



ACCOUNTANTS  
& AUDITORS

## COMPANY POLICY MANUAL

As per your Letter of Appointment and Employment Contracts, this Company Policy Manual is to be read and signed prior to the commencement of your employment with the Company.

Should you have any queries, please do not hesitate to contact us prior to your start date. One copy of your Employment Contract, a copy of your Letter of Appointment and the signing page of this Company Policy Manual are to be handed to Cathy Haumann on your first day of employment.

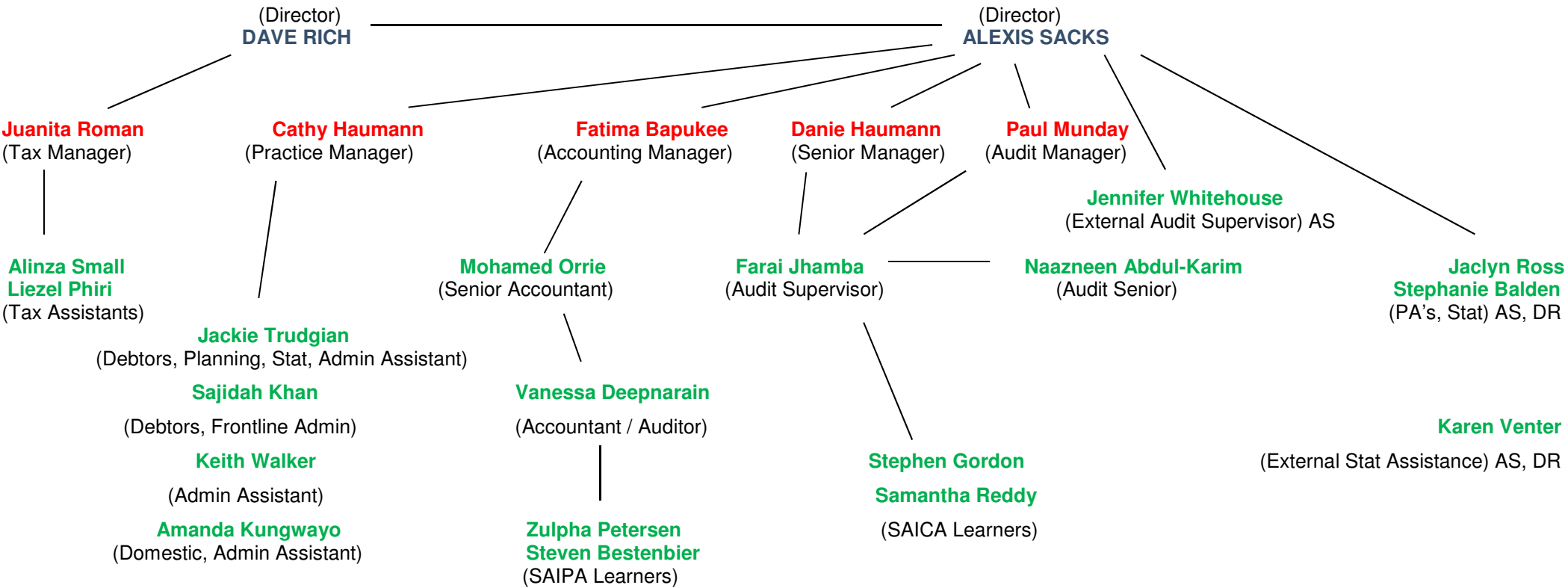
On commencement of your employment you will always have access to this manual, as well as the SAICA Trainee manual, both saved on the Shared Drive at MD (M Drive) – these manuals are updated as necessary from time to time, but are always available for your reference on the system.

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1. ORGANOGRAM



**ALEXIS:** Audit Partner, Consulting Partner, Practice Admin Partner, Staff Partner, B-BBEE Verification Agent, Member MD Financial Solutions CC

**DAVE:** Audit Partner, Consulting Partner, Director MD Retail Management Consultants (Pty) Ltd

**RMC:** MD Retail Management Consultants (Pty) Ltd (Andre, Cedric, Dave – Steff, Bronwyn, Sharfa, Jeff, Maurice, Hein, Janine, Natasha, Rezaah)  
**MDFS:** MD Financial Solutions CC (Andre, Alexis)

**2. MANAGEMENT RESPONSIBILITIES****ALEXIS**

Audit Partner

Consulting Partner

Marketing

Staff Partner

\* Training Officer

\* Registered Assessor

\* Training (management)

\* HR

\* SDF

Management Acc Dept

Management Stat Dept

Management Admin Dept

B-BBEE Verification Agent - 441252B

**DAVE**

Audit Partner

Consulting Partner

Marketing

Tax and Consulting Partner

MD Financial Management

Management Tax Dept

RMC

<b>DANIE</b>	<b>FATIMA</b>	<b>CATHY</b>	<b>JUANITA</b>	<b>PAUL</b>
Senior Manager	Accounting Manager	Practice Manager	Tax Manager	Audit Manager
Sole Traders, Trusts & CC's	Monthly Accounting	Internal admin systems & admin staff	Payroll Bureau	Technical assistance
Supervision & review of preparation AFS	Pastel	Assist Alexis with all HR		Training & supervision Audit staff
Work inflow & planning processes		Assist Alexis with all PMG		

### 3. DEFINITIONS

Confidential Information includes, but is not limited to, MD's and /or client's trade secrets, products, new developments, business methods and techniques; all discoveries, inventions, devices, improvements, machines and processes; all and any client information which is not freely available to the general public, but which you obtain as a result of your employment with MD.

Company means MD Accountants & Auditors Inc.

MD means MD Accountants & Auditors Inc.

Management means Managers, Partners and Directors.

Learner means an Employee under a Learnership Agreement registered with the South African Institute of Chartered Accountants, the Chartered Institute of Management Accountants or the South African Institute of Professional Accountants.

Workplace means the premises of MD, and shall include, the premises of all clients, customers, suppliers and service providers.

Annual Closure means the period between Christmas and New Year and can include one day before or after the public holidays if such day is before or after a weekend.

BCEA means the Basic Conditions of Employment Act, 1997.

FQE means the Final Qualifying Exam.

The masculine gender shall be deemed to mean also the feminine gender and vice versa. Similarly, any reference to the plural shall be deemed to include reference to the singular and vice versa.

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**4. CODE OF CONDUCT****4.1 RULES OF PROFESSIONAL CONDUCT AND QUALITY CONTROL**

The Auditing Professions Act 2005 and the International Federation of Accountants (IFAC) 2003 Code of Ethics have laid down certain rules of professional conduct applicable to its members. You are expected to be familiar with the rules.

These principles are detailed in the Quality Control Manual and its appendices and are incorporated by reference into this Manual.

**4.2 MONEY LAUNDERING CONTROL**

In terms of the Financial Intelligence Centre Act (FICA), every business and every employee of every business is required to report specified unusual and suspicious transactions that a client may conclude with the business to the Financial Intelligence Centre (FIC).

The Company is not classified as an 'accountable institution' under FICA, however, this does not alleviate the Company or its staff members from the statutory duties to report certain unusual and suspicious transactions to the FIC.

You will receive the training required by FICA to enable you to identify possible suspicious and unusual transactions and to report these to the FIC. You are requested to discuss such transactions, should they occur, with Management prior to reporting the matter.

The revised guide: "Combating Money Laundering and Financing of Terrorism: a Guide for Registered Auditors" is included in the Quality Control Manual and its appendices and is incorporated by reference into this Manual; and for your easy reference on the MD shared drive on the server.

- It is the duty and responsibility of each individual to report suspicious and unusual transactions under the Financial Intelligence Centre Act, 2001 ("the Act"), The Financial Intelligence Centre Amendment Act 11 of 2008, The Prevention of Organised Crime Act, 21 of 1998 (POCA), The Protection of Constitutional Democracy Against Terrorist and Related Activities, Act 33 of 2004 (POCDATARA), and the Prevention and Combating of Corrupt Activities Act 12 of 2004 (PRECCA) and to ensure that he/she does not engage in relationships or enter into contracts with parties without enquiring about the nature of any proceeds/funds involved;
- Disciplinary steps can be taken against those individuals not complying with these Acts or with the related internal rules stated in Money Laundering Manual.

**5. CONTRACTUAL RESPONSIBILITIES****5.1 SECRECY AND NON-DISCLOSURE**

During the currency of this agreement and after termination thereof, and except as required in the performance of your duties, you will not disclose to any other person, business or legal entity for whatever reason, save as authorised by the Company in writing, any of the dealings, business, secrets, accounts, financial affairs, patents, trade-marks, designs, customs, information (electronic or paper-based) or any other information whatsoever having a relational reference to the trade, business or property or concerns of MD.

You will not, during the currency of this agreement and after the termination thereof, for your own benefit or for the benefit of any other person, use or derive any profit from:-

5.1.1 Any informational knowledge in relation to the business or affairs of MD, acquired by reason of your appointment as an employee of MD.

5.1.2 Any trade secret or confidential information of MD.

All documents, information, schemes, methods, databases, software, presentations and ideas (electronic or paper-based) devised by or for MD or used by MD shall be secret and confidential to MD and its selected employees and shall remain at all times exclusive property of MD. If such documents, information, schemes, methods, databases, software, presentations and ideas are furnished to you, they shall remain in your possession and under your control until required to be delivered to MD, which you will be obliged to do on demand or on termination of your employment, whichever is the sooner.

5.1.3 You furthermore undertake to take all reasonable precautions against and use your best endeavours to prevent any of that mentioned above being learned by unauthorised persons.

5.1.4 You accept that a breach of this undertaking will lead to summary dismissal.

**5.2 RESTRAINT OF TRADE**

You undertake in favour of MD that:

5.2.1 You will not, directly or indirectly, whilst employed by MD or at any time thereafter,

5.2.2 carry on or otherwise be engaged or concerned or interested in or employed by,

5.2.3 solicit business for,

5.2.4 be a director, shareholder, member or partner in,

5.2.5 as a consultant, trustee, manager, employee, agent, representative, partner, advisor, officer or in any other capacity to,

5.2.6 render any service gratuitously or otherwise to,

any client directly or indirectly associated with MD, without the prior written consent of the Company.

Should you breach this restraint provision, you will be required to compensate MD on a Rand for Rand basis, based on the total fees charged to the client in the immediately preceding financial year.

5.2.7 You will not either for yourself or as agent of anyone, persuade, induce, solicit, encourage or procure any employee of MD to:

5.2.8 become employed by or interested in any manner whatsoever in any client directly or indirectly associated with MD or in any concern carried on by you or in association with anyone, and

5.2.9 terminate his/her employment with MD

Should you breach this restraint provision, you will be required to compensate MD at the rate of 20% of the annual remuneration package paid to the staff member at the date of resignation.



You agree that the restraints imposed upon you are reasonable and go no further than is reasonably necessary to protect the proprietary rights and legitimate interests of MD.

The stipulations in this restraint are separate, severable and independent stipulations in favour of MD.

You hereby further agree and acknowledge that:

You have carefully read the provisions of the restraint of trade covenants contained in this document and fully realise the implications and effects of the provisions thereof and have entered into such restraint of trade covenants freely and voluntarily and that such restraint of trade covenants will not cause you any hardship which you are not willing to bear in return for the benefits offered by MD.

### **5.3 ELECTRONIC COMMUNICATIONS**

The purpose of this policy is to optimise the effectiveness of the company's electronic and communications systems, to minimise damage to and abuse of the Company's facilities and to eliminate unnecessary costs associated with telecommunications, Internet and email usage by staff members.

Use of the Internet, Intranet and email system is permitted and encouraged where such use is suitable for business purposes and where it supports the goals and objectives of MD. The Internet, Intranet and email system is to be used in a manner consistent with MD's standards of business conduct and as part of the normal execution of your job responsibilities.

You are not entitled to make use of the Internet facility for personal use in any manner whatsoever without the prior consent of the Staff Partner. Your email addresses are for purposes of business only and any abuse of this facility will result in formal disciplinary action as well as the possible withdrawal of your email facility. You are required to adhere to the email operating procedures as issued from time to time. Internet/Intranet and email usage will be monitored for unusual activity.

Any kind of downloading of personal media, music or movies from the internet is illegal and may not take place on these premises at any stage. You may not have torrents or any similar software loaded on your MD or RMC owned desktops, as these are company property. Please do not move any kind of personal media, music or movies through the MD server either, as this compromises our space on the server, which in turn will also affect our ability to work, and daily backups to run. Not only is the server space of concern, but also the speed of our internet, which already is slower than we would like and is made slower when downloading anything. Any pirating taking place at these premises on company property could lead to summary dismissal.

You may not delete any emails from your Sent Items at any stage, either work or non-work related. These emails need to be kept as proof, especially concerning client correspondence. Legally we can be held liable in matters concerning clients, where we cannot prove that an email was sent. Staff email usage reports are reviewed by Management on a monthly basis and any person found abusing this system or deleting sent emails will lead to disciplinary action. GPX will archive your emails, where these mail folders become full and you are also to use the Public Folders for all of your client emails to assist in saving space (you are to save all client related emails in your Outlook and your Outlook archives to the Public Folders as part of your daily routine). Remember to check your space limits and space used at regular intervals to ensure your mailbox does not become blocked from receiving external and internal emails due to lack of space.

It is accepted that you may receive personal email, provided that it is in the form of text messages only and does not include attachments in the form of video clips, executable files, graphic files, etc.

MD reserves the right to monitor, intercept, read or otherwise access all email communications and Internet use necessary, to return, redirect or refer undesirable communication to any third party, where it is considered necessary to preserve the security and interests of the Company. Should your privacy allegedly be compromised in any manner or for any reason, the Company will not be liable in any way.

By the nature of the business of MD, the Company offers professional services to its clients and customers. As such, professional moral conduct is expected and you are expressly prohibited from sending, receiving or downloading material either from the Internet, or through your email addresses, of a pornographic, obscene, defamatory, discriminatory or undesirable nature, whether written, in picture or in cartoon format at the workplace.

Unprofessional emails to clients will not be tolerated. This includes grammatical errors, spelling errors and where they are not necessary i.e. where the personal touch (telephone call) would be better. All correspondence sent from Audit and Accounting staff is to be sent as follows:

- a) requests for client information emails are to be checked by your direct line Manager first
- b) all emails sent to clients are to be CC'd to your direct line Manager as well
- c) client Directors are only to be emailed directly by Managers or Partners.

### **Conditions of Use**

The following practices are considered to be unacceptable, and will result in disciplinary action. MD also reserves the right to report any illegal activities to the appropriate authorities.

- Visiting Internet sites that contain obscene, hateful or otherwise objectionable materials.
- Sending or receiving any material that is obscene or defamatory, or which is intended to annoy, harass or intimidate other people.
- Sending or receiving unusually large emails or attachments not related to work and/or sending or forwarding electronic chain letters.
- Using the Internet for personal use during working hours without obtaining the express permission of the Staff Partner.
- Representing personal opinions as those of MD.
- Using the Internet or email for gambling or other illegal activities.
- Making or posting indecent remarks, proposals or materials.
- Uploading, downloading or otherwise transmitting commercial software or copyrighted material in violation of its copyright.
- Downloading any software or electronic files without implementing approved virus protection measures.
- Intentionally interfering with the normal operation of the network, including the propagation of computer viruses, or sustained high-volume network traffic, which substantially hinders other users in their use of the network.
- Unauthorised revealing or publishing of confidential or proprietary information which may include, but is not limited to, financial information, new business ideas, marketing strategies and plans, customer lists, computer network access codes and details of business partnerships.
- Examining, changing or using another person's files, output or user name without explicit authorisation.
- Other inappropriate uses of Internet/Intranet or network resources, which may be identified by the Staff Partner.
- Not using the standard footer on all emails as prescribed by MD.
- You are not permitted to use instant messaging software during business hours (this includes Skype, Skype Talk and Google Talk, MSN, Google Chat, Facebook, My Space, You Tube, Twitter and any others).
- You may not join any personal website or email subscriptions at work on your work emails, these cause spam and performance delays on the network.

Should you breach the terms of this policy, formal disciplinary action will be taken and MD may charge you with the cost to the Company of your use of the Internet facility. This breach will be viewed in an extremely serious light by the Partners and may result in the termination of your employment.

**6. CONDITIONS OF EMPLOYMENT****6.1 OFFICE HOURS**

The Company's standard working hours are Monday to Friday from 8:30am to 5:00pm, with the option of flexi-time. Flexi-time rules specify that staff members may not start before 7:30am and may not leave the office before 4:00pm.

Staff members are expected to complete a timesheet for 8 hours billable time per day with no time charged to administration.

Lunch may be taken from 1:00pm to 1:30pm.

Where the client's office hours do not coincide with those mentioned above, you are expected to observe the client's office hours and inform the Partner and/or Manager concerned accordingly.

If you are going to be late for work at the office or at a client, for whatever reason, you are to call your line-manger by 8:30am on the day to notify them and to discuss any deadlines due or urgent work for that day or relevant pending work, which may be affected; and thereafter at regular intervals in the case of prolonged and unexpected time out of the office.

**6.2 OVERTIME**

Unless specified to the contrary in the Employment Contract, overtime is not payable to the following Employees:

Directors/Partners

Managers

Employees earning in excess of the limit as prescribed by the BCEA, or its successor.

Overtime worked by you will be accrued as time-off, only when:

- i) Overtime is worked either at the client's premises or at the Company's offices.
- ii) Overtime has the prior approval of the Partner concerned and an overtime schedule has been approved by the Staff Partner.
- iii) Overtime will only be authorised in respect of 'bona fide' time spent and will not be granted in respect of time spent clearing excessive file review queries due to a staff member's poor performance.

Overtime worked during week days and on Saturdays shall be granted as time off at one and one – half times your normal rate of pay.

Overtime worked on Sundays and Public Holidays shall be granted at double your normal rate of pay.

Sundry overtime, for example, half hours, here and there, during lunch hours or after hours will not be recognised. A certain amount of overtime is expected from staff from time to time.

Overtime worked in the early mornings before work (able to claim from 5am onwards), may be claimed up until flexi-hours begin and depend on what time you leave the office to go home on that same day. (ie. you will work a normal 'working hours' total of hours for the day and shall not exceed the maximum hours of work per day allowed)

Flexi-hours (excluding normal work travel driving time, you may claim over and above that per trip).

Travel time may also be claimed, but only where the travel time and distance are outside of normal travelling to and from the office or clients during the working day. (Ie. travel time during working hours is normal travel time)

Long trips, (e.g. to Hermanus), you will need to leave early, work eight hours, claim overtime and the extra travel time.

- iv) All overtime is to be entered on your timesheets at the overtime rates stipulated above, or where the overtime could have been performed during normal working hours viz. it is not worked as a result of a client's requirements, it is to be entered on your timesheets at your normal rate. A printout of the relevant timesheet should be submitted with your overtime schedule to the Staff Partner for authorisation within the month that the overtime was performed.
- v) This agreed paid time-off may be taken within one month of entitlement. You may be entitled to take the allotted time within a 12-month period subject to Management's discretion. However, it is important to realise that the allotted time-off will not accrue after 12 months.

### **6.3 STUDY LEAVE**

You will be required to complete a study leave application form detailing the study leave, term tests, days of writing and annual leave to be utilised 2 (two) months prior to the requested leave dates. These application forms should be submitted to the Staff Partner for approval.

All study leave must first be discussed with the Staff Partner, relating to your planning.

Learners are entitled to 4 days study leave per subject (limited to 16 days per year), ½ day per written exam, and the required lecture days, per annum.

Learners writing the IRBA FQE are entitled to 10 (ten) days including the exam days and lecture days for Part 1 and 5 (five) days for Part 2. Five additional days are also granted for the Specialised Audit Course.

Learners writing the SAIPA FQE are entitled to 5 (five) days including the exam days and lecture days.

Study leave entitlement for other approved degrees or diplomas amounts to 2 (two) days per subject including the exam days and lecture days, with a maximum study leave entitlement of 10 (ten) days per annum.

Study leave may be reduced by 50% (fifty percent) per annum where a subject is being repeated.

No study leave will be granted during the period of notice leading to your termination of employment.

The study leave is granted on the basis that you will write the required exams. If for whatsoever reason, you are unable to write the exams, you are to advise the Staff Partner immediately and the study leave granted will need be reviewed. If the study leave has already been paid to you during this period, it may need to be repaid to the company if you no longer qualify for the days granted.

No study leave will be approved at any stage, without prior submission of all prior results to the Staff Partner and the Practice Manager.

### **6.4 ANNUAL LEAVE**

You shall be entitled to take the allocated number of working days annual leave per year, at a time, or times, convenient to MD.

Annual leave may not exceed 1.5 (one and one-half) times your annual statutory entitlement at any time. Annual leave exceeding this limit will be lost.

Application forms for annual leave are available on the shared drive (M drive) and from the Practice Manager.

These application forms should be completed at least 2 (two) months prior to the dates of requested leave and submitted to the Staff Partner for approval. (Please do not submit leave forms at the last minute i.e. a few days before you plan to take the leave, as provisions need to be made.)

Job assignments and time deadlines must be considered when application for annual leave is made.

Religious days, other than the prescribed public holidays in South Africa, are regarded as applications for annual leave.

You will be required to take part of your annual leave during the Company's annual closure.

No annual leave will be granted during the period of notice leading to your termination of employment.

Annual leave is allocated as follows below:

	<u>Statutory Annual Leave</u>	<u>Additional Annual Leave</u>	
Managers (if permanent)	15	5	
Learners (if contract period)	15	-	
Balance of staff (if permanent)	15	-	First year
	15	3	After 5 years of service *

\* 20 days annual leave no longer applicable to new staff joining MD after 01 June 2012, except for Managers.

On termination of your employment, you shall be entitled to be paid out in respect of any accrued leave not yet taken prior to the termination of your employment limited to a maximum of 22,5 (twenty two and one-half) days. The amount of leave pay so paid out will be calculated with reference to your cost to company as at the time of termination of your services.

Should you require leave, but have no annual or additional annual leave allocation left, you will be required to take those days as unpaid leave days. These unpaid leave days allocated will then not accumulate the usual annual leave for that month, but will be apportioned to the unpaid leave days taken.

## 6.5 SICK LEAVE

You are entitled to 30 (thirty) days paid sick leave over a 3 (three) year period.

During the first six months of continuous employment, you are entitled to one day's paid sick leave for every 26 (twenty-six) days worked.

You are to call your line-manger by 8:30am on the day of your absence (to notify them that you are sick and to discuss any deadlines due or urgent work for that day or relevant pending work) and thereafter at regular intervals in the case of prolonged illness. Where you fail to do so, sick leave may be regarded as annual leave.

Should you exceed the sick leave entitlement as set out above, sick leave will be regarded as annual or unpaid leave.

You will not be entitled to paid sick leave if you have been absent from work for more than two consecutive days or on more than two occasions during an eight week period or on a Friday or a Monday or a day immediately preceding or following a Public Holiday or a day preceding or following any other type of pre-authorised leave (annual leave, lecture days, exam day, study leave) and, you do not produce a medical certificate stating that you were unable to work for the duration of your absence on account of sickness or injury.

The medical certificate must be signed by a medical practitioner or person who is certified to diagnose and treat patients and who is registered with a professional council.

The medical certificate must be forwarded to MD within the first 48 hours of being off sick, i.e., if you have been booked off for four days, your medical certificate must be received by the HR department by no later than day three, even if you are still at home.

Should you at any time, become permanently unable, in the reasonable opinion of MD management, to perform your duties adequately by reason of ill health, MD shall be entitled to terminate your employment on such terms as MD, in its discretion, considers reasonable.

If you are absent for more than 5 (five) days without notifying MD, and after a disciplinary hearing it is found that you have absconded, MD shall summarily terminate your services.

If you fall sick while on annual leave, your leave will still be allocated to annual leave, as you applied for and were granted annual leave. Therefore, you were not required to be at work on those days. Sick leave is for when you were supposed to be at work, but were unable to attend work because of ill-health or injury.

Please note that all sick certificates from your doctor's, where requesting sick leave, must include the following information:

- Name, address and qualification of the practitioner
- Your name
- Date and time of the examination
- Whether the certificate is being issued as a result of personal observations made by the practitioner during an examination, or as the result of information received from you and which is based on acceptable medical grounds
- A description of the illness, disorder or malady in layman's terms, with your informed consent
- Whether you are totally indisposed for duty or whether you are able to perform less strenuous duties in the work situation
- Exact period of recommended sick leave
- Date of issuing the certificate of illness

Until a relevant sick certificate is produced, stating why you were unable to work for the duration of your absence on account of sickness or injury, the leave will be allocated first to annual leave and then to unpaid leave if there is insufficient leave available.

No sick leave will be granted in the termination period unless accompanied by a sick leave certificate that complies with the sick note requirements, or at management's discretion.

To qualify for sick leave, you have to be sick and unable to work. Visits and check-ups to the dentist, doctor, gynaecologist, chemist, etc, do not count as sick leave when not sick.

## **6.6 MATERNITY LEAVE**

You will be entitled to 4 (four) consecutive months unpaid maternity leave commencing:

- i) At any time from four weeks before the expected date of birth; or
- ii) On a date which a medical practitioner or a midwife certifies that it is necessary for your health or that of your unborn child;
- iii) You may not be permitted to return to work for six weeks after the birth unless a medical practitioner or midwife certifies that you are fit to do so.

Should you bear a still-born child, you may remain on maternity leave for: -

- a) six weeks after the still birth; or
- b) Longer if a medical practitioner certifies that it is necessary for your health and safety.

The options available for pregnancy check-ups are as follows and once agreed with the Staff Partner:

- i) you work the time in (preferably on the same day);
- ii) take annual leave;
- iii) take unpaid leave if agreed.

We request that staff discuss their maternity leave requirements and other associated issues with the Partners as soon as possible.

## **6.7 FAMILY RESPONSIBILITY LEAVE**

Your family responsibility leave entitlement will be in accordance with the BCEA or its successor.

If you have worked for more than four months of permanent employment, you will be entitled to family responsibility leave. During every annual leave cycle, you are entitled to 3 (three) days paid leave which may be taken: -

6.7.3.1 when your child is born

6.7.3.2 when your child is ill; or

6.7.3.3 on the death of your spouse or life partner or parent, adoptive parent, grandparent, child, adoptive child, grandchild or sibling.

6.7.3.4 Unused family responsibility leave lapses at the end of each leave cycle.

## **6.8 ACADEMIC PROGRESS**

Where you are carrying on studies, whether in the form of general studies, for degree purposes and/or for the purposes of writing the IRBA FQE, you are required to provide all information requested by MD regarding your academic career, progress and results.

In the case of Learners, MD reserves the right to cancel the Learnership with immediate effect where you show a lack of academic progress in the academic studies concerned in a course that would have lead to an award of a CTA or equivalent.

For purposes of this policy, “lack of academic progress” means:

Failure to make at least one year of academic progress in any two calendar years.

## **6.9 TRAINING COURSES**

MD may, at its discretion, provide you with external training courses. The cost thereof will be borne by MD and not be included in your total package. MD reserves the right to include the cost thereof in your annual package at a future date.

Any adjustments to this cost will be reflected in your cash component. Should you leave the employ of MD within one year of the attendance of any external training courses provided by MD, the cost thereof shall automatically be deducted from your remuneration by MD.

You may not claim travel costs for any external training, to and from training courses, seminars, workshops, etc. This cost is borne by you each time.

## **6.10 REFERENCES AND SECURITY CHECKS**

You agree that you will not withhold permission for the Company to seek any references or vet you for security purposes where such a check is requested by a client.

You agree that if you receive a request to give a reference to an ex-employee, to firstly get the reference request in writing. You are then to pass this written reference request on to one the Partners. The Partners will then review the request and give permission, or not, for the reference to be given. Therefore, the only valid references will be those authorised firstly by the Partners.

Any reference given, not following this procedure, will be seen to be in your personal capacity incurring the personal risks contained in the various legislation.

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**7. REMUNERATION PACKAGE****7.1 REMUNERATION**

Remuneration packages are reviewed once a year in December. Should other increases be granted during the year these would be taken into account when considering the annual increases.

Remuneration packages are based on your academic achievement, length of service, effort and ability displayed on assignments.

Learner's remuneration will be determined in accordance with the scales recommended by the South African Institute of Chartered Accountants.

MD pays the balance of your remuneration package net of deductions directly into your nominated current account.

Your annual remuneration will be expressed on the basis of the total direct cost to MD of employing you. This amount will exclude certain statutory charges MD has to pay and over which you have no control, e.g. Occupational Injuries and Diseases insurance, Skills Development Levies, Unemployment Insurance, etc. You will be free to request MD to vary the components within the parameters set out for your position.

The following definitions are important:

**7.1.1 Gross Remuneration:**

Gross Remuneration is the portion of your total cost to company package remaining, after allowing for all company costs, contributions and other deductions as set out on your payslip and will be paid to you by electronic transfer into your nominated bank account.

The total package will be dependent on your position within the Company, duly taking into account the nature of your duties. The structure of this package is subject to whatever changes are necessary to fully cover all MD's employer contributions and costs paid on your behalf and/or for your benefit and also for reasonable flexibility (your salary will be paid into your bank account on the 30<sup>th</sup> of each month).

**7.1.2 Cash Component:**

The "cash component" is the portion of "gross remuneration" remaining after taking into account all allowances or such other amounts as set out on your payslip.

It is acknowledged that the "cash component" is subject to any increase or decrease due to other variances in company costs and contributions, and/or other changes, to the structure of the total cost package.

It is, furthermore, acknowledged that all changes to the structure of the total cost package, requested by you or effected by the Company will be with the consent of both parties.

**7.1.3 Allowances****7.1.3.1 Cellular Phone:***Reimbursive Expenses*

Due to the nature of your duties, you may from time to time be requested to use your private cellular phone for business purposes.

Cellular claims will be based on the following:

- a) Submission to the Practice Manager by the 10<sup>th</sup> of each month of itemized billings indicating business calls made or submission of a log of calls (paid into your bank account on the 15<sup>th</sup> of each month);
- b) Claims are payable 1 (one) month in arrears;



**7.1.3.2 Travel:**a) *Annual Allowance*

Due to the nature of your duties, you may be expected to use your private motor vehicle for business travelling as is reasonably necessary.

To compensate you for the costs incurred in doing such travelling, you will be paid a reasonable travel allowance to cover such costs.

The allowance will be paid to you monthly as a cash amount, and will be included in your cost to company reflected on your payslip.

You agree that the Company will not accept any responsibility, liability or obligation for any damages or other costs that may be incurred or suffered by you for whatever reason, in using your private motor vehicle for business travel. You acknowledge and confirm that your vehicle, or any other vehicle used, is comprehensively insured against theft and any other damage caused whatsoever.

All speeding and parking fines will be for your account.

b) *Parking*

The Company may provide you with parking facilities as detailed in clause 9.1.3.

These facilities are subject to change at the Company's discretion. The use of these facilities is regulated in accordance with the Body Corporate Rules contained in Appendix A.

The monthly cost thereof will be borne by the Company. However, the Company reserves the right to include this amount in your total cost to company package. Any adjustments to this cost would then be reflected in the cash component on your payslip.

**7.1.3.3 Entertainment:***Reimbursive Expenses*

Due to the nature of your duties you may be expected to entertain clients or associates on an on-going basis to maintain, establish or promote the business or other interests of the Company.

The Company will reimburse you for all expenses so incurred and for which specific vouchers have been obtained and provided to the Staff Partner by the 25th of each month, such reimbursement being additional to your cost to company.

**7.1.3.4 Subsistence**a) *Annual Allowance*

You may be granted an advance payment against subsistence expenses when required to travel for business purposes, both locally and overseas as per your payslip.

**7.1.4 Deductions**

MD shall be entitled to deduct from your remuneration any amounts due to MD and agreed to in writing by you. MD reserves the right to charge interest on any amounts due to MD, at a rate to be determined by the Partners.

**7.1.4.1 Employees' Tax**

Employees' Tax will be deducted from your monthly remuneration package salary in accordance with the minimum deduction as prescribed by the South African Revenue Service (SARS). This amount shall, however, not be regarded as the final deduction for income tax in respect of all amounts paid directly to you or on your behalf or for your benefit.

**7.1.4.2** You will remain liable for the payment of any taxes on any amounts that SARS may classify as "remuneration" or regard as benefits in kind for purposes of calculating Employees' Tax.

**7.1.4.3** You will be personally responsible for the furnishing of all necessary records, returns or related information to the necessary authorities and you agree to indemnify the Company against any claims, whether from any fiscal authority or any other person, which may arise in connection therewith.

**7.1.4.4 Unemployment Insurance Fund**

Unemployment insurance contributions equivalent to 1% of the cash component, as set out on your payslip, will be deducted from your remuneration and paid to the Unemployment Insurance Fund on a monthly basis, other than Learners who are not required to contribute to the Fund.

**REMUNERATION PACKAGES ARE CONFIDENTIAL AND SHOULD NOT BE DISCUSSED WITH OTHER MEMBERS OF STAFF****7.1.5 Transport Reimbursement****Use of Private Vehicles on MD's Business**

It is imperative that where you intend using your motor cars for the purpose of travelling to and from clients, with or without passengers, that there are appropriate motor car insurance policies in place which are endorsed to this effect.

Inadequately insured motorcars are not to be used for transportation of staff.

Travel claims are based on the rates agreed by Management, currently R3.00 (three rand) per kilometre.

These claims are payable 1 (one) month in arrears on the 15<sup>th</sup> of the month.

Travel claims will be reimbursed in relation to the number of staff at the client:

- a) One motor vehicle per client where staff do not exceed 3;
- b) Two motor vehicles per client where staff are more than 3 but do not exceed 6, and
- c) Three motor vehicles where staff are more than 6 but do not exceed 9.

In certain instances, travelling claims will be considered where it is not practical for staff to travel in vehicles as outlined above. Approval of the Audit Partner should first be obtained. Should staff wish to travel to the client in their own vehicles in excess of the allocation, they do so at their own expense unless special circumstances exist.

Senior staff must co-ordinate travel to and from the client and organise a meeting point, if necessary. Travel claims must be made on the basis of the lower of:

- i) Twice the distance from home to the client at R3.00 per kilometre;
- ii) Twice the distance from office to the client at R3.00 per kilometre.

- iii) If staff use motorcycles, no pillion passengers may be carried on MD's business.
- iv) If a staff member has to travel to office from a client's premises, the client where he/she is working should not be charged with the additional travelling.
- v) If staff drop off or fetch books of account etc. on the way to or from work, the client should not be charged a full travel claim but only the additional distance travelled as a result of the journey.
- vi) All speeding and parking fines will be for the account of the staff member.

#### **7.1.6 Parking Reimbursement**

No parking costs will be reimbursed without the prior approval of the relevant Partner. Reimbursable parking costs are limited to R15 per day (this applies to both external training courses and client parking). Any further cost will be borne by the staff member – it is up to you to find cheaper parking garages or parking lots in the area you are going to, or to arrange parking with the client prior to going to their premises.

To claim parking fees:

- i) Monies are to be requested from the relevant admin staff, from petty cash, prior to leaving for a client.
- ii) On your return to the office, present your parking slip to the relevant admin staff member.
- iii) Parking costs are to be entered on your timesheets as a disbursement to the client, on the day you return back to the office.

## **7.2. EMPLOYEE INCENTIVE SCHEMES**

An incentive bonus or ad hoc bonus will be paid to you if you achieve the minimum standards as laid down in your Incentive Scheme Policy.

Six monthly Performance and Development reviews are held with the Partners or their designated authorities to review your performance and set your key performance objectives. These reviews will be taken into account when determining your incentive bonuses, your annual remuneration packages and career advancement.

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## **8. COMPANY BENEFITS**

### **8.1 RETIREMENT FUND**

MD can arrange retirement planning for you on your behalf.

MD pays an agreed percentage of the total contribution to the scheme as part of your cost to company. Should for any reason the contribution paid for your benefit be adjusted (e.g. additional risk benefits introduced or contributions increased) this change will be reflected in your cash component.

The required portion of the total fund contribution will be taxed as a fringe benefit in terms of the current Income Tax Legislation

### **8.2 MEDICAL AID**

MD can arrange a Medical Aid for you on your behalf.

MD pays an agreed percentage of the total contribution to the scheme as part of your cost to company. Should for any reason the contribution paid for your benefit be adjusted (e.g. additional risk benefits introduced or contributions increased) this change will be reflected in your cash component.

The required portion of the total medical aid contribution will be taxed as a fringe benefit in terms of the current Income Tax Legislation.

Should you decide to join the medical aid scheme, you agree that you are bound by the rules of the scheme as amended from time to time.

The rules of the Fund are available from the Staff Partner.

Where you are a member of a private Medical Aid Scheme, the contributions to the Scheme will be deducted from your after tax remuneration, where the contributions are paid directly by MD on your behalf.

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## **9. COMPANY POLICIES**

Management of the Company undertakes to promote and preserve the dignity and self-esteem of all employees. All employees are expected to treat their colleagues, supervisors and subordinates with due respect and to conduct themselves with dignity at all times.

### **9.1 USE OF COMPANY FACILITIES**

The private usage of MD's telephone, fax, photocopier, postage, e-mail, paper, stationery etc will be for your personal account and will be required to be settled on request.

#### **9.1.1 Desk Usage**

Staff are allocated a desk space where possible. However, a system of "hot desking" is to be applied. For example, where you are not in the office, your desk is available for use by all staff members; upon return to the office, you should make use of an available desk space.

#### **9.1.2 Company owned Notebooks**

You are permitted to make use of MD's notebooks, on condition that:

- 9.1.2.1      adequate care is taken in handling and usage thereof,
- 9.1.2.2      you have adequate insurance to cover the notebooks off MD's premises
- 9.1.2.3      prior approval of a Partner is obtained.

#### **9.1.3 Parking Bays**

All MD parking bays will be allocated to management and supervisors only, as per the list maintained by the Practice Manager.

First year staff members will not be allocated parking bays except as allocated by Management.

One of the bays has been allocated to the employee of the month. If the employee of the month already has an allocated parking bay, their allotted bay will be allocated by the Partners.

When Management/supervisors are out on audit, they may allocate their bay to those that do not have a bay on a rotation basis.

Staff members who park in a Visitor's bay will be fined R50 (fifty rand) per offence and this amount will automatically be deducted from their remuneration. Any staff member who continues to use a Visitor's bay or parks illegally, will be required to hand in their access disk and will be denied vehicle access to the estate.

#### **9.1.4 Kitchen**

You are permitted to make use of MD's kitchen and equipment, however, you are requested to please ensure that:

- i)          you leave the kitchen clean and tidy at all times,
- ii)        all utensils are packed into the dishwasher after use\*,
- iii)       all perishables are packed away after use,
- iv)        all food is cleared away before leaving on a Friday or after social functions,
- v)         the urn is turned off before leaving the Company's premises at the end of each day,
- vi)        the two water coolers are handled with due care.

\* It is your responsibility to ensure that you rinse all of your own dishes before putting them into the dishwasher, to prevent messy blockages.

You are requested to only use the cold taps in the building at all times, this includes the kitchen and the bathrooms. The hot water geyser has been disconnected.

## **9.2 PERSONAL NOTEBOOKS**

Should you be employed by the Company in an audit or accounting capacity, you will be required to purchase a personal notebook for business purposes, subject to MD's minimum specifications.

A desktop computer will not be made available for your use at the Company's premises.

You will be reimbursed up to a maximum of R300 per month on presentation of an invoice to the Staff Partner for the rental usage of your personal notebook for business purposes.

These claims are payable 1 (one) month in arrears on the 15<sup>th</sup> of the month.

You will be responsible for ensuring that your notebook is always in working order. The insurance, finance and maintenance costs will be borne by you.

The Company will lend you certain of the necessary software required for the performance of your duties during your tenure at MD. However, such software will always remain the property of MD.

*The rules governing the Employee Personal Notebook Policy are contained in Appendix B.*

## **9.3 ACCESS DISCS**

Access discs are issued to all staff by the Receptionist on their first day. Staff are required to carry these at all times. The cost of R114 to replace an access disc is for your own account. The access discs are engraved and allocated to each specific person on purchase, therefore staff may not lend their discs to anyone.

(You agree to MD deducting any cost from your final payslip for unreturned MD property in your possession, as well as recovery of all MD's legal costs incurred during this recovery period, as well as a rental fee in the amount of 20% per month of the original cost for every month that the amount is outstanding in recovering the balance of the amount owed to MD.)

## **9.4 TELEPHONE USAGE**

All personal telephone calls must be kept to a minimum. The cost of personal telephone calls exceeding R25 altogether per month, shall automatically be deducted from your remuneration. Permission from a Partner is required before personal long distance telephone calls are made.

You are requested to place cellular ringing tones on the lowest settings so as to not disturb other members of staff.

Management will randomly check staff extensions to ensure that these rules are being adhered to.

## **9.5 TIMESHEETS AND DISBURSEMENTS**

### **9.5.1 Timesheets**

Timesheets are to be completed on a daily basis. Any time not completed, will be charged to your annual leave, and then to your unpaid leave accordingly.

Where you are out of the office for the entire week, you are required to advise Jaclyn of your timesheet details before 10am each Monday morning; where impossible for you to complete yourself beforehand, or from out of office with the remote access rights given to Management and all Audit and Accounting staff with laptops.

Your timesheets are your own responsibility and must not be late, as this puts undue stress on Management and causes billings and WIP reports to be incomplete when needed.

Should your timesheets not be completed as specified above, Alexis will be advised as such and you will be required to resolve directly with her.

### **9.5.2 Disbursements**

The above also applies to the submission of disbursements.

Various costs incurred by MD are charged to the clients on a monthly basis. You are required to maintain accurate records in this regard, as follows:

#### **Amounts paid on behalf of clients.**

Any amount paid on behalf of a client, e.g. VAT, is to be charged as a disbursement to the client on your time sheets.

#### **Parking**

As per clause 7.1.6 (this applies to both external training courses and client parking)

#### **Travel Claims**

As per clause 7.1.5

#### **Public Transport**

If there is no alternative mode of transport, travel to and from a client using public transport is limited to the lesser of the cost of public transport less the normal cost to work or the travel claim you would have qualified for.

You are required to submit proof of the cost to MD as this is regarded as a disbursement and not a travel claim.

## **9.6 PRIVATE WORK**

You undertake not to devote any time or attention to any other concern or business not related to the business of MD without prior approval being obtained from the Partners to whom full particulars must be given.

You undertake not to engage in any activities that would detract from the proper performance of your duties and not to be engaged in any other kind of business in competition with or conflicting with the business of MD.

Staff members should not invest in, nor have any financial interest in, any client's concern. As independence may be impaired, staff members should always consult a Partner where any situation of conflict arises.

Purchases should not be made from a client and gifts, gratuities, commissions or incentives should not be accepted from any company or individual doing business with MD without the prior approval of the Partner concerned.

## **9.7 BACKUPS**

You are required to make regular backups of all computerised files. The backup disks are to be logged in the register, stored in the storage containers and placed in the fire proof safe.

In the absence of the required backup, a member of staff who loses client information due to a power failure, hardware/software error etc, will be required to restore the client information to its condition prior to the interruption, after normal working hours.

## **9.8 PLANNING MEETINGS**

Planning meetings may be held by the Audit Partners, Senior Manager, Audit Manager or the Accounting Manager. All audit and accounting staff will be required to attend as is required.

## 9.9 DRESS CODE

Dress must always be appropriate to the occasion. It is important to look and dress professionally in a professional environment at all times, even on casual clothing approved days. Casual clothing approved day's means PROFESIONALLY casual, especially if you are at reception or seeing clients.

The following is NOT acceptable office wear:

- i) *Denim* jeans / dresses / skirts / jackets / shirts
- ii) Shorts of any kind
- iii) T-Shirts
- iv) Running shoes / takkies / sneakers
- v) Casual / flat / open sandals / flat closed shoes / flat closed boots / flat casual shoes  
(*ladies shoes must have a heel and not look like casual beach wear*)
- vi) Tracksuits / casual pants with pockets / cargo pants / big baggy pants that then taper in towards the feet
- vii) Inappropriate jewellery including all toe / nose / tongue rings, ankle chains and earrings worn by men
- viii) Beach wear of any kind
- ix) Oversized / chunky / bulky jerseys

You are required to dress in a manner appropriate for an office environment adhering to a strict 'Business Casual' dress code for men and appropriate formal office attire for women at all times, unless the client's environment demands a jacket and tie.

Definitions:

***Men – Business Casual:***

Smart tailored pants and smart open neck shirts with collars, smart leather work shoes

***Women – Appropriate formal office attire:***

*Non-revealing clothing*, which is tailored and professional  
(this means no low cut tops showing cleavage, no short tops showing your stomach area, or low cut pants showing your stomach area, etc)

You may wear casual clothes on Friday's to work, unless you are going out to see a client, or as otherwise instructed by Management.

### **Dress for attending Stock Counts**

Staff may dress casually, which includes wearing JEANS AND TACKIES. Please use your discretion in this regard, taking into account the nature of the stock to be counted and which client you are visiting.

## 9.10 SMOKING

Smoking is prohibited in the offices at all times.

Policy for all Audit, Accounting and Administration (including Stat and Tax) staff:

Smoking is only allowed before work (before 8:30am), at morning teatime (10am), during lunchtime (1:00pm – 1:30pm), afternoon tea (3:00pm) and after working hours (after 5:00pm).



Time taken for cigarette breaks is to be worked in after normal working hours.

Smoking is only to take place in the designated smoking areas, or in the parking lot away from all buildings, no one may smoke outside the front door or outside any of the office windows, whether open or not, or in the garden opposite the boardroom.

Smoking is not to take place in the Recreation Room, regardless of the weather.

### **9.11 BOARDROOM AND MINI-BOARDROOM BOOKINGS**

You are permitted to make use of the boardroom and mini-boardroom for meetings with either staff or clients, provided that your booking has been recorded in the diary of bookings as set out in Outlook.

Please ensure prior to meetings that the boardrooms are available for your usage.

### **9.12 SHOP ERRANDS**

You are asked to refrain from visiting the shops during normal working hours other than during lunchtime.

### **9.13 COMPANY REFERENCE LIBRARY**

MD maintains a small library of reference material. You are required to enter all reference material taken from the library into the register provided and sign the reference material both out and in upon return.

### **9.14 RECEPTION AREA**

You are requested to refrain from loitering in the reception area.

The magazines in the reception area are available for your perusal. Older publications are filed by date and magazine issue and are stored in the library.

The newspaper is to remain in the mini-boardroom at all times.

You are to ensure that whenever you leave or enter the offices that you close the front door properly. The door does not always lock correctly when it closes and then can sometimes blow open. This is especially dangerous at night. If you are the last to leave the offices in the evenings, or the only person leaving the offices on a public holiday or a weekend, you must check that you have closed the front door properly. You will be held responsible if you have been careless and something happens to the offices or anything in the offices at the time.

### **9.15 STAFF SOCIAL CLUB**

The staff social club is operated for the staff. You and MD will each contribute R55 (fifty-five rand, as at 01 January 2010) per month to the club.

The club organises staff functions on an adhoc basis throughout each year and although attendance is not always compulsory, your presence is requested.

### **9.16 COMPUTER ASSISTANCE**

You are required to advise Tim Short of GPX, or should you be unable to reach him, the Practice Manager, should you have any problems with your computer hardware or software.

All Kenziks, GreatSoft and Caseware problems should be discussed with Tim Short, prior to contacting GreatSoft or CQS directly.

### **9.17 TRAINING REQUIREMENTS**

You are required to furnish the Staff Partner, Senior Manager, Audit Manager or Accounting Manager with a detailed list of your training requirements.

You are required to furnish the Staff Partner with a detailed list of your training requirements, as required in terms of your Development Needs Analyses (DNA's) regulated by SAICA's 'Trainee Development and Assessment' process.

#### *Learnership Fees:*

MD will pay your annual SAICA and SAIPA learnership membership and registration fees for your articles whilst employed by MD. This falls part of the learnership, but if you, the learner, leave before the end of the contract, the fees are then repayable back to MD.

It is your responsibility, as the learner, to ensure that you forward these fees via email to the Practice Manager or Creditors Administrator for payment by the due dates applicable each year.

### **9.18 SECONDMENT OF LEARNERS**

The secondment of a learner to an environment other than the approved ATO/RTO, for a period not exceeding a total of 90 days during the term of the training contract, to obtain relevant experience, is permissible, provided that the learner is involved in relevant work, and the training officer remains responsible for the learner during the period of secondment. The period of the secondment will be included in the learner's core experience and work attendance hours, provided the above requirements are met.

### **9.19 CORRESPONDENCE**

All correspondence is to be prepared using Arial 10 font and must be signed by a Partner. The signature "for and on behalf of" may only be used with the express permission of a Partner.

### **9.20 STAFF RECRUITMENT FEES**

Should a staff member successfully assist in the employment of a new staff member on behalf of the company, they shall be entitled to a recruitment fee, payable as follows:

- R1 500 at the end of the first month of employment,
- R1 500 in the last month of the probation period.

### **9.21 CLIENT RECRUITMENT FEES**

Should a staff member successfully introduce a new client to the company they shall be entitled to a recruitment fee, payable after the first 12 months of service to the client, based on 5% of the audit or accounting fees charged to and receipted from that client for 3 years.

### **9.22 FLEXI-HOURS AND EARLY FRIDAYS**

All new staff are employed on a standard 8:30am to 5:00pm working hours contract, for their probation period. After the first 3 months of probation, at Manager or Partner discretion, they could be moved to flexi-time and early Fridays.

Flexi-hours and early Fridays may be taken away, at Manager or Partner discretion, where time has not been correctly worked in, or deadline work has not been completed.

### **9.23 MOTOR VEHICLES**

This applies to all staff, whether or not you are driving your own vehicle.

Should your position require you to drive to and from clients during the working week, you are required to have a legal SA driver's license – a copy of which must be given to the Practice Manager on signing this manual.

In the absence of a valid driver's license, or in the case of an un-roadworthy vehicle\*:

- a) you will not be permitted to park your car on company property;
- b) you will not be permitted to travel to a client's premises from MD, in an unlicensed vehicle and/or if you are not licensed to operate the vehicle;
- c) you will not be entitled to claim standard reimbursive travelling costs claims per kilometre from MD;
- d) if you have a learner's license and a passenger with a valid driver's license accompanies you, the standard reimbursive travelling costs claims will be paid to you (this must be discussed with Management in advance);
- e) at Management's discretion, and discussed in advance, you may be permitted to claim public transport costs to and from clients.

\* An un-roadworthy vehicle is defined as a vehicle that would not pass a roadworthy test conducted by The Automobile Association of South Africa (A.A.).

It is a requirement of MD that your vehicle is insured, and that proof of this, in writing, is presented to the Practice Manager on signing this manual.

## **9.24 LEARNER TRACKING SYSTEMS (LTS) (SAICA LEARNERS)**

If you are a SAICA Learner please ensure that you are complying very strictly with the rules as detailed below:

Assessment process rules for both the old and new training models:

### *Trainee Responsibilities:*

- PR's to be completed after every job has been reviewed, at the time the job has been reviewed  
-> this means that you cannot accumulate PR's and complete 4 in 1 month as SAICA's requirement is that you **complete a PR at least every 2 months**.
- PR's are to be **started and completed within a 4 week** period  
-> this means that from the date you initiate the PR to the date you final sign off the PR cannot be more than 4 weeks in terms of SAICA's requirements.
- DNA's are to be completed every 6 months and no later  
-> this means that the DNA must be final signed off within 6 months of the previous DNA i.e. not started within 6 months and completed within a further 3 months.

### *Reviewer Responsibilities:*

- PR's are to be started and completed within a 4 week period  
-> this means from the date initiated by the trainee to the date final signed off by the trainee.
- **Reasons are to be inserted in the discrepancy report feedback** where there is a difference in the rating between the reviewer and the trainee.
- DNA's are to be completed every 6 months and no later  
-> this means that the DNA must be final signed off within 6 months of the previous DNA i.e. not started within 6 months and completed within a further 3 months.

For further information regarding SAICA Learnerships, please refer to Appendix G, Appendix H and the SAICA Training Regulation Manuals on the M drive, which are updated from time to time as necessary.

**10. SECURITY AND SAFETY GUIDELINES****10.1 PROCEDURES IN EMERGENCIES**

Assist with the safety of your building by:-

- i) Being constantly aware of anything, which does not belong in your area.
- ii) If ordered to evacuate, open all doors and windows but close blinds to minimise the effect of a blast and flying glass.
- iii) A fire extinguisher is located in the fire cupboard. In the event of a fire, please ensure that the extinguisher is located and used.

**10.2 GENERAL**

You are responsible for:

- i) Maintaining security over all aspects of your work.
- ii) Reading and complying with all **POLICIES AND PROCEDURES**.
- iii) Ensuring that all written documentation reports and letters are stored confidentially.
- iv) Ensuring that all confidential information that is due to be discarded is shredded.
- v) Ensuring that no equipment or documentation is removed from MD's premises without a Partner's prior approval.
- vi) Ensuring that all visitors to MD are met at Reception and are not permitted to walk through the offices unescorted.

Managers are required to enforce a clear desk policy. Desks/credenzas must be cleared or tidied at the end of each workday. Cupboards and credenzas must be closed and locked where necessary. All records not required for current use must be returned to the filing areas. No documents, files or records should be left on the floor.

All correspondence leaving the office is to be signed by a Partner unless the prior authorisation of a Partner has been obtained.

**10.3 OFFICE SECURITY**

You are responsible for your own working areas / office before you leave MD's premises. This includes:

- all windows are properly closed (and doors where necessary are locked),
- all blinds are pulled down and closed, after the windows have been properly closed,
- all air conditioners are switched off,
- your computer is switched off / logged off, and
- all light switches are off.

When you are the last to leave MD's premises, you are also required to ensure that you have written your name and the time in the In/Out book at reception and that the alarm has been set correctly. Test that the front door is securely locked before you leave.

When you are the first to arrive at the office, please also write your name and the time in the In/Out book.

In addition, a list of safety procedures are pasted on the wall upstairs, and outside the ladies bathroom underneath the alarm keypad for your easy referral.

**10.4 SECURITY OF CLIENT FILES**

No client files are permitted to be removed from the premises without the permission of the Partner concerned. You are responsible for the safeguarding of all files removed from MD's premises. In the event that a client file goes missing whilst in your safekeeping, you will be responsible for the costs required to replace the file.

You are required to sign client files out from the various departments and sign the files back in when returning the files to the filing cabinets.

**11. TERMINATION OF EMPLOYMENT****11.1 PERIOD OF NOTICE AND FINAL SALARY**

Either you or MD shall be entitled to terminate your employment on written notice, to be given to the other party, based on a calendar month on or before the 1<sup>st</sup> of the month. The following notice periods apply:

Within the first 6 (six) months of employment	- 1 (one) week
Within 6 (six) months and 1 (one) year of employment	- 2 (two) weeks
More than 1 (one) year of employment	- 1 (one) month
Managers	- 2 (two) calendar months

Should you wish to leave the Company, you may consult the Staff Partner for advice. It may be possible to arrange introductions to clients or to place you elsewhere.

Staff who wish to leave are encouraged to give MD as much warning as possible. Notice must be in writing.

You are requested to complete any assignments on which you are involved before leaving and to ensure a proper and complete handover.

Should you terminate your employment contract without tendering and working the written contractual notice period, then MD will deduct from your final payment, an amount equal to the period of notice not given or worked including any accumulated leave pay not yet taken.

Please note that on termination of your employment, your final salary will be paid into your bank account via EFT, no later than 7 working days after date of termination of your employment contract, subject to management's discretion.

Any annual or study leave taken in advance of your annual or study leave entitlements will be withheld from the final salary amount paid to you.

You are not permitted to take any annual or study leave during your period of notice, subject to management's discretion.

**Learners:**

MD shall be entitled to recover any such monies from you as has been incurred, and any further monies which might be necessary as a result of the termination of your employment if you:

Commit any serious or persistent breach of the Learnership.

Commit any breach of the disciplinary rules and code of professional conduct of the Independent Regulatory Board for Auditors (IRBA).

Terminate or suspend your Learnership before completion, transfer your Learnership during your Contract or if MD is required to terminate your Learnership for whatsoever reason.

**11.2 SURRENDER OF DOCUMENTS/INFORMATION**

Any documents, records and/or databases (including, but not limited to written instructions, notes, memoranda, advertising materials, clients or prospective clients, electronic data or paper-based) relating to the confidential information of MD which are made or compiled by you or which come into your possession while you are associated with MD, shall be deemed to the property of the Company and shall be surrendered to the company on demand, and in any event, on the date that you cease to be an employee of the Company for any reason and you will not retain any copies thereof or extracts therefrom.

**11.3 MISCONDUCT**

The following offences may lead to disciplinary action in the form of summary dismissal, or an oral, written or final written warning. The list is merely a guideline and is not intended to be exhaustive. Consideration of the circumstances of each case will determine the appropriate action to be taken.

*Gross and very serious misconduct which could result in a Final written warning or Dismissal, including summary dismissal:*

- 11.3.1 Theft or unauthorised possession of MD's property, client's property, or the property of another member of staff or person associated with MD.
- 11.3.2 Misappropriation of monies or property of MD, clients or members of staff, or an attempt thereto.
- 11.3.3 Serious refusal to carry out a lawful or reasonable instruction of Management or a delegated authority or gross insubordination or refusal to work.
- 11.3.4 Assault or any attempt to assault another person and fighting or related threats of violence.
- 11.3.5 Unauthorised possession of any dangerous weapons at MD's premises or at a client's premises and non-compliance with the provided safety precautions.
- 11.3.6 Being under the influence of alcohol or hallucinatory drugs whilst carrying out work duties.
- 11.3.7 Dishonest recording of attendance at work.
- 11.3.8 Absence without leave for three or more consecutive days without advising MD of a legitimate reason for the absence.
- 11.3.9 Dishonesty and disloyalty, including but not limited to the use, abuse, misuse, communication or publication of confidential Company information.
- 11.3.10 False evidence or the intentional submission of wrong or misleading information verbally or in writing or the refusal to submit evidence in an investigation pertaining to a matter of MD.
- 11.3.11 Fraudulent misrepresentation with the intention to aggrieve or embarrass or potentially aggrieve or embarrass MD.
- 11.3.12 Making false statements in the course of your employment.
- 11.3.13 Falsification of any documents, information and certificates (including medical certificates).
- 11.3.14 Unauthorised use of MD's property for private or personal use.
- 11.3.15 Use of the Company's equipment or systems for non-business purposes without Express permission.
- 11.3.16 Accessing or attempting to access confidential Company files or data without authorisation.
- 11.3.17 Deliberate destruction of, damage to, misuse or abuse of MD's property or the property of another member of staff, or client or any person associated with MD.
- 11.3.18 Intimidation, incitement or threatening other members of staff.
- 11.3.19 Gross negligence during the course and scope of your duties.
- 11.3.20 Gross disorderly conduct.
- 11.3.21 Participating in any non-business activities during normal office hours, without express permission.
- 11.3.22 Engaging in private work for compensation and/or for business purposes without MD's prior written consent.
- 11.3.23 Bribery, including attempts to bribe and acceptance of bribes.
- 11.3.24 Displaying on, transmitting via or downloading objectionable material onto the Company's computers.

- 11.3.25 Failing to comply with legislation and MD's rules and regulations contained in this Company Policy Manual, its appendices and the Quality Control for Audit Work Manual.
- 11.3.26 Any other offence recognised in law as being sufficient grounds for summary dismissal, including being convicted of a serious criminal offence, or misconduct, including misconduct committed outside of normal working hours and outside of the working premises, which detrimentally affects MD's good name and reputation and may be directly related to your job function.
- 11.3.27 Sexual harassment or unfair discrimination.
- 11.3.28 Any action, advice or encouragement, whether intentionally or negligently, which leads to the non-compliance by a client of any or all relevant legislation.
- 11.3.29 Use of illegal software.

*Serious misconduct, which could lead to Disciplinary, measures in the form of a first or second written warning:*

- 11.3.30 Absenteeism without leave for one or more consecutive days without permission, without good cause and/or a valid medical certificate.
- 11.3.31 Absenteeism, including late-coming and slack timekeeping.
- 11.3.32 Failure to timeously report for overtime after having agreed to do so, without valid reason.
- 11.3.33 Wilful non-compliance with MD's procedures and standing instructions/rules.
- 11.3.34 Abusive language and insulting behaviour towards other members of staff and clients.
- 11.3.35 Insolence towards Management or a delegated authority.
- 11.3.36 Restricting output or attempting to influence other members of staff to restrict output or stop work.
- 11.3.37 Poor work performance, failure to reach or maintain set work standards relating to quality or quantity of work.
- 11.3.38 Being in possession of alcohol or any prohibitive substance, including hallucinatory drugs.
- 11.3.39 Negligence and/or disorderly conduct.

#### **11.4 RETURN OF ASSETS AND RECORDS**

On termination of your employment, you shall immediately deliver to MD all assets, computer hardware and software, access discs to the premises, records, documents, accounts, letters, notes, memoranda and papers of every description within your possession or control, relating to the affairs and business of MD, whether or not they were originally supplied by MD. You agree not to retain any copies thereof or extracts therefrom.

**Important:** By signing this Agreement you agree to MD deducting any cost from your final payslip for unreturned MD property in your possession, as well as recovery of all MD's legal costs incurred during this recovery period, as well as a rental fee in the amount of 20% per month of the original cost for every month that the amount is outstanding in recovering the balance of the amount owed to MD.

You would also be reported to Credit Guarantee for unreturned property belonging to MD.

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**12. GRIEVANCE & DISCIPLINARY PROCEDURES****12.1 GRIEVANCE PROCEDURES**

- 12.1.1 You are required to raise the grievance directly with the Partner concerned, explaining clearly that you are taking the first step in the grievance procedure.
- You are free to raise grievances without being victimised.
- 12.1.2 You may choose to have a representative who accompanies you when speaking to the Partner.
- Your grievances will be handled with discretion and your confidentiality and privacy will be protected.
- 12.1.3 The Partner is to be given 3 (three) clear working days from the time that the issue is first raised to reach a satisfactory solution. During this time the matter can be discussed with the other Partners. If a satisfactory solution is not reached within this time, then a grievance form is to be completed (the complaint must be set out in writing).
- 12.1.4 You and your representative are required to complete, and sign the grievance form and copies of the grievance form are to be circulated to the Partners.
- You must clarify in writing, what outcome you want from the grievance, ie. there must be an aim in trying to resolve the grievance.
- 12.1.5 A grievance inquiry will then be held with you and the other Partners.
- Grievance proceedings means the Partners will try to find an outcome that meets your requirements to resolve the issue.

The above formal procedures are a guideline and are procedurally correct in terms of fair labour practice. You are not obliged to follow these procedures to the letter and you are able to approach the Partners directly with any problems/grievances.

**12.2 DISCIPLINARY PROCEDURES****Disciplinary Code:**

The following schedule is not exhaustive and the employer has the right to discipline an employee for a transgression not listed herein. It merely constitutes a guideline of unacceptable conduct and penalties.

Further, it must be noted that persuasive mitigating and aggravating circumstances in each case could lead to a more lenient or harsher corrective measure being applied. Each case will be considered on its on facts and merits.

**12.2.1 *Stages of Procedures***

- i) A verbal warning is regarded as the first step in the disciplinary procedure, and a written record thereof will be kept on your personal file for a period of twelve months. If an informal verbal warning fails, the Partner will issue a formal written warning.
- The Partner will record in writing a brief account of the incident that gave rise to the warning. You will be required to sign the warning as agreement with the details thereof. Should you refuse to sign the warning, the Partner issuing the warning shall call in an independent witness who will sign the warning in his capacity as a witness to the issuing of the warning.
- This warning will be kept on your personal file for a period of twelve months.
- ii) Any incidents, which appear to require stronger action than a written warning will institute a formal inquiry within three days of it being reported.



The Partner will chair the inquiry, and will be responsible for completing the disciplinary form.

You and your representative (if there is one), the Partner and all required witnesses, must be present at the inquiry. You will be given 24 (twenty-four) hours' notice prior to the inquiry to prepare your case.

When all the facts concerning the incident have been heard, the chairperson will decide on a suitable action, e.g. a final written warning.

If necessary, the chairperson may consult with the other Partners in this regard.

The chairperson will inform you of the disciplinary action to be taken.

- iii) You must inform the Partner that you are going to appeal against the decision taken in stage 2, should you so decide.

You and your representatives will be required to meet within two days of your notification that you are appealing the decision, if the Partner is unable to reach settlement.

#### 12.2.2 *Disciplinary Action*

- i) Informal verbal warning

No disciplinary action will be taken to enforce a standard before a warning has been given. A written record is kept of informal warnings. In cases of gross-misconduct or dishonesty, formal disciplinary steps can be taken without a prior informal or verbal warning.

- ii) Final written warning

This will be the third formal written warning, or in cases of serious misconduct, it might be given after a disciplinary enquiry where no prior warnings have been received.

- iii) Demotion/Dismissal

Pending a disciplinary hearing, you may be suspended on full pay.

Before you are dismissed, an inquiry will be held to judge the merits of your conduct after all the relevant facts have been investigated.

To protect your right to a fair hearing, the following steps will be taken:

- iv) You must be informed in writing in advance of the nature of the offence or misconduct with relevant particulars of the charge.
- v) The complaint must be clear and unambiguous.
- vi) The hearing must take place within three days of the misconduct being brought to the Partner's notice.
- vii) You must be given twenty-four hours' notice prior to the inquiry to enable you to prepare your case.
- viii) Additional charges should not be put to you at the inquiry.
- ix) You are entitled to be represented by a fellow worker.
- x) You are entitled to be present at the inquiry.
- xi) You are entitled to call witnesses and to present your case.

- xii) You are entitled to cross-examine witnesses who testify against you.
- xiii) You are entitled to the services of an interpreter.
- xiv) The partner must be objective and unbiased
- xv) You are entitled to a finding and, if found guilty, you are entitled to have your previous services considered in the assessment of the penalty.
- xvi) The penalty must be assessed separately from the question of guilt.
- xvii) You are entitled to be advised of the penalty imposed.

Should the inquiry decide that the guilt is proven and impose the decision of dismissal, you will be informed both verbally and in writing. You will also be informed of your right of appeal.

- It is the duty and responsibility of each individual to report suspicious and unusual transactions under the Financial Intelligence Centre Act, 2001 ("the Act"), The Financial Intelligence Centre Amendment Act 11 of 2008, The Prevention of Organised Crime Act, 21 of 1998 (POCA), The Protection of Constitutional Democracy Against Terrorist and Related Activities, Act 33 of 2004 (POCDATARA), and the Prevention and Combating of Corrupt Activities Act 12 of 2004 (PRECCA) and to ensure that he/she does not engage in relationships or enter into contracts with parties without enquiring about the nature of any proceeds/funds involved;
  - Disciplinary steps can be taken against those individuals not complying with these Acts or with the related internal rules stated in Money Laundering Manual.
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**13. CONTRACTUAL PROVISIONS****13.1 RELAXATION**

No latitude, extension of time or other indulgence which may be given or allowed by any party to the other party in respect of the performance of any obligation hereunder, and no delay or forbearance in the enforcement of any right of any party arising from this agreement, and no single or partial exercise of any right by any party under this agreement, shall in any circumstances be construed to be an implied consent or election by such party or operate as a waiver or a novation of or otherwise affect any of the party's rights in terms of or arising from this agreement or stop or preclude any such party from enforcing at any time and without notice, strict and punctual compliance with each and every provision or term hereof.

**13.2 VARIATION**

No addition to or variation, consensual cancellation or novation of this agreement and no waiver of any right arising from this agreement or its breach or termination shall be of any force or effect unless reduced to writing and signed by all the parties or their duly authorised representatives.

**13.3 WHOLE AGREEMENT**

This agreement constitutes the whole agreement between the parties as to the subject matter hereof and no agreements, representations or warranties between the parties regarding the subject matter hereof other than those set out herein are binding on the parties.

**13.4 CESSION**

The company shall be entitled to cede and delegate all of its rights and obligations under this agreement to any successor in title of the undertaking of the Company or any member thereof, whether such cession and delegation takes place before or after the termination date.

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## COMPANY POLICY MANUAL

Please complete, remove this page from and give to the Practice Manager on or before your first day.

I, \_\_\_\_\_ hereby confirm that I have read and understood MD's Company Policy Manual, and all of its Appendices, which I have received in hard copy and which are always available to me on MD's shared M drive.

SIGNED AT \_\_\_\_\_ ON THIS \_\_\_\_\_ DAY OF \_\_\_\_\_ 20 \_\_\_\_\_

\_\_\_\_\_  
**MD ACCOUNTANTS & AUDITORS INC.**

\_\_\_\_\_  
**WITNESS**

\_\_\_\_\_  
**STAFF MEMBER**

\_\_\_\_\_  
**WITNESS**

**APPENDIX A****NOTEBOOK COMPUTER POLICY AND RENTAL AGREEMENT**

This policy and rental agreement outlines your responsibilities and those of the company should you purchase a notebook computer for the company's business usage.

This agreement is only in force and effect on condition that you do not use instant messaging software during business hours.

You will purchase the computer at your own cost.

This computer is to meet the minimum specifications listed below:

- Core i3 or better (No Atom based processors)
- No Apple Macbooks
- 320GB hard-drive or better
- 4096MB or better
- 15" Screen or better
- CD-RW/DVD-ROM or better
- Windows 7 Professional or Windows 7 Ultimate or Windows 8 Professional
- Office 2010 Home and Business or Office 2010 Professional \*
- USB mouse (not wireless)
- USB flash-drive (16GB or bigger)

*\* VERY NB: if you are unable to source Office 2010 or Office 2007, then you will have to purchase from MD. Please do not purchase Office 2013 or Office 365.*

Illegal software will not be tolerated, as you will receive no Windows updates if the software is not genuine, which will be checked on your first day at the company during the MD software installation process.

You are responsible for ensuring that:

- You have the correct Office licence installed on your computer at the start of your employment. If you do not, you will be required to purchase the correct Office licence, to be compatible with MD, at your own cost.
- You do not have Office Enterprise on your laptop, as this is a corporate only product, and therefore cannot be bought off the shelf.
- Your laptop operating system which you have installed, must match the license sticker underneath your laptop.
- Every three years you are required to check and ensure that your notebook meets the latest minimum specifications (for hardware and software requirements, required by MD for compatibility with all of MD's hardware and software requirements) - any necessary updates will be at your own cost, typically this would mean replacement of your notebook every three years.
- The computer is always in working order.
- The computer is adequately insured in the event of damage or theft, at all locations including the company's premises.
- The licensed software provided by the company and installed on the computer, remains the property of the company at all times and may not be used for unauthorised purposes, nor may it be copied by persons who are not employees of the company.
- Company data and documentation stored on the computer is properly protected, backed up securely and virus free.
- The computer is adequately protected and secured at all times to prevent the loss or copying of any company data, documentation or information.

- Software purchased and licensed by the company is removed and returned to the company immediately should you leave the employ of the company, for whatever reason.

The company will provide the following:

- All required software (Accounting Packages)
- A site to back-up the data stored locally on the computer, according to the backup standards of the company to ensure that the backup is not corrupt and is usable should a restore process be required.
- Any specific or in-house developed applications or software packages required by the employee to complete assigned duties, and setup specifications and instructions.
- Details of LAN connection configuration and authentication procedures.
- Details of Remote Access configuration and authentication procedures, when available.

MD will rent the notebook computer from you at a rate of R300 per month, payable on the 15th of the month in arrears on presentation of your invoice for the duration of your employment.

This rental agreement will terminate immediately on the termination of your employment.

Tim Short of GPX Technology CC is MD's service provider for all IT related requirements.

You are further bound by the rules governing personal notebooks, electronic communications and backups contained in this Company Policy Manual.

**Important:** By signing this Agreement you agree to MD deducting any cost from your final payslip for unreturned MD property in your possession, as well as recovery of all MD's legal costs incurred during this recovery period, as well as a rental fee in the amount of 20% per month of the original cost for every month that the amount is outstanding in recovering the balance of the amount owed to MD.

You would also be reported to Credit Guarantee for unreturned property belonging to MD.

**APPENDIX B****ABSENTEEISM AND DESERTION POLICY****1. Absenteeism**

- 1.1. Regardless of the reason, employees are not entitled to be absent without leave from work or their workstations, during working hours. The Company's disciplinary code provides for severe disciplinary action where employees infringe this policy.
- 1.2. Where an employee is absent unexpectedly for reasons of ill health or unavoidable reasons, the employee must complete a leave form on his first day of return to work and submit it to the Partners immediately.

The Partners may ratify the absence should circumstances merit and if acceptable proof of the reason for the absence is submitted by the employee. However, in all cases of such absence, the employee is himself required to contact his manager directly, by 10am on the day(s) of absence, so as to provide the following information:

- 1.2.1. The reason for his absence
- 1.2.2. The expected duration of his absence
- 1.3. In this regard, should an employee fail to speak directly, in person to his manager or, in the absence of his manager, to the Partners in respect of the above, the employee will be held responsible should a message not reach his manager.
- 1.4. Any absence from work without authority or good cause will result in the employee not being entitled to any remuneration for the period of absence.
- 1.5. The employee will not be entitled to payment should he fail to submit a valid certificate from a practitioner registered with the Health Professions Council and have been absent on more than two occasions during an eight week period.
- 1.6. Any employee who breaches the above requirements will be subject to discipline in terms of the Company's disciplinary policy. Sanctions against employees found guilty of misconduct could range from warnings to dismissal depending on the severity of the absenteeism and the number of previous warnings, if any.

**2. Desertion**

- 2.1. An absent employee can only be established as a deserter if it is confirmed that he has no intention of returning to work.
- 2.2. In order to establish the facts, an investigation must be instituted to determine the employee's whereabouts and whether he intends to return to work.
- 2.3. This should be done via the making of enquiries with the employee's colleagues, phoning the employee or next of kin, sending notes, letters, telegrams or emails to the employee requesting the employee to explain his absence.
- 2.4. It is only after this procedure has been exhausted and the employee has been given sufficient opportunity to respond, that a disciplinary hearing will be conducted. If the employee is found guilty, his services will be terminated with effect from the employee's last working day.
- 2.5. Should the employee return to the workplace after his employment has been terminated, the Deserter Enquiry must be re-opened. This is so that his reasons for absence can be examined. Should he show good reason for his absence and for failing to contact the company, reinstatement must seriously be considered.
- 2.6. The Deserter Enquiry must follow the structure and procedures of a disciplinary hearing as per the Company's disciplinary policy. The wording for the telegram could be: "You have been absent without authorisation since ..... Should you fail to contact your manager within 24 hours, you will be deemed to have absconded."

**APPENDIX C****ALCOHOLISM, DRUG ADDICTION AND SUBSTANCE ABUSE POLICY****1. Rationale**

- 1.1. The health, welfare and safety of our employees are of major importance to the Company. In addition, the maintenance of performance standards and reputation of the Company is crucial, not only to business viability but also to the job security of the employees.
- 1.2. The Company can therefore not accept employees being under the influence of intoxicating substances during working hours or while on Company premises or during the course of performing their duties. Neither can the Company tolerate employees dealing in or using/abusing intoxicating, illegal or addictive substances at work. Note that it is against the law to allow employees who are under the influence to remain at work – they must be sent home.
- 1.3. Non-compliance with this policy is regarded as very serious and will be subject to disciplinary action.

**2. The Dangers**

The dangers attached to the use/abuse of or dealing in such substances can be far reaching and may include, amongst others, the following:

- 2.1. Criminal prosecution of the user, dealer, or the officers of the Company
- 2.2. Civil action against employees and/or the Company
- 2.3. Injury to or death of the user of the substances, or to/of his colleagues or members of the public
- 2.4. Damage to property
- 2.5. Reduced work performance
- 2.6. Offensive behaviour
- 2.7. Loss of clients and/projects
- 2.8. Loss of computer data as a result of impaired faculties of the operator due to intoxication
- 2.9. Damage to the reputation of the user and/or the Company.

**3. Substance Abuse and Corrective Action**

While the Company acknowledges that genuine alcoholism and drug addiction are illnesses and accepts that it may need to facilitate treatment and/or other assistance for the employee, it is Company policy that:

- 3.1. Intoxication is not normally an excuse for causing the above mentioned dangers to materialise
- 3.2. Even ill employees have a responsibility for ensuring their speedy return to health and to work, adherence to performance standards, meeting of deadlines, proper conduct and protection of their employer and others from the consequences of their condition
- 3.3. Illness is not an automatic excuse for misconduct or poor performance
- 3.4. Not all substance abuse is necessarily a result of illness/addiction/alcoholism. Therefore, employees guilty of intoxication and/or unauthorised use of substances will not automatically be considered to be ill
- 3.5. Where such an employee is proved to be an alcoholic or addict, the Company will grant normal sick leave for the purposes of the employee's treatment and may consider further assistance where the Company believes it to be merited



- 3.6. However, the employees who fail to respond to such treatment/assistance will still be subject to incapacity procedures which, if unsuccessful in solving the problem, could lead to termination of the employee's employment
- 3.7. There are circumstances where the use of alcohol while at work may be authorised, for example, the authorised holding of social functions or entertainment of clients where alcohol use has been approved. However, even in such cases the abuse of alcohol (or other substances) to the extent of intoxication or unacceptable behaviour will not be tolerated
- 3.8. Employees who breach the content or spirit of this policy will be subject to disciplinary measures in terms of the Company's disciplinary policy and risk termination of their employment

**APPENDIX D****HIV/AIDS POLICY****Principles:**

The following principles are to be adhered to:

**1. AIDS awareness**

The Partners will be provided with all the information pertaining to HIV/AIDS. This is aimed at establishing a reservoir of information and knowledge that will be available to all employees and which will better enable them to make informed decisions. This information will be updated from time to time.

**2. Pre-employment testing**

HIV testing is not a prerequisite for employment. The Company will not conduct pre-employment testing.

**3. Special circumstances requiring HIV testing**

In the case of persistent illness, an employee may be referred for medical examination, and may be required to undertake an HIV test. The referral for medical examination does not make taking an HIV test obligatory. Any report on the employee's state of health will only be divulged to the Company with the employee's written consent.

**4. Disclosure of HIV test results**

HIV test results will not be disclosed to the Partners without the employee's written consent and such disclosure will be treated as strictly confidential. It is, however, the employee's prerogative to disclose such test results to any party he/she wishes.

The employee reserves the right to disclose the results of his/her HIV test at any given time.

**5. Pre-test counselling**

Before an employee undergoes HIV testing, he/she will receive pre-test counselling.

**6. Post-test counselling**

Following an HIV test, each employee will receive post-test counselling.

**7. Discrimination**

No employee may be discriminated against based on his/her HIV status. Discrimination against HIV+ employees by fellow employees, based on their HIV status, will not be condoned. Such action will render employees involved subject to disciplinary action in accordance with the Company's disciplinary code and procedure.

**8. Protection against HIV infection in workplace**

HIV may be transmitted in a number of ways:

- The exchange of bodily fluids i.e. exposure to blood products or through sexual conduct
- The exchange of intravenous needles
- From a mother to her unborn child

Every employee must take the appropriate precautions when faced with a situation that may lead to the transmission of HIV.

**9. Transparency**

The Company will adopt a consultative and transparent approach to the management of HIV/AIDS. This policy will be reviewed should the Company's strategy or legislation change.

**10. Grievances**

All grievances about issues related to HIV/AIDS will be handled according to the standard policy that exists within the Company to deal with complaints and grievances of employees.

**11. Access to training, promotion and benefits**

An employee with HIV/AIDS will be expected to meet the same performance requirements that apply to other employees, with reasonable performance accommodation if necessary. Reasonable accommodation refers to those steps that the Partners will take regarding an employee with a disability. Reasonable accommodation may include, but is not limited to, flexible or part-time working schedules, leaves of absence, work restructuring or reassignment. HIV infected employees will be entitled to the same benefits as all other employees.

**12. Budget**

A budget will be allocated to ensure that all facets of the programme are implemented.

**APPENDIX E****SEXUAL HARASSMENT POLICY**

1. It is the policy of the Company that every employee is entitled to be treated fairly and with dignity. Not only is this a social norm supported by the law, but respect for fairness and human dignity is an important cornerstone of harmonious employee relations and workplace effectiveness.
2. The law protects employees from harassment and from unfair discrimination.
3. The Company's policy sets out to ensure integrity, dignity, privacy and right to equity in the workplace. Included amongst the parties who could be the perpetrators or victims of sexual harassment are owners, employers, managers, supervisors, employees, job applicants, clients, suppliers, contractors and others.
4. In terms of the Company's policy, employees should be protected against all forms of sexual harassment including, for example, unwelcome physical contact, comments, advances, jokes, insults, references to the person's body, gestures, suggestive whistling, indecent exposure, display of explicit pictures, images or objects, requests for sexual contact in return for favours relating to any aspect of employment, offers in rewards in exchange for sexual favours, strip search by or in the presence of a member of the opposite sex, assault or rape.
5. The Company's policy against sexual harassment applies equally whether it is perpetrated:
  - 5.1. against men or women
  - 5.2. by men or women
  - 5.3. across the same or opposite genders
6. Employees and management at all levels will receive group training in:
  - 6.1. the legislation on sexual harassment
  - 6.2. the implementation of this policy
7. The Company views sexual harassment in a most serious light. Sexual harassment can result in a disciplinary hearing and if a verdict of guilty is handed down, in dismissal.
8. The Company discourages false claims of sexual harassment. This does not mean that you should not report any incident of sexual harassment if you truly believe you are a victim. However, it does not mean that you are not encouraged to make public, due to ulterior motives, any false allegations of sexual harassment.
9. Employees who feel they may be the victims of sexual harassment are strongly encouraged to report this discreetly to the Partners or the person responsible for human resources matters. All such reports will be treated in the strictest of confidence and will be dealt with in a sensitive and supportive manner.
10. Where an allegation is reported to any person not in Management, this person must report the matter to Management.
11. No employee will be victimised for making such a report.
12. The victim of alleged sexual harassment will be provided with advice and assistance. He/she will be advised of the options available to him/her. The employee may elect to resolve the problem informally, for example where the alleged harassment is not of a very serious nature. It may be sufficient for the employee that the Partners speaks to the alleged harasser and asks the person to refrain from such conduct. However, if the informal approach is unsuccessful or if the alleged sexual harassment is of a serious nature, the employee should be advised to proceed with the formal approach, namely the grievance procedure.
13. With the consent of the employee making the report, an investigation into the matter will be conducted without delay, and the appropriate action, as identified by the investigation, will be taken.
14. Employees have the responsibility to:

- 14.1. report allegations of harassment as soon as possible
- 14.2. refrain from making false accusations
- 14.3. where possible make known to the perpetrator that the conduct is unwelcome

Employees have the right to:

- 14.4. institute private civil proceedings against perpetrators
- 14.5. use the Company's formal Grievance Procedure to report alleged harassment
- 14.6. approach Management informally instead of using the formal procedure
- 14.7. see that the matter is fully investigated and to be kept informed of progress
- 14.8. refer the matter to the CCMA within 30 days of the dispute having arisen
- 14.9. confidentiality