

**COLLECTIVE AGREEMENT
WAGES AND CONDITIONS OF EMPLOYMENT**

FOR THE PERIOD

1 JULY 2012 TO 30 JUNE 2013

Between

**BOMBELA OPERATING COMPANY
(Hereinafter referred to as the "the Company")**

and

UTATU SARHWU

(Hereinafter referred to as the Union)

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1. INTRODUCTION

- 1.1. This agreement is entered into by the Company and the Union who act on behalf of its members who are employees of the Company.
- 1.2. This agreement shall apply to all union members and non-union members employed within the bargaining unit.

THE PARTIES AGREE AS FOLLOWS:

2. INTERPRETATION

- 2.1. In this Agreement unless otherwise or inconsistent with the context –
- 2.1.1. "Bombela Operating Company" means Bombela Operating Company Pty Ltd, a private company with limited liability duly incorporated in terms of the Companies Act ,
- 2.1.2. "This agreement" means the agreement as set out herein,
- 2.1.3. "Bargaining Unit" means the company's employees employed in jobs graded B and C at the time of signing this agreement,
- 2.1.4. "Date of signature" means the date on which the agreement is signed,
- 2.1.5. "Effective date or dates of implementation" means the date on which the agreement becomes or shall become effective notwithstanding the date of signature as set out in the agreement,
- 2.1.6. "UTATU SARHWU" means, a trade union duly registered in terms of the Labour Relations Act.

3. DATE

It is recorded that this agreement was reached on 30 July 2012.

4. PERIOD OF APPLICABILITY

This agreement is operative and effective from 1 July 2012 to 30 June 2013.

5. SALARY INCREASE

- 5.1. The company shall grant an across the board increase of 7 % on the basic salary to all the employees with effect from 1 July 2012.
- 5.2. The rate of increase of the basic salary will apply to the rate of pay for overtime work.
- 5.3. The increase for July 2012 will be paid in the August 2012 salary payment to employees.

6. RETRENCHMENTS

- 6.1. The employer agrees that there will be no retrenchments for a period of twelve months from date of signing of this agreement.

7. GUARANTEED 13th CHEQUE PAYMENT

- 7.1. The company will pay employees a guaranteed 13th cheque payment calculated as 100% of an employee's one month salary in December of each year.

8. RE-GRADING OF POSITIONS

- 8.1. The company will re-grade the CSS and Conductor positions within three months of date of signature of this agreement.
- 8.2. The company will re-grade all other positions within the bargaining unit during the period of the current financial year ending in June 2013.
- 8.3. The company will select a suitable external service provider to conduct the re-grading exercise.

- 8.4. The company agrees that the process and outcome of the re-grading exercise will be made transparent to the trade union.
- 8.5. The trade union representatives will act as observers in the process

9. MEDICAL AID

- 9.1. The medical aid contributions will be paid jointly by the company and the individual employee on the current ratio of 50:50
- 9.2. The company and the union will jointly investigate potential additional medical aid providers, with the aim of selecting two additional suitable medical aid service providers.
- 9.3. The process of investigation and selection of additional medical aid providers must be completed within a period of three months from signature date of this agreement.
- 9.4. The appointment of the additional medical aid suppliers will take effect as of 1 January 2013
- 9.5. Once the additional medical aid providers have been appointed, employees will have the election, subject to the rules of the medical aid, to belong to any one of the three medical aid providers.

10. MATERNITY LEAVE

Female employees are entitled to four months (referred to as the "maternity leave period") maternity leave. The employee must indicate prior to taking maternity leave whether they wish to exercise maternity leave payment option A or maternity leave payment option B as detailed below:

10.1. Maternity Leave payment Option A:

- 10.1.1. The employer will pay the employee on maternity leave 100% of the rate of the employee's salary for months one and two of the maternity leave period.

10.1.2. The employer will pay 0% of the salary to the employee on maternity leave for months three and four of the maternity leave period.

10.2. Maternity Leave payment Option B

10.2.1. The employer will pay the employee 50% of the rate of the employee's salary for months one, two, three and four of the maternity leave period.

11. HOUSING ALLOWANCE

11.1. The employer will pay a housing allowance of R 200.00 per month to each employee.

12. NIGHT TRANSPORT ALLOWANCE

12.1. The night transport allowance will be increased from R20.00 to R21.00 with effect from 1 July 2012.

13. NIGHT SHIFT ALLOWANCE

13.1. The Night shift allowance will be increased from R15.00 to R16.00 with effect from 1 July 2012.

14. REVIEW OF HR POLICIES

14.1. The parties will review all HR policies within a period of three months from date of this agreement.

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15. DECLARATION OF INTEREST

- 15.1. All new employees will sign a declaration of interest in line with the existing policy.

16. CONTRACT EMPLOYEES

- 16.1. It is recorded that all Customer Service Assistant employees have been made permanent by date of this agreement.

17. EMPLOYEE CONCESSIONS

- 17.1. The employer will engage the concessionaire to determine if any concession on parking and fees for the use of the train can be granted to employees.
- 17.2. The company will report back to the trade union within three months of date of this agreement as to the outcome of these discussions.

18. DISPUTE RESOLUTION

- 18.1. Any dispute arising out of the interpretation and/or application of this agreement, both while in force and after its termination, shall be dealt with in terms of the applicable dispute resolution provisions contained in the recognition and procedural agreement between the parties.

19. ENTIRE AGREEMENT

- 19.1 This agreement constitutes the entire agreement between the parties.
- 19.2 No variation or amendment of this agreement shall have any legal effect unless reduced to writing and signed by the parties.
- 19.3 The parties who sign this agreement warrant that they are duly authorized and mandated to sign on behalf of the parties they represent.

SIGNED and DATED at Midrand on this 30th day of July 2012

A. Esteve

For BOMBELA OPERATING COMPANY

(duly authorised hereto)

State name and position ALAN ESTEVE CEO

Sita Sahadeo

Witness: Name

[Signature]

Signature

Executive Human Resources

Position

I.B. Phiso

For UTATU-SARHWU

(Duly authorised and mandated)

[Signature]

Signature

Deputy General Secretary

Position

S.M. Muzumbe

Witness: Name

[Signature]

Signature

SAOP STEWARDS

Position

[Signature]