

This is an EXAMPLE only and each franchisee needs to amend it to their own internal procedures and policies relating to their staff and agents. There are many clauses in the document that may not be relevant to the running of the business.

The only document required by the Franchisor is the Code of Ethics and Business Practices, which needs to be signed by all employees and/or agents and then uploaded to Salesforce.

This Handbook has been designed to be in keeping with current CCMA and Labour Laws to assist you as an Employer in the management and discipline of your staff.

Should it become necessary to bring a case before the SAGH Disciplinary Board, the steps indicated below must have been followed by you as the employer. If these steps have been followed and the issues are not resolved, the parties have the right to approach the Franchisor for intervention and the convening of a Board. The decision of the Board is final and binding on all parties.

GOLDEN HOMES EMPLOYEE HANDBOOK

Notice to all members

Pay and Benefits

- Salaries and commissions
- Payday
- Salaries and commission reviews
- Overtime

Leave

- Annual leave
- Family responsibility leave
- Unauthorised leave
- Sick leave
- Maternity leave
- Unpaid leave
- Payment in lieu of leave on termination
- Unemployment Insurance Fund (UIF)
- PAYE and SITE

Hours of work

Dress code

Salary/commission advances

Personal gain

Company's information technology “IT”

Confidentiality

- Confidentiality agreement
- Code of Ethics and Business Practice

Disciplinary procedure

Offenses

1. Important notice to all members:

- a.** This Employment Handbook (herein referred to as the “Handbook”) provides you with detailed information on the terms and conditions of your employment with **Golden Homes (Branch name)** (herein referred to as “the Company”)
- b.** This Handbook in conjunction with you Contract of Employment and/or letter of engagement together with the Job Description and Code of Ethics and Business Practices constitutes your entire employment agreement with the Company. The provisions contained in this agreement are therefore binding on you and the Company.
- c.** It is of utmost importance that you familiarise yourself with the contents of this Handbook as well as the other agreements mentioned above. If there is anything you do not understand or any aspect that is in any way unclear to you, please clear it up with your Principal or the Personnel Department. Please make sure you understand, appreciate and agree to the contents as they apply to you before you sign this handbook. By signing this Handbook, you are confirming your agreement with its contents insofar as they relate to you.
- d.** The information in this handbook applies to all the Company’s employees, where applicable. We all understand that policies and procedures change from time to time and you are responsible for keeping your Handbook updated by reading and inserting any amendments which may be distributed and made available through the various communication channels used by the Company.
- e.** You will note that the Handbook refers to many acts or behaviours that are “prohibited.” Please note that these are not the only behaviours that can attract disciplinary action, and that any contravention of the employment relationship recognised in law can be the subject of disciplinary action, and possibly dismissal, as it is not possible to list each and every type of infringement in this document.
- f.** The Company carries on business as it relates to providing service in real estate sales and letting, be that residential, commercial and industrial, farming, etc. As such you are required to familiarise yourself and keep yourself current with all of the laws and legislation relating to the performance of your duties in this highly regulated industry. By accepting employment with the Company, you have in any event represented that you are current with the prevailing laws and legislation relating to the duties you are to perform. Please be aware that failure to adhere to the above could cause prejudice and harm to the Company.

- g. You will note that there are many instances (for example study loans or advances, to name a few) where the Company has the right to off-set monies from your salary/commission payments. By your signature hereunder, you hereby agree and consent to the Company deducting monies from your salary/commission in the circumstances and in the amounts referred to in this Handbook and/or in your employment agreement.
- h. Again, you are reminded that your signature at the end of this Handbook confirms that you have read, understood and accepted its contents.

2. Pay and Benefits

a. Salaries/Commissions

All information regarding salary and/or commission packages are strictly confidential between each employee and the Company. As such, to discuss or divulge your salary/commission, or to solicit information from another employee regarding their salary/commission, is prohibited.

b. Payday

- i. Payday for the administration staff is the 25th day of each month. Should this day fall over a weekend, payday will be on the Friday prior to the 25th day of that month.
- ii. Commissions will be paid 7 (seven) days after the Company has received payment into their bank account. Should the commission clear over a weekend, it will be paid the Monday following the weekend in which it clears.

c. Salary/commission reviews

- i. Salaries will be reviewed annually in arrears from the month in which each employee became a permanent employee of the Company. (For example: if you are appointed as a permanent employee on the _____ your first salary review date will be the _____).
- ii. Salary increases are determined solely at the discretion of the Company, based on many issues, which include, but are not limited to, employee's individual merits, policy considerations, operational requirements of the business and any other relevant factor. No minimum amount or percentage per increase is guaranteed and an increase given in one year will not operate as a precedent for successive increase valuations.

- iii. Commission percentage increases will be determined on an annual basis as per i and ii above, or as per any commission incentives initiated by the Company.

d. Overtime

i. Administration Staff:

It is required that your time be managed effectively in order that your work can be done and kept up to date during normal office hours. It is not necessary to work overtime.

ii. Agents:

While you are not bound to specific office hours, you are required to work an average of 40 hours a week, which includes weekends. Any work required by the Company in the evenings or weekends is considered as part of the 40 hours per week and it is compulsory for agents to be available for client viewings, show houses and Company marketing events.

3. Leave

a. Annual Leave

- i. You are entitled to 15 days leave for each completed annual cycle of service. The cycle of service is calculated from the 1st January to the 31st December of each year.
- ii. Annual leave is calculated in arrears, not in advance.
- iii. Leave must be applied for in writing two weeks before leave is taken. The relevant leave form can be obtained from your Principal or Personnel Department.
- iv. The Company reserves the right to postpone any leave application, in the interests of its efficient running.
- v. Leave cannot be taken during a notice period.
- vi. Annual leave may be accumulated to a maximum of 7.5 days, which may be carried over into the following year's leave cycle.
- vii. You will not be paid out for leave not taken in a leave cycle, except on termination of your employment and in that event, only in respect of leave not taken during the year in which employment was terminated.

b. Family Responsibility Leave

- i. You are entitled to 3 days leave per 3 month cycle in the event of the birth of your child (in the case of male employees), if your child falls ill, or in the event of the death of a spouse or life partner, parent, adoptive parent, grandparent, child, adopted child, grandchild or sibling.

- ii. Reasonable proof of one of the above occurrences must be supplied to the Company upon request.
- iii. Any amount of family responsibility leave not take during a cycle lapses and is not carried over to the next cycle.
- iv. In exceptional circumstances, additional compassionate leave may be granted by the Company, in its sole and absolute discretion, on a case-by-case basis.

c. Unauthorised Leave

Any leave taken contrary to the provisions of the Handbook will be classified as unauthorized. The period of any such unauthorized leave will be deducted pro rata from your salary for that month. You may also be subject to disciplinary action.

d. Sick Leave

- i. You are entitled to 30 days sick leave for every sick leave cycle of 36 months (3 years). In other words, 1.2 days for every completed month of service. Sick leave is not cumulative from one cycle to the next.
- ii. If you are absent due to illness for two consecutive days or more, or you are off ill on a Friday or a Monday, it is required that you submit a medical certificate stating the nature of the illness and the expected duration of incapacity. This certificate must be attached to a signed sick leave form and handed to the Personnel Department immediately upon your return to work.
- iii. Please Note: Should you fail to submit a medical certificate when required, any sick leave taken will be considered as unauthorized leave or may be deducted from annual leave at the sole and absolute discretion of the company. Disciplinary action will also be considered.

e. Maternity Leave

- i. In accordance with current legislation, a female employee may not work a minimum of four weeks prior to her confinement and a minimum of eight weeks after her confinement.
- ii. You are required to notify the Company as soon as reasonably possible, but not less than four weeks before the date that you intend commencing Maternity Leave, of the dates you will be on leave by completing a Maternity Leave Form, which is available in the Personnel Department.
- iii. Four months of paid Maternity Leave will be granted as follows, as a Maternity Benefit offered by the Company, which is in excess of the amount payable in law:

Administration Staff:

- 1 – 5 Years of service: 25% of gross monthly salary
- 5 – 10 Years of service: 50% of gross monthly salary
- 10 + Years of service: 75% of gross monthly salary

Sales Staff:

- 1 or more years of service: commission paid on the 20% target level.

- iv. Please note that female employees who make use of this benefit are required to return to work full time at the company and remain employed for a minimum of 6 months thereafter.
- v. Please familiarize yourselves with the provisions of section 37 of the Unemployment Insurance Act 30 of 1966 (as amended) with regards to any claims against the Unemployment Insurance Fund that you may have, as an alternative to or in conjunction with, the above, the claiming of which is your responsibility.
- vi. Should a female employee fail to return to work from Maternity Leave, the entire Maternity Benefit paid to her by the Company will have to be paid back to the Company immediately and in full, and you confirm by signing this document that you understand and appreciate that the Maternity Benefit offered by the Company is an extra expense incurred in the expectation that the employee returns to work.

g. Unpaid Leave

Unpaid leave will only be granted in exceptional circumstances, and at the sole and absolute discretion of the Company on a case by case basis.

h. Payment in lieu of leave on termination

- i. If you leave the company, having already taken more than your annual leave entitlement, the Company will deduct the pro rata amount corresponding to your annual leave entitlement for your length of service from your final salary,
- ii. If you have taken less than your annual leave entitlement, you will receive a pro rata payment for leave not taken during the leave cycle during which termination takes place, calculated up to and including the last day of service.

4. Unemployment Insurance Fund

- a. All permanent employees, other than estate agents employed on a commission only basis, are required by law to contribute to UIF.
- b. Accordingly, as the legislation currently stands, an amount of 1 % of your basic salary is deducted monthly. The company contributes an additional 1 % of your basic salary.
- c. UIF contributions are eligible for certain benefits. For further information please contact the Personnel Department.

5. PAYE and SITE

All employees are required by law to pay income tax on their total remuneration. Income tax is determined per individual and will be deducted from your remuneration and paid over to the South African Revenue Services. Should you have a query regarding your income tax, please contact the Personnel Department.

6. Hours of work

- a. Standard Hours: Standard hours of work are Mondays to Fridays from 08H00 to 16H30, with a one-hour lunch break. Permission to deviate from these hours must be obtained from the Personnel Department in writing

It should be noted that you may be requested from time to time to work outside of these times should the need arise. However, you will be advised well in advance in order to make the necessary arrangements.

- b. Tea Breaks: Tea breaks are from 10H00 to 10H15 and from 15H00 to 15H15.
- c. Smoke Breaks: Smoking is permitted during the lunch and tea breaks only.
- d. Personal Appointments: All personal appointments e.g. dentists, doctors, opticians, hairdressers etc., should be made outside of working hours. For reasonable medical reasons, appointments may be attended during working hours with prior permission from the Personnel Department.

7. Dress Code

The Company dress code is as follows:

- a. “Smart casual” when at the office or attending to clients.

- b. Company branded clothing is permissible and encouraged, but not a requirement.
- c. “Slip-slops,” shorts, beach wear and micro-minis (in the case of women) is not permissible during working hours, while attending to clients or at Company events.

8. Study Loans

- a. Study loans and the terms and conditions pertaining thereto will be considered on a case by case basis and shall be granted at the sole and absolute discretion of the Company.
- b. All applications for study grants must be submitted to the Principal or Personnel Department for consideration.
- c. Although the agreement regarding study loans will have many terms and conditions applicable to the Company, you need to be aware that the following basic policy provisions will apply to study loans:
 - i. The Company will, amongst other aspects, consider an employee’s previous academic history, and whether the course the employee intends applying for is connected to the business of the Company and will result in the employee being better qualified to perform his or her duties for the Company;
 - ii. It is required that an employee who receives a study loan continues to work for the company for a period of three years after the employee has received a certificate confirming completion of the course in which she or he was enrolled, in which event, the Company will not require repayment of the loan. However, if an employee who has been granted a study loan either fails the course in which he or she was enrolled (for any reason whatsoever) or leaves the Company’s employ (for any reason whatsoever) within a period of three years after receiving a certificate, the employee will be required to repay the full cost to the Company of the study loan, including interest at the prevailing overdraft rate, which amount will be deductible from the employee’s salary.

9. Telephone Calls

a.	The nature of the Company’s business dictates frequent use of the telephone. All work-related calls should, as far as possible, be directed from the Company’s landline allocated to you, and are to be directed to clients' landlines. Cellular phone numbers should only be called as a last resort, in order to save on costs.
-----------	---

- b. The use of the Company's landline telephones for private use is restricted to urgent telephone calls. Overseas calls are blocked. **Excessive use of the Company's telephones for private calls will result in disciplinary action.**
- c. **Due to the nature of the Company's business, telephone numbers dialed, and calls made are recorded and accordingly, there is no privacy in this regard. By signing this document, you consent to the fact that your telephone calls will not be private and/or confidential. In addition, you hereby give your irrevocable consent to the listening to and/or transcription of your telephone calls for purposes of any dispute (whether in the context of a business-related issue or otherwise) which may arise out of one or more of your telephone calls**

10. Personal Gain

You may not make use of any of the Company name or resources, including but not limited to telephones, computer systems, photocopy machines and facilities, for the purposes of personal gain and/or in any manner contrary to the Company's best interests.

11. Information Technology ("IT") Policy

a. General

- i. The Company IT policy does not address every possible situation: rather, it establishes a framework of actions and activities that relate to the use of the Company IT infrastructure. The fact that a particular activity or situation may not have been expressly prohibited, does not imply that such an activity is authorized. If you have any doubt, you must contact the IT Department for clarification before acting.
- ii. The Company IT infrastructure provides shared applications and resources used by the whole Company. You are therefore expected to appreciate that your actions in contravention of the IT policy will have a detrimental effect on you, the company and your co-employees.
- iii. You are required to safeguard the Company's information process data base and client particulars and you are required to take all reasonable steps to ensure that such information is not divulged to any person outside of the Company, or to any other employee of the Company who does not require such information in the performance of their regular duties.
- iv. The Company's IT policy will be reviewed periodically and may be amended due to the constant technological evolution of the Company's IT infrastructure, IT infringements and legislation generally.

b. Equipment

- i. All IT facilities, equipment, photocopy, printing and fax facilities, information (data), software and/or any associated device/s residing on or used in conjunction with the Company IT infrastructure, shall remain the sole & absolute property of the Company.
- ii. The “workstation” you may be provided with as part of your work-related equipment and the type/specifications thereof (e.g. laptop, desktop etc.) will be determined on a per user basis, which will be at the Company’s sole and absolute discretion.
- iii. You are therefore expected to utilise any IT hardware, software systems and information provided to you by the Company strictly for work related purposes and for the benefit of the Company only.
- iv. The IT department is responsible for the procurement, installation and maintenance of all computer hardware residing on the company network infrastructure. Accordingly, neither you nor any third party, is permitted to connect any hardware and/or peripheral device not supplied by the IT Department, to the Company’s network and/or related equipment.
- v. You are prohibited from disconnecting or dismantling, or allowing a 3rd party to disconnect or dismantle, any hardware and/or peripheral device from the Company’s network.
- vi. If you wish to connect or disconnect any hardware device/s, you are required to obtain written permission/consent from the IT Department.

Software

- vii. You are prohibited from loading, unloading and/or configuring any software on any Company IT system, or allowing a 3rd party to do so, without the approval of the IT Department. This restriction applies to commercial software, shareware and freeware.
- viii. You are expressly prohibited from using Company facilities to make illegal copies of licensed or copyrighted software. Copyrighted software may only be used in accordance with its license or purchase agreement.
- ix. You are prohibited from using any type of destructive software whatsoever that is designed, for example, to destroy data, provide unauthorized access to computer systems, facilitate fraud and/or disrupt system processes in any way. The use of viruses, worms, Trojan horses, and other invasive software is strictly forbidden.
- x. The Company installs anti-virus software on all of its computer systems, and you are required to use it. You are prohibited from tampering with this software or from turning it off. All external storage devices inserted into the Company’s computers must first be scanned for viruses or other

forms of malicious software. If you receive warnings about viruses, please forward the information immediately to the IT department. Employees must immediately report any malfunction that might be related to a computer virus to the IT department.

- xi. If you wish to load, unload and/or configure any software you are required to obtain assistance from the IT Department.

c. Security and Access Control

- i. Your password will allow you to access those portions of the IT system you are authorized to access. Access to certain network resources may require you to obtain the written permission/consent of the IT Department. You are not permitted to access or assist any other person to access IT resources you or they are not authorized to use.
- ii. You are expected to treat the contents of electronic files as private and confidential.
- iii. Any misuse of computing resources or potential “loopholes” in network security must be reported to the IT Department and you agree to cooperate fully in the investigation of abuses.
- iv. You will be supplied with one or more means of user identification which will grant you access to specified authorized services and/or facilities in conjunction with your own unique password/s. You may not divulge your user identification and/or password/s to any other party (except see v below). You will be held directly liable/responsible if a Company device and/or user identification and/or password/s is used for any unlawful purpose, including contraventions of the Company IT policy.
- v. You are obliged to disclose your user identification and/or password/s to any authorized IT Department personnel immediately upon request.
- vi. Network accounts cannot be shared, transferred or used by other employees. You may not use network resources to misrepresent yourself as another employee (“spoofing”).
- vii. You are not to interfere with the access rights of other employees.
- viii. You must “log off” from workstations when you leave at the end of each working day and you must “lock” your workstation at all times when leaving your workstation unattended.
- ix. You may not engage in any activity that is intended to circumvent system security controls. This includes, but is not limited to, hacking which is defined as attempting (either successfully or unsuccessfully) to break into/or gain unauthorized access to a computer system or network; cracking of user accounts and/or passwords; deletion of production data; the making of unauthorized changes to production data; attempting to

discover unprotected files; attempting to decode encrypted files and penetrate computer systems for unauthorized use.

- x. You may not copy directories unless prior written permission/consent has been granted by the IT Department.
- xi. After the termination of your employment with the Company for any reason whatsoever, you have no right to access or use anything on the Company IT network.

d. Access to External Computer systems

- i. You may not use the Company computer systems to access or attempt to access networks and/or computer systems other than those authorized for your use. This includes, but is not limited to, the internet, extranets, intranets, e-mail, files, folders and directories.
- ii. When external networks and/or computer systems are authorized, they may only be used for Company-related business. In addition, the downloading and/or storing and/or printing and/or e-mailing of undesirable/hateful/obscene/pornographic material is not permitted. You may not download and/or store programs and/or software that are not approved by the IT Department.

e. Email and Internet Usage

In addition to what is set out above, the following applies:

- i. All e-mail correspondence must be sent and received through the Company's system, which contains the information and disclaimers that the Company requires on all e-mails and telefaxes.
- ii. Large e-mail messages must be transmitted after normal working hours, unless critical in nature. If you experience difficulties in sending a large e-mail document, you should consider using compression utilities such as WinZip, or contact the IT Department for assistance in the use of alternative methods.
- iii. The Company shall not be held liable in the event that you store or use confidential information such as passwords and credit card information on the Company computer system which results in your suffering loss for any reason whatsoever.
- iv. The Company reserves the right to block any site deemed to be inappropriate.
- v. Internet use, and indeed the use of all Company resources, is restricted to work-related issues and may not be used in the commission of any unlawful activity whatsoever, whether of a civil or criminal nature, or in any way calculated to overburden the resources of the Company.

f. Information Storage and Usage

- i. You are encouraged to save work regularly. You are prohibited from storing personal information on the network and/or any IT device/s belonging to the Company.
- ii. You may not remove or copy any resource owned or licensed by the Company.

g. Monitoring

- i. Please note that every database contained on or connected with the Company's computer system (including the information on any PC or laptop used by you to perform duties for the Company) is the Company's property. Furthermore, the company has the express right to monitor the use of all IT and telephone systems and related resources, and you may not, for any reason whatsoever, or in any manner whatsoever, refuse access. Accordingly, by your signature hereunder you acknowledge and accept that no privacy whatsoever attaches to any such information. Furthermore, you hereby consent to the Company accessing, for any reason deemed necessary in its sole and absolute discretion, any information contained in a database referred to in herein.
- ii. You are therefore warned that the Company has unlimited access to everything you do in connection with the IT system and you cannot refuse the Company such access for any reason whatsoever, especially if you are engaged in behaviour that is unlawful, contrary to your employment agreement with the Company, or in manner effects the Company's interests. Additionally, you cannot object if private or embarrassing material comes to the knowledge of the Company, as such material should not in any event be dealt with at work.
- iii. The Company reserves the right to test and monitor security and review any files or information resident on any systems allegedly related to unacceptable use.
- iv. The Company shall have the right, at all times (including in your absence) to access any employee's files, folders and/or messages, in its sole and absolute discretion.

12. Confidentiality

- a. The Company's business is highly confidential in nature and you are expected to maintain the strictest confidentiality regarding all systems and information connected with your employment. By your signature hereunder, you acknowledge that you have read and understood the contents of this section and that you agree to be bound by its provisions.

b. It is recorded that:

- i. The Company carries on business *inter alia* as real estate practitioners;
- ii. You will, by virtue of your association with the Company, come into possession of, and will have access to, the group's "*confidential information*" which includes, but is not limited to, the following:
- iii. Knowledge of the identities and details of the Company's customers and business associates;
- iv. The names of prospective customers, their details and requirements;
- v. The manner in which the Company manages and markets its products;
- vi. The various procedures the Company uses in the implementation of its product, business associate and client relations;
- vii. Other matters/information which relate to the business of the Company, which is not readily available in the ordinary course of business to competitors.

c. The employee hereby acknowledges that:

- i. The confidential information set out in this handbook is the property of the Company and needs to be protected at all times from disclosure.
- ii. On termination of the employee's employment for any reason whatsoever, if the employee takes up employment or otherwise becomes associated with or interested in a competitor of the Company, the divulging of the Company's confidential information would cause the Company prejudice and harm.

d. Having regard to paragraphs 12.a to 12.c above, the employee hereby undertakes that in order to protect Company's proprietary and general interests:

- i. He/she will not, during their employment at the Company or at any time thereafter either, themselves use, or directly or indirectly divulge or disclose to others, any of the confidential information.
- ii. The employee will not, either for himself/herself or as the agent of anyone else, persuade, induce, solicit or encourage or procure any employee of the Company to become employed by or interested in any manner whatsoever in any other business, firm, undertaking or company.
- iii. The employee will not undertake any private consultative assignments during his/her employment (whether or not outside of normal working hours) with any competitor of the Company.

DISCIPLINARY CODE

1. Applicability

The principles of this code shall apply to all employees equally and shall apply to, and form part of, the employment contracts, code of ethics and any other documentation required as standard procedures of the Company.

2. General Terms

- a.** The various disciplinary actions detailed in the Disciplinary Code (hereinafter referred to as “the Code”) are intended to serve as guidelines to management and staff and are accordingly not exhaustive.
- b.** The Code is based on the principle of progressive discipline. However, progressive discipline need not be applied in respect of serious offences which are of so grave a nature as to make the continued employment relationship intolerable, in which circumstance dismissal may be the appropriate penalty.
- c.** In circumstances where rules or standards are well established and are not contained in the Code, or where further rules or standards are communicated to the employees, the employer will be entitled to take disciplinary action where there has been a transgression of such rule or standard.
- d.** Disciplinary warnings issued shall be kept in the personal file of the employee for the duration of that warning.
- e.** Expired warnings will not be taken into account in any subsequent disciplinary action.
- f.** Depending on the nature of the offence, the employer will be entitled to take into account warnings in respect of other categories of offences, together with the infraction for which an employee is currently being disciplined, where an employee has two or more warnings running concurrently against him, and where the employer clearly informs the employee thereof in order to enable the employee to properly prepare herself/himself for the enquiry. The employer will be entitled to dismiss an employee for the cumulative effect of the concurrent warnings.

- g.** *Inter alia* the following factors (all of which do not have to be present) shall be taken into account when determining whether dismissal is the appropriate penalty;
- i. the gravity of the misconduct;
 - ii. the circumstances of the infringement;
 - iii. the nature of the employee's job;
 - iv. the actual or potential prejudice to, or loss suffered by, the Company;
 - v. the prevalence of the offence generally;
 - vi. the circumstances of the employee, which shall include the following:
service period,
status,
record,
personal circumstances.

3. Time periods relating to expiry of warnings

a.	verbal warning three months
b.	written warning six months
c.	final written warning twelve months

4. Nature of disciplinary measures

- a.** There are four types of penalties which may be applied. In order of severity and depending upon the nature of the transgression, they are as follows:
- i. Verbal warning
 - ii. Written warning
 - iii. Final written warning
 - iv. Dismissal
- b.** The warnings are cumulative in nature, subject to paragraph 4.a above. **For example**, an employee who is already in receipt of a verbal warning for a particular offence and who commits a further offence of a similar nature within the prescribed time period will be subject to the following step in accordance with paragraph 4.a hereof, depending however on the nature and severity of the second offence.

5. The procedure for enquiries and hearings

General

- Management’ or ‘manager’ refers to any employee who is a principal, director or any employee who is the head of a department.
- a.** Management’ or ‘manager’ refers to any employee who is a principal, director or any employee who is the head of a department.
 - b.** The ‘presiding officer’ who shall establish the facts impartially and objectively, shall be any person who has been duly appointed to preside over any disciplinary enquiry, hearing or appeal, and which may include a person who is not an employee of the Company. The presiding officer may not have any knowledge of the issue other than the information contained in the notification form.
 - c.** A ‘manager’ is any employee employed as such in that capacity.
 - d.** Any employee disciplined in terms of this procedure or where such an employee is required to attend a hearing for incapacity, may nominate a representative, or any other fellow employee to act as a representative, during such proceedings.
 - e.** The ‘complainant’ is any employee who may be called as a witness by the employer representative in order to give evidence against any employee disciplined in terms of this procedure for misconduct, or where such employee is required to attend a hearing for incapacity.
 - f.** The ‘employer representative’ is any person so instructed by management to present the case against an employee at any disciplinary enquiry or hearing.
 - g.** The ‘server’ refers to the person who serves any notification on an employee who must attend an enquiry or a hearing.
 - h.** The ‘interpreter’ is an interpreter appointed by the Company where an accused employee has requested the assistance of an interpreter to interpret for him at any enquiry or hearing.
 - i.** A ‘disciplinary enquiry’ refers to an enquiry which is held in cases of alleged misconduct.
 - j.** A ‘hearing’ refers to the hearing which is held in instances of the alleged incapacity of an employee.
 - k.** All references to the male gender shall include the female gender where applicable.
 - l.** ‘The Act’ refers to the Labour Relations Act 66 of 1995 as amended.

- m. “The Board” refers to any two persons appointed by the employee, any two principals appointed by the employer and a legal representative appointed by the Franchisor.

6. Informal and Formal Disciplinary Hearings

- a. **Verbal warning:** if management or a manager or management is of the opinion that the behavior or performance of an employee is unsatisfactory, but does not warrant a written, final written warning or dismissal, then a verbal warning will be given. The employee is entitled to a representative, and a record of the warning shall be placed in the employee’s personal file. Details of the verbal warning given shall be recorded in writing.
- b. **Written warning:** if subsequent to issuing a verbal warning, the employee fails to improve or commits a further offence, or if an employee commits any offence which warrants a written warning, the manager or management shall discuss the nature of the transgression with the employee in the presence of the employee’s representative. The employee must be given the opportunity to state his version of the events and lead evidence in mitigation. Should there be a dispute relating to the facts of the case, then a formal disciplinary enquiry must be held. A formal disciplinary enquiry may also be held where the manager feels that it would be expedient in the circumstances to hold one, or where the employee requests a formal enquiry. A record of the warning must be placed in the employee’s personal file and a copy of the warning must be handed to the employee.
- c. **Final written warning:** if subsequent to issuing a written warning, the employee fails to improve or again commits the same or similar offence, or if an employee commits any offence which warrants a final written warning, the manager or management must make the necessary arrangements for a formal disciplinary enquiry to be held.
- d. **Dismissal:** if subsequent to issuing a final written warning, the employee fails to improve, or commits a further offence, or if an employee commits any offence which may justify dismissal, then the necessary arrangements shall be made for a formal disciplinary enquiry to be held.

7. Procedure for a formal disciplinary Hearing

- a. A manager shall complete a form ‘Notification of a Disciplinary enquiry’ which is attached hereto marked as ‘Annexure A’.

- b.** A server must hand the original form to the accused employee who must sign at the designated place on the form, and on a copy of the form, indicating his receipt thereof. The original must be placed in the accused's personal file. Should the accused employee refuse to sign the form as set out above, then a witness shall sign the form at the designated area as evidence that the form has been handed to the accused employee.
- c.** The accused employee must be given sufficient time to prepare for the enquiry, which shall be no less than 48 hours. The date, place and time for the enquiry must be clearly stipulated on the Notification form.
- d.** Management shall indicate at the designated place on the above form whether the accused employee is to continue working, or if the employee will be suspended on full benefits until the date of the enquiry. Should the accused employee be suspended, the employee will be required to immediately vacate the employer's premises and not return until the date of the enquiry. Any relevant information which the suspended employee requires in preparation for the enquiry shall be requested directly from the employer's representative (whose details must be included on the Notification form). The accused employee shall have no contact with clients, customers or staff of the employer (aside from the employee's representative or witnesses) and shall immediately return all items and documents upon request by the employer.
- e.** The disciplinary enquiry shall be conducted in accordance with the procedure set out in 'Annexure B' attached hereto.
- f.** The form 'Notification of the penalty' shall be completed and signed by the parties at the conclusion of the enquiry. This form shall be used in all cases in order to inform the accused employee of the penalty imposed (see 'Annexure C' hereto).
- g.** Should the penalty be a final written warning or a dismissal, the accused employee shall be notified of his right to appeal.
- h.** Where the penalty was a dismissal, the employee shall immediately return the remaining items, documents and information (in whatever form or format) relating to the company which are in his possession or under his control, to the company. The employer shall, as soon as possible, pay the employee his wages or salary as the case may be, up to and including the day on which the enquiry is concluded, together with any other monies which may be due, less any valid deductions.

- i. If an employee is absent from an enquiry without having agreed to another date and time with the employer, and remains absent for a period of 30 minutes, the enquiry will be held in the employee's absence. The employee will thereafter be notified of the penalty in writing, which may be submitted either per hand or registered mail to the last address furnished to the employer by the employee. The employee will be required to attend the employer's premises in order to collect any monies due to him, and to return all remaining items and documents under his control or in his possession.
- j. Wherever possible, disciplinary enquiries should be held during normal working hours.
- k. Where an employee fails to attend work for a period of 3 (three) consecutive working days, for whatever reason or cause and without notifying his employer and obtaining his employer's permission to be absent from work, the form 'Notification of a Disciplinary Enquiry' shall be submitted per registered mail or per hand to the last address provided by the employee. Seven (7) days' notice shall be given to the accused employee. Should the accused employee fail to attend the enquiry and remain absent for 30 minutes, the enquiry shall take place in his or her absence. The employee will be notified of the penalty either per hand or per registered mail to the last address provided by the employee.
- l. The fact that certain misconduct may result in criminal charges being laid against the accused employee does not prevent the employer from holding a disciplinary enquiry in accordance with its procedure.

8. Procedure for an Appeal Hearing

- a. An employee has the right to appeal against a final written warning or a dismissal for misconduct or where the employee was dismissed following a hearing concerning his incapacity, under the following circumstances:
 - i. The procedure was not adhered to; and/or
 - ii. new evidence or a witness is now available which may materially influence the decision taken at the enquiry or hearing; and/or
 - iii. findings on the fact that the evidence presented at the disciplinary enquiry does not support the presiding officer's findings that, on a balance of probabilities, the infraction did indeed occur; and/or
 - iv. the incapacity was not proved at the hearing; and/or
 - v. the penalty imposed was not commensurate with the offence; and/or
 - vi. the penalty of dismissal was not the appropriate penalty.

- b.** An appeal must be lodged within 3 (three) working days from the date of the former employee having been informed of the penalty. The form ‘Appeal Form’ (annexure “D” hereto) must be completed by the employee and submitted to the employer representative.
- c.** Management or the manager shall notify the former employee in any manner which may be expedient in the circumstances, of a date, place and time of the appeal hearing.
- d.** The former employee is entitled to a representative who is a fellow employee.
- e.** The appeal hearing must be conducted by someone other than the presiding officer who conducted the initial disciplinary enquiry or hearing.
- f.** Where the employee appeals in accordance with sub-paragraph 8.a above, the presiding officer may hold a full re-hearing where he is of the opinion that the irregularities were so grave that they caused prejudice to the accused employee. Should the irregularities not be serious, then the presiding officer may hear arguments on the alleged irregularities.
- g.** Where the former employee appeals in accordance with sub paragraph 8.a.ii above, the presiding officer must hear the new evidence.
- h.** Where the employee appeals in accordance with sub paragraph 8.a iii, 8.a.iv, 8.a.v or 8.a.vi above, a review of the evidence will suffice supported by arguments from both sides, providing that an accurate record of the hearing is available. The presiding officer has the discretion to re-hear any evidence.
- j.** The former employee must be notified in writing (as set out in Annexure ‘D1’ attached hereto) of the presiding officer’s findings and the reasons for the findings within 7 (seven) working days, calculated from the date of the conclusion of the appeal hearing.
If the employee’s dismissal is upheld, the employee should be reminded of the right to refer the matter to a council with jurisdiction or to the CCMA.
- k.** The presiding officer is competent to amend or ratify the penalty imposed by the presiding officer of the disciplinary enquiry or hearing.

9. Counseling for Poor Work Performance

- a.** The manager may in his discretion elect to counsel for poor work performance instead of taking disciplinary action, where appropriate in the circumstances.

- b.** Poor work performance is where an employee is performing poorly at work and is not meeting the required standards.
- c.** A newly hired employee may be placed on probation for a reasonable period of time, which will depend on the nature of the job and the time it takes to determine the suitability for continued employment.
- d.** An employee must be given a fair opportunity to improve, which will vary in accordance with the facts of each case. During this period the employer must hold counselling sessions with the employee and provide the necessary evaluation, instruction, training, guidance or counselling in accordance with annexure E.
- e.** The employee must be made aware of the required standard and be given a fair opportunity to improve.
 - The employee must be made aware that if there is no improvement in work performance, dismissal may result. This advice must be noted on the record of counselling.
- f.** The form 'record of counselling' (annexure "E") is to be utilized. Should the employee fail to improve during this period, then management or a manager shall complete the form 'Notification to attend a hearing' ('Annexure F'). The procedures for the hearing are attached hereto marked as 'Annexure G'. The presiding officer may not be the same person who attended to the counselling session.
- g.** The appeal procedures as set out above shall apply. 'Notification of the outcome' form which is attached hereto marked as 'Annexure H' shall be handed to the employee at the conclusion of the hearing should the outcome be that of a dismissal.

10. Counseling for Temporary Ill Health or Injury

- a.** If the incapacity is temporary, management or a manager shall hold a counselling session with the affected employee in order to investigate the extent of the incapacity.
- b.** Where the incapacity is of a permanent nature, counselling sessions shall be held with the affected employee in order to consider the possibility of alternative employment within the organization or the possibility of adapting the employee's duties.

- c. In both instances, the form 'record of counselling' is to be utilized and is attached hereto marked as 'Annexure I'. Dismissal should be the last resort and must be preceded by a hearing.
- d. A manager must hand the employee a form 'Notification to attend a hearing' which is attached hereto marked as 'Annexure J'. The procedure relating to the manner in which the hearing is to be conducted is attached hereto marked as 'Annexure K'.
- e. 'Notification of the outcome' form which is attached hereto marked as 'Annexure L', shall be handed to the employee at the conclusion of the hearing should the outcome be that of a dismissal.
- f. The appeal procedure as set out above shall apply.
- g. Refer to annexures attached.

I _____ (full names),
 (ID: _____) confirm that I have read and understood
 the contents of this employment handbook, which forms part of my employment agreement with
 the Company and by my signature hereunder and by my initials on each page I confirm my
 agreement with the contents thereof.

Signed and agreed to at _____ on this the _____ day
 of _____ in the presence of the undersigned witnesses.

1. _____

Witness

Employee

2. _____

Witness

Employer