US\$ 20.00	19.30-20.30

All time Schedule for applicability of meal allowances as listed above are shown in local times. Cabin Crew will be eligible for these meal allowances for their total time away from base, commencing from 01 hour and 20 minutes before scheduled time of departure (Ex Colombo) and finishing half an hour after actual time of arrival back at base.

In case where currencies are not accepted on Board, the rates will be published and displayed on the notice boards, and a copy of same will be given to all Pursers.

13.6 NIGHT-STOP ALLOWANCE AND HOTELS.–When Cabin Crew in grades C1 – C5 (formerly 3C-7C) go on flying duties involving a layover in a slip location, then for a flight departing from or returning from or returning to Colombo where a hotel stay is required at a slip location in a hotel whilst on-duty, then a night-stop allowance will be paid provided they are on-duty at 00.01 and layover involved as follows:

US\$ 15.00 per night (for all locations) for grades C1/C2/C3/C4
US\$ 18.00 per night (for all locations) for grade C5

A criteria would be established to determine the selection of hotels for both cabin and technical crew. Once this criteria is established, a working committee comprising representatives of Central Procurement, FAU Exco nominated Cabin Crew and Technical Crew would select the hotels and make recommendations, regarding proposed hotels for selection.

Further all hotels selected shall conform to the Civil Aviation Authority regulations. It is agreed that the minimum guideline is to recognize four – star hotels.

The hotel room allocation policy is that the Leading Stewards/Stewardesses and Pursers/Senior Pursers will be allocated a single room.

With regard to provision of single rooms, it was decided that the provision of single rooms to those in the most senior grade in the Flight Steward/ss category (grade below Leading Steward/ss) will be provided within a period of 6 months of signing the agreement and establishment of new Hotel Accommodation policy. In the event of a change to the grading structure, Single room provision will be for the most senior grade below the grade of Leading Steward/ss.

Cabin Crew in grades C1 & C2 will be allocated a room on shared basis. This condition will apply until 31st May 2009.

Facilities in Hotels – All facilities which are incorporated in the Hotel contracts will be made available to the FAU HOTAC Committee. (maximum of 3)

13.7 WARM-CLOTHING ALLOWANCE.–With effect from 01 June 2004, the warm-clothing allowance for Cabin Crew in grades C1 – C5 (formerly 3C-7C) who are required to perform duty-travel to overseas locations where warm-clothing is deemed necessary is US\$ 150 per year.

13.8 FOREIGN LANGUAGE ALLOWANCE.–All Cabin Crew are required to be fully proficient in languages that are commonly used in Sri Lanka. For the purposes of defining a foreign language, Sinhalese, Tamil, and English are considered as commonly used languages in Sri Lanka, and hence are not classified as foreign languages. Cabin Crews in Grades C1–C5 (formerly 3C-7C) who are fully proficient in, and required in their job to use, a foreign language will receive a fixed monthly allowance of Rs. 2,500 per month per foreign language.

- 13.9 TRANSPORTATION.– The Company will provide all Cabin Crew with a transportation pick-up and drop-off service from certain collection points and feeder locations defined by the Company for all duty requirements. The company-provided pick-up and drop-off service will be offered free of charge to all Cabin Crew in grades C1 - C5 (formerly 3C-7C) so the transportation service will become zero-based (no allowance, no deduction).

In addition to the current routes, the Management will provide transport facilities for Crew who are residing on the Colombo Kandy Road in keeping with the present Company policy on crew transportation.

- 13.10 OTHER ALLOWANCE.– There are no other allowances or payments that apply to employees who are locally employed in grades C1 – C5 (formerly 3C-7C) inclusive of the Cabin Crew grade structure other than those listed in this Agreement.

14. ***Crew Complement.***–

- 14.1 As and when new aircraft types are introduced to the fleet the Management will discuss with the Executive Committee Members of the FAU, on service procedures. However the decision regarding the crew complement/all service procedures is at the discretion of the Company.

Reference decision regarding crew complement, it was agreed that the existing crew complement will not be reduced and that at least 95% of flight will operate with the required complement of crew.

- 14.2 A passenger seat will be allocated under the following circumstances

- (a) Bereavement of an immediate family member
- (b) A crew member returning to base on medical grounds
- (c) In the event of a medical emergency involving an immediate family member.
- (d) When the Company requires Cabin Crew to participate/represent the Company in promotional activities.
- (e) SNY/Dead heading crew will be provided with a passenger seat other than on SNY flights for training.

- 14.3 In the event of bereavement or a medical emergency involving an immediate family member, the crewmember would be brought back to the base direct or via another station on Sri Lankan or any other carrier which ever is faster. The cost will be borne by the Company.

Definitions of Supernumerary (SNY)/Dead heading – refer Cabin Crew Safety Manual

For this purpose immediate family member will include Spouse, Children, Mother, Father, Mother-In-Law, Father-In-Law, Brother and Sister.

- 14.4 ROSTERS & ROSTER MONITORING COMMITTEE.– Working outside normal functions – If requested by the Company, (Manager or his designate in his absence) the Crew working in ranks/areas other than their stipulated job functions, will continue to enjoy the same benefits applicable to their grade.

A log entry to be maintained where such crew members are utilised and such entry to be reviewed on a daily basis by ISM (OPS). This report will be made available to the Roster Monitoring Committee on request.

- 14.5 Equal distribution of flights – An audit will be conducted by a Roster Monitoring Committee comprising of two members from the Management, one member from the Cabin Crew Scheduling Section and three members nominated by the Executive Committee of the FAU.

This committee will look into a procedure that will maintain transparency in equal distribution of flights, permitting access to all rosters.

The Committee will meet quarterly.

15. ***Income Tax and Statutory Deductions.***

- 15.1 It is agreed by all parties that the individual Employee is at all times fully responsible for their own income tax liabilities and payments and for payment of any other statutory Employee contributions and deductions.

- 15.2 The Company will endeavour to process all payments to Employee in the most tax-effective manner possible within the applicable laws and income tax regulations.

16. **Uniforms.–**

- 16.1 Employees who are required to wear a uniform during duty hours must do so, and the employee must ensure that the uniform is worn in compliance with the standards set by the Company. Uniforms will be issued according to Company requirements and regulations (and all Cabin Crew will be provided with 5 sets of uniforms per annum). Uniforms will remain at all times the property of the Company. All uniforms are issued by the Company free of charge. Employees are fully responsible for keeping their uniform clean, presentable and in good condition at all times.

17. **Letters of Appointment.–**

- 17.1 Upon successfully completing a medical examination conducted by a registered medical practitioner recognised/nominated by the Company, and upon successfully completing all other pre-employment formalities, each newly appointed Employee shall be issued with a letter of appointment in duplicate. Both parties will be required to sign this letter, and a copy shall be kept by each party for their individual records.
- 17.2 This letter of appointment shall state, inter-alia, the job title, grade, salary, and other terms and conditions of employment, including the probationary period. It will also state that the Employee concerned will only be confirmed in their employment after the satisfactory completion of the necessary probation period.
- 17.3 In the event if the Company has to recruit non nationals as Cabin Crew, the same terms and conditions of this Collective Agreement applicable to local Cabin Crew would apply to such non national Cabin Crew.
18. **Probationary Period on Joining.–** For permanent Employees the period of probation on joining the Company is **six months**. Employment may be terminated by either party at any time during the period of probation without notice and without any reason in accordance with the provisions of the applicable Labour Laws of Sri Lanka.
19. **Notice Period for Termination of Employment.–** For all Employees (except Employees under probation) the period of notice to terminate employment is **one month** for all Cabin Crew in grades C1 – C5 (formerly 3C-7C) inclusive from either party.

20. **Flight Time Limitations and Rosters.–** As per current practices.21. **Leave Entitlements.–**

- 21.1 DEBIT SYSTEM FOR ALL TYPES OF LEAVE.– Due to the unusual and highly variable working roster pattern of Cabin Crew, all policies for the various types of leave are simply expressed in calendar days. If a Cabin Crew takes one calendar day off from roster (regardless of the nature of assignment of that calendar day on their roster) then it is simply debited as one calendar day for various types of leave.
- 21.2 ANNUAL LEAVE.– The paid annual leave entitlement for all Cabin Crew employed on permanent terms in grades C1-C5 is 21 calendar days of paid annual leave per calendar year. The entitlement to annual leave applies to the calendar year. Each Cabin Crew is required to utilise at least 50% of their annual leave entitlement in one continuous block, and this period will be defined as the annual long-leave block.

For the purposes of calculating annual leave debits for Cabin Crew, the total period of annual leave will be determined in calendar days, and this total period will commence from the time that the Employee commences annual leave and will end at the time that the Employee reports back after annual leave to be available for rosterable work. If this total period of annual leave includes what would otherwise have been some rostered days-off, then those days-off will also be fully included in this total period of annual leave calculated in calendar days.

Annual leave requests for at least 14 days for the following calendar year should be submitted to the Company no later than the end of the eleventh month of the previous calendar year. In the event of a request for annual leave not being made, then the Company may allocate the leave entitlement as operationally required. Annual leave not utilised in one year may be rolled-over to the next year only, and thus the maximum accrual of paid annual leave shall not exceed 42 calendar days. Annual leave may not be encashed if unused. Where a request for leave is denied for operational reasons, then the Employee has the right to roll-over that denied leave without any penalty or forfeiture or limit.

- 21.3 CASUAL LEAVE.–For all Cabin Crew in grades C1 – C5 (formerly 3C-7C) inclusive, the paid casual leave entitlement per calendar year is 7 working days. The entitlement to casual leave applies to the calendar year. Casual leave not utilised in one year may not be rolled-over, and nor may it be encashed if unused.

For all Cabin Crew in grades C1 – C5 (formerly 3C – 7C) inclusive, the debit system of casual leave will be based on the rule that one working day of casual leave is defined as one duty-day.

21.4 LEAVE FOR ACCIDENTS OCCURRING WHILST ON DUTY.– In the event of an accident whilst on duty which renders the Employee unable to perform their duties, then subject to evaluation by the Safety Section and approved medical certification by the Company Medical Officer (CMO), paid accident leave of up to 3 calendar months may be granted by the Company.

This paid accident leave will be paid on the basis of a combination of monthly basic salary as defined in section 8 of this Agreement plus any applicable personal differential allowance as defined in section 8.6 of this Agreement. However, if there are any payments under the accident insurance policy (as defined in section 28 later) then such insurance payments will be deducted from the accident leave pay to be paid by the Company.

At the discretion of the Company, accident leave may be extended beyond 3 calendar months based upon a medical review by a specialist doctor and the Company Medical Officer (CMO), and will continue to be paid. However in no circumstances will the Company extend the total leave for accident whilst on duty beyond 12 calendar months in total.

In this context if an accident occurs whilst travelling on any official duty, from residence to work or vice-versa, then such an accident will be treated in accordance with this section as an accident whilst on duty.

During any approved period of accident leave, all associated medical expenses will be borne in full by the Company after evaluation by the Company Medical Officer (CMO). Such accident medical expenses are to be treated separately and outside from the limits of the medical benefits scheme detailed in section 27 of this Agreement.

21.5 TWO -YEARS NO-PAY LEAVE.– The Company will permit a period of upto two - years no - pay leave for the following purpose:

- (a) To pursue further training or a course of studies where such training or course of studies is relevant to the field of work in which the Employee is engaged, provided that the Departmental Manager recommends that the Employee can be released for the period of no - pay leave without replacement, and the Head of Service Delivery approves the recommendation.
- (b) For any other reasonable purpose, including overseas employment (but not for employment in Sri Lanka), if the Departmental Manager recommends that the Employee can be released for the period of no - pay leave without replacement, and the Head of Service Delivery approves the recommendation.

A maximum of 4 Cabin Crew in permanent employment in grades C1-C5 inclusive will be permitted at any one time to be on no - pay leave as per the conditions of this section. In order to be considered for no - pay leave, an Employee must have completed at least ten years of continuous service with the Company, and consideration for such no - pay leave will only be given once per employment lifetime per Employee.

During the period of no - pay leave, all benefits will be suspended as per the rules and regulations governing this policy for upto two - years no - pay leave. Also the period of no - pay leave will not be considered as being part of active service.

The maximum period of no - pay leave is two years, and under no circumstances will extensions be considered. Whilst on no - pay leave, the Employee will be required to sign a bond to the Company as per the rules and regulations governing this policy for upto two - years no - pay leave.

21.6 SICK LEAVE.– The sick leave eligibility for all Cabin Crew in grades C1-C5 covered and bound by this Agreement is upto 14 working days of paid sick leave per calendar year. In exceptional circumstances, subject to the approval by the Company Medical Officer (CMO), additional unpaid sick leave of upto a further 90 calendar days may be granted.

For the purposes of calculating sick leave debits in working days for Cabin Crew, the following procedure will apply:

- (a) First the total period of sickness will be determined in calendar days, and this total period will commence from the time that the Employee reports sick and will end at the time that the Employee reports fit. If this total period includes any rostered days - off, then those days - off will also be fully included in this total period of sickness in calendar days.
- (b) Second, regardless of shift - type or shift length in working hours, a pro - rata number of days - off will be deducted from this total period of sickness to aid the conversion of sick leave from calendar days to working days (based on the underlying philosophy for the regular day pattern that 7 calendar days equates to 5 working days.) Thus the number of working days of sick leave that will be debited will be calculated as per the table below: