

THIS COLLECTIVE AGREEMENT is made pursuant to the Industrial Relations Act on this 5th day of July 2013 between the **PERFORMANCE MOTORS LIMITED**, Business Registration number 197401559W of 303 Alexandra Road, Sime Darby Performance Centre, Singapore 159941 (hereinafter referred to as the "Company") of the one part and **THE SINGAPORE MANUAL & MERCANTILE WORKERS' UNION** of 65, Lorong 24A Geylang, Singapore 398589 (hereinafter referred to as the "Union") of the other part.

IT IS HEREBY DECLARED AND AGREED AS FOLLOWS:

(I) GENERAL PROVISIONS

1. TITLE OF AGREEMENT

This Agreement shall be known as the "**PERFORMANCE MOTORS EMPLOYEES' AGREEMENT OF 2013**".

2. SCOPE OF AGREEMENT

This Agreement shall cover all locally engaged employees of the Company with the exception of staff in the managerial, executive, supervisory and confidential positions, probationers and temporary/part-time employees engaged for not more than 6 (six) continuous months in any one year.

3. DURATION

Unless otherwise indicated, this Agreement shall take effect on 1st January 2013 and shall remain in force up to 31st December 2015. The Company and the Union may commence negotiations for a new collective agreement 3 (three) months before the expiry of this Agreement.

4. RECOGNITION

- (1) The Company recognises the Union as the sole negotiating body relating to rates of pay and other general conditions of employment for all employees covered by this Agreement as defined in clause 2 of this Agreement.
- (2) The Union recognises the right of the Company to operate and manage its business and shall ensure that all its members loyally co-operate in working for the advancement of the Company's interest and business in all respects.
- (3) The Company shall advise the Union before changes in conditions of employment are put into effect and the Union shall advise the Company before it takes any action of any kind on behalf of or involving the employees of the Company.
- (4) All correspondence from the Company to union members relating to matters within the scope of this Agreement shall be copied to the Union.

5. NON-UNION MEMBERS

Non-union members belonging to grades within the scope of this Agreement shall not receive more favourable benefits than those conferred on union members.

6. GRIEVANCE PROCEDURE

- (1) Recognising the value and importance of full discussion in clearing up any misunderstandings and preserving harmonious relations, every reasonable effort shall be made both by the Company and the Union to dispose of any suggestions, enquiries or complaints from employees at the lowest possible level.
- (2) Any employee having a grievance may, within 5 (five) working days of its arising, bring the matter to the attention of his immediate supervisor or, in the case that the complaint is against his immediate supervisor, of the latter's superior officer who shall

give his decision within 5 (five) working days from the date of reference to him.

- (3) If the employee concerned is aggrieved by the decision given under sub-clause (2) above, he may, within 5 (five) working days thereof, refer the matter, through the Branch committee, to the officer designated by the Company who shall give his decision within 5 (five) working days from the date the matter was referred to him.
- (4) If the employee is still dissatisfied with the decision given under sub-clause (3) above, the matter shall be discussed at the Company Management and Union level. Failing a settlement either party may refer the matter to the Ministry of Manpower for conciliation.

7. REFEREE

In the event of any dispute or disputes arising out of the operation of this Agreement, the dispute or disputes shall be referred by either of the two parties to the President of the Industrial Arbitration Court who may select a referee appointed under the Industrial Relations Act to hear and determine such dispute or disputes.

(II) GENERAL TERMS AND CONDITIONS OF EMPLOYMENT

8. PROBATIONARY PERIOD

- (1) The probationary period for Sales Representatives shall be 6 (six) months. The probationary period for all other new employees shall not exceed 3 (three) months.
- (2) On completion of the probationary period, the Company may terminate, extend (not exceeding 3 (three) months) or confirm the service of an employee. An employee shall, unless advised

otherwise by the Company, be deemed to have been confirmed in his appointment at the end of the probationary period.

9. ACTING APPOINTMENT AND ALLOWANCE

- (1) The employee shall, irrespective of the period, act for the purpose of carrying out the normal duties, functions and responsibilities of a post higher than the grade of the employee's substantive appointment if required by the Company.
- (2) Where an employee is required by the Company to act in a post of a higher grade than the grade of the employee's substantive post, an acting allowance shall be paid provided that the employee acts in the post of the higher grade for a period of 10 (ten) consecutive working days or more.
- (3) The monthly allowance shall be \$100.00 per month and pro-rated for any period between 10 (ten) consecutive working days and an incomplete month.

10. HOURS OF WORK AND OVERTIME

Hours of work and overtime for all employees shall be regulated in accordance with the provisions of the Employment Act. The existing hours of work and practice of overtime payment shall continue. Any changes to the working hours shall be implemented after discussion with the Union.

(III) TERMS AND BENEFITS ON TERMINATION OF EMPLOYMENT

11. RETIREMENT & RE-EMPLOYMENT

- (1) The retirement age of an employee shall be in accordance with the Retirement and Re-employment Act.
- (2) The Company shall offer re-employment to eligible retiring employee in accordance with the Retirement and Re-

employment Act and the gazetted Tripartite Guidelines on Re-employment of Older Employees.

- (3) The terms and benefits of re-employment shall be mutually agreed between the Company and the employee concerned.

12. RETRENCHMENT BENEFIT

- (1) In the event of redundancy or reorganisation, the Company shall, whenever possible, notify the Union in writing of impending retrenchment 2 (two) weeks before the affected employees are retrenched.
- (2) In the event of redundancy or reorganisation, subject to the relevant provisions of the Employment Act, the Company shall pay to those affected employees who have 3 (three) years' continuous service or more with the Company, a retrenchment benefit of 1 (one) month's last drawn basic salary for each year of service or part thereof for any incomplete year of service.
- (3) An employee who is to be retrenched shall be given at least 1 (one) month's notice or salary in lieu of notice of termination.

(IV) SALARY AND OTHER MONETARY ITEMS

13. JOB CLASSIFICATION, GRADE, SALARY RANGE, BUILT-IN INCREMENT AND MONTHLY VARIABLE COMPONENT (MVC)

- (1) The job classification, salary range and built-in increment agreed between the Company and the Union are shown in Appendix I to this Agreement. For purposes of the salary range, all past National Wages Council increases up to 2012 shall be incorporated into the salary.
- (2) The payment of built-in increment shall be in accordance with the Flexible Wage Scheme.

- (3) Subject to the conditions under the Flexible Wage Scheme, all employees shall receive their built-in increments on 1st July each year and pro-rated where applicable.
- (4) The Company may grant additional merit increment to an employee where such employee in the opinion of the Company has merited such award or awards.
- (5) Currently the Monthly Variable Component (MVC) is 10%. When the need arises for the MVC to be increased, the Company and the Union shall discuss the matter.

14. PROMOTION

An employee on promotion shall receive a salary increase equivalent to not less than the promotion amount as shown in Appendix I to this Agreement which he is promoted with effect from the date of his promotion.

15. WITHHOLDING/STOPPAGE OF BUILT-IN INCREMENT

- (1) Where in the opinion of the Company an employee does not merit an increment, the Company may withhold any such increment for a period not exceeding 12 (twelve) months.
- (2) An employee shall not suffer the loss of any 1 (one) increment for more than 1 (one) year. The withheld increment shall then be restored without retroactive adjustments at the end of such period by the Company and the employee's eligibility for his next increment on his incremental date shall not be affected by reason of the earlier increment being withheld.
- (3) In the event that a stoppage of increment is necessary, the Company and the Union shall review the matter.

16. ANNUAL WAGE SUPPLEMENT

- (1) Subject to the provisions of the Flexible Wage Scheme, every confirmed employee shall be eligible to receive an annual wage

supplement of 1 (one) month's basic salary in respect of the financial year ending 30th June. The payment of such annual wage supplement shall be made in September each year and shall be based on the basic salary as at 30th June.

- (2) Confirmed employees who have less than 12 (twelve) months' continuous service as at the end of the Company's financial year, shall be eligible to a proportionate annual wage supplement based on completed months of service.
- (3) Notwithstanding the provisions of this clause, an employee shall not be eligible for any annual wage supplement when he is dismissed on disciplinary grounds or resigns to avoid disciplinary action being taken against him by the Company.
- (4) Confirmed employees who leave the service of the Company in the course of the year after more than 12 (twelve) months' service shall, under normal circumstances, receive the pro-rated annual wage supplement. But in exceptional circumstances, such as dismissals or resignations to avoid dismissals, criminal breach of trust or gross misconduct, the annual wage supplement shall be withheld at the entire discretion of the Company.

17. FLEXIBLE WAGE SCHEME

- (1) The Company and the Union agree to adopt the Flexible Wage Scheme shown in Appendix II to this Agreement in respect of the Company's financial year, ie. from July to June.
- (2) Subject to the provisions of the Flexible Wage Scheme, every confirmed employee with at least 1 (one) year's service as at 30th June of each year, shall be eligible to receive a variable bonus. Confirmed employees with less than 1 (one) year's service shall be eligible for pro-rated variable bonus based on completed months of service.

- (3) The variable bonus shall be paid in the month of September for the preceding financial year ending 30th June.
- (4) Employees who ceased to be employed by the Company for whatsoever reasons before completing the financial year shall not be eligible for the payment of variable bonus.
- (5) Notwithstanding sub-clause (4) above, employees who retire or are retrenched before the completion of the financial year shall be eligible for the variable bonus, based on completed months of service. The payment shall be paid in September for the preceding financial year.

(V) LEAVE ITEMS

18. ANNUAL LEAVE

- (1) Every employee who has completed at least three months of service shall be granted paid annual leave as follows:
 - (a) 1st to 6th year of service
 - 14 (fourteen) working days.
 - (b) 7th year of service and above
 - 21 (twenty-one) working days.

Employees with less than 12 (twelve) months' service shall be entitled to pro-rated leave.

- (2) All annual leave earned for 1 (one) calendar year must be consumed by the end of the next calendar year, failing which it shall be forfeited.

19. SICK LEAVE

- (1) Every employee who has completed at least three months of service with the Company shall be eligible for paid sick leave not exceeding in the aggregate:
 - (a) Outpatient Sick Leave: 14 (fourteen) days in each calendar year.

- (b) Hospitalisation Leave: 60 (sixty) days inclusive of outpatient sick leave in each calendar year.
- (2) Where an employee has exhausted his sick leave entitlement under sub-clause (1) of this clause and a further extension of sick leave is recommended by the Company doctor or a Government medical officer, the Company shall give sympathetic consideration to such recommendation.
- (3) Sick leave shall be granted on the certification of the Company doctor or a Singapore Government medical officer. In cases of emergency, an employee may consult any registered medical practitioner whose recommendation for sick leave shall be accepted by the Company, provided that at the first available opportunity the Company doctor shall be called in to take over the case.

20. MATERNITY LEAVE

All female employees who have completed at least 3 (three) months of continuous services with the Company shall be entitled to paid maternity leave in accordance with the Employment Act or the Child Development Co-Savings Act, as the case may be. Leave on account of miscarriage or abortifacient measure, shall not be considered as maternity leave but as normal sick leave.

21. COMPASSIONATE LEAVE

- (1) All confirmed employees shall be granted compassionate leave up to a maximum of 7 (seven) days per annum but not exceeding 3 (three) days on each occasion in respect of the following:
 - (a) Death of employee's spouse, child, parent, parent-in-law or sibling - 3 (three) working days
 - (b) Death of employee's grandparent - 2 (two) working days
 - (c) Critical illness of an employee's spouse, child, parent - 1 (one) working day.

- (2) For the purpose of this clause, "critical illness" means illness requiring the patient to be hospitalised and placed on the "dangerously ill list".

22. MARRIAGE LEAVE

The Company shall grant an employee 3 (three) working days of paid leave on the occasion of his first marriage provided that the employee's first marriage is contracted whilst he or she is employed in the Company and a properly authenticated certificate of such marriage shall be provided by the employee.

23. PATERNITY LEAVE

- (1) The Company shall grant a confirmed male employee 1 (one) working day of paid leave on the occasion of the birth of his first and second child only.
- (2) Male employees who have completed at least 3 (three) months of continuous service with the company shall be entitled to one (1) week's paid paternity leave on the occasion of the birth of his child in accordance to the conditions stipulated in the Child Development Co-Savings Act.
- (3) The employee shall produce satisfactory documentary evidence to qualify for such leave.

24. CHILDCARE LEAVE

Every employee who has completed at least 3 (three) months of continuous service with the Company shall be eligible for the prescribed number of paid childcare leave each year subject to the provisions of the Employment Act or the Child Development Co-Savings Act, as the case may be.

(VI) MEDICAL AND DENTAL BENEFITS AND INSURANCE

25. MEDICAL BENEFIT

- (1) The Company's medical benefit shall be applicable to employees who have completed not less than 3 (three) months of service with the Company.
- (2) The Company and the Union agree to the principle of co-payment by the employee in the provision of medical benefits.
- (3) For every visit to a Company appointed doctor or a Government medical officer, the employee shall pay a token medical fees as follows:
 - (a) General Practitioner - \$5.00
 - (b) Specialist - \$15.00
 - (c) A & E - \$20.00
- (4) The Company shall grant a sum of \$50.00 per annum or part thereof to employees to defray their share of the co-payment of medical fees.
- (5) The following conditions are not covered under the medical plan and they are not meant to be exhaustive:
 - obstetric and neonate
 - psychiatric
 - private nursing services
 - congenital abnormalities
 - drug addiction and alcoholism
 - injuries due to mental disorder
 - provision of appliances
 - general check-ups or routine examinations/ tests
 - organ transplant
 - assisted reproduction
 - workmen's compensation
 - self-inflicted injuries
 - cosmetic treatment/ surgery
 - house call
 - dental and optical
 - chiropractic treatment

26. HOSPITALISATION BENEFIT

- (1) All confirmed employees shall, on the recommendation of the Company appointed doctor, be eligible for admission into a Government/Government restructured hospital in a "B2" class ward up to a maximum of 60 (sixty) days in any calendar year.
- (2) In the event that an employee's entitlement to a particular class of ward accommodation is not available, the employee shall be admitted to the next higher class ward accommodation until such time that the class of ward accommodation he is entitled to becomes available.
- (3) The Company shall bear hospitalisation charges comprising of ward charges, surgical and operation fees, specialist and doctor fees, medication and treatment up to a maximum of S\$6,000 per calendar year.
- (4) Reimbursements in excess of S\$6,000.00 shall be reviewed on an individual case basis and with sympathetic consideration.

27. DENTAL TREATMENT

- (1) The Company shall bear the cost of scaling and polishing, extractions, fillings (non-precious metal), x-ray and medicine as prescribed by the Company appointed dental surgeon or NTUC Denticare up to a maximum of S\$200 only per confirmed employee per calendar year subject to the provision that such dental attention shall exclude the use of gold or silver. For the removal of wisdom tooth, an employee may claim up to \$350 in addition to the above.
- (2) An employee's absence caused through dental illness shall, on production of a certificate stating that the employee is unfit for duty issued by the dental surgeon, be regarded as normal sick leave.

28. INSURANCE

- (1) In addition to Work Injury Compensation insurance, the Company shall insure all employees who are authorised by the Company to carry Company cash.
- (2) Subject to the terms of the insurance policy, the following benefits shall be payable in the event of death or injury arising out of robbery of the Company's cash:
 - (a) Death - \$30,000
 - (b) Injury - according to the scale set by the insurers.

29. SATA WORKLIFE STANDARD SCHEME AND LONG TERM ILLNESS

- (1) The Company agrees to continue the present policy of insuring all its employees under the Singapore Anti-Tuberculosis Association (SATA) Worklife Standard Scheme.
- (2) Treatment of the illness shall be as provided under the above Scheme.
- (3) In the event of an employee contracting tuberculosis, heart disease, cancer or kidney diseases, he shall, on the recommendation of a medical officer of the SATA, the Company doctor, or a Government medical officer, be entitled to leave of:
 - (a) 6 (six) months on full pay;
 - (b) next 6 (six) months on half pay; and
 - (c) a further 6 (six) months on no pay, if necessary.
- (4) An employee shall automatically forfeit the benefits laid down in this clause in the event of his failing or refusing to undergo x-ray or re-x-ray examination or to carry out any instructions of the doctor in charge of his case from time to time.

30. WORK INJURY COMPENSATION

Every employee shall be insured in accordance with the provisions of the Work Injury Compensation Act (WICA).

31. GROUP TERM LIFE

The Company shall insure all employees under a Group Term Life policy. The benefit payable shall be as follows:

For an employee with less than 10 (ten) years' service - \$5,000

For an employee with 10 (ten) years' service or more - \$10,000

The terms under which this benefit is payable shall be in accordance with the insurance policy.

(VII) MISCELLANEOUS ITEMS

32. UNIFORMS AND SHOES

(1) The Company shall continue its present practice of providing uniforms and safety shoes on the following basis:

Category	Item	Quantity per year	Remarks (Month of issue)
Technician	T-shirts	6 T-shirts/Shirts (no exchange)	Jan = 3 pieces Jul = 3 pieces
	Pants	6 pants	Jan = 3 pieces Jul = 3 pieces
	Overall	6 Overall	Jan = 3 pieces Jul = 3 pieces
	Safety shoes	1 pair	Jan
Team Leader	T-shirts	6 T-shirts/Shirts (no exchange)	Jan = 3 pieces Jul = 3 pieces
	Pants	6 pants	Jan = 3 pieces Jul = 3 pieces
	Overall	6 Overall	Jan = 3 pieces Jul = 3 pieces
	Safety shoes	1 pair	Jan
Spray Painter/ Panel Beater	T-shirts	6 T-shirts/Shirts (no exchange)	Jan = 3 pieces Jul = 3 pieces
	Pants	6 pants	Jan = 3 pieces Jul = 3 pieces
	Overall	6 Overall	Jan = 3 pieces Jul = 3 pieces
	Safety shoes	1 pair	Jan = 1 pair

- (2) Employees issued with uniforms and safety shoes shall wear them at all times during their working hours.
- (3) Employees who are required to wear uniforms will be paid S\$30 per month for laundry allowance.

33. EMERGENCY AND FESTIVAL LOANS

- (1) The Company shall consider granting festival loans to employees who request such a loan equivalent to ½ (half) a month's salary. The loan shall be repaid to the Company in 6 (six) monthly instalments.
- (2) In the event of an employee's dwelling being destroyed or damaged by fire or by any other disaster, the Company shall grant an emergency advance equivalent to 2 (two) months' salary to such employee.
- (3) Should an advance of salary on account of festival advance be outstanding at the time when an emergency advance is required, then such advance that is outstanding shall be taken into account in calculating the total emergency advance to be made, so that not more than 2 (two) months' salary is outstanding at any one time. The loans under sub-clause (2) of this clause shall be repaid to the Company by deductions from the salary of the employees concerned in equal instalments within 12 (twelve) months following the advance.

34. TRAINING

Recognising the importance of training and upgrading of skills so that workers' skills can remain relevant to the Company's business and for higher productivity, the Company shall regularly review the training needs of workers.

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

Signed for and on behalf of:

PERFORMANCE MOTORS LIMITED

**THE SINGAPORE MANUAL &
MERCANTILE WORKERS' UNION**

SAY KWEE NENG
Managing Director

JOHN DE PAYVA
Secretary-General

NELSON LEE
Country Head, Human Resources
Motors Singapore

DAVE SIAH
Branch Chairman

JOSEPH KAU KIONG MIN
Branch Vice-Chairman

In the presence of:

JESS LIM
Head, Human Resources - Motor

WONG CHIP MUN
Deputy Director

PERFORMANCE MOTORS EMPLOYEES' AGREEMENT OF 2013

SALARY RANGES (including NWC increases up to 2012)

Grade	Minimum \$	Maximum \$	Built-in Increment \$	Promotion \$
<i>Technical Grade</i>				
Master Technician/Working Foreman	1750	3200	75	75
Senior Technician	1650	2830	65	65
Technician	1550	2520	60	60
Junior Technician	1450	2310	55	55
<i>Clerical Grade</i>				
Clerk Special Grade/ Parts Technician (Special Grade)	1750	3150	75	75
Clerk I/Parts Technician I	1650	2830	65	65
Clerk II/Parts Technician II	1550	2520	60	60
Clerk III/Parts Technician III	1450	2310	55	55
<i>General Grade</i>				
General Grade I	1350	2210	55	55
General Grade II	1250	2000	50	50

General Grade - car washers, cleaners, general workers, driver and despatch rider.

PERFORMANCE MOTORS EMPLOYEES' AGREEMENT OF 2013

FLEXIBLE WAGE SCHEME

1. OBJECTIVES

The objectives of the Flexible Wage Scheme are:

- 1.1 To remove rigidities in our wage scheme and to introduce flexibility so that wage costs can rise and fall according to Company's performance.
- 1.2 To encourage teamwork amongst all levels of employees and to motivate them to give their best to achieve Company's objectives.
- 1.3 To motivate companies to maximise return on Net Trading Asset (NTA) and at the same time continue to increase their operating profit.

2. THE FLEXIBLE WAGE SCHEME

The Flexible Wage Scheme comprises the following elements:

- 2.1 A salary range with a differential between minimum and maximum in the region of 1.5 times to 2.0 times.
- 2.2 Payment of a built-in increment.
- 2.3 Payment of an annual wage supplement of 1 month's basic salary.
- 2.4 A two tier variable bonus up to a maximum of 3 months based on return on NTA and improvement in operating profit.

3. METHOD OF DETERMINING VARIABLE BONUS

3.1 1st Tier Variable Bonus

1st tier variable bonus will be paid on the basis of the return on NTA of each operating unit above a certain minimum return. The return on NTA is determined by the following formula:

$$\frac{\text{Operating Profit (before interest)}}{\text{Net Trading Assets (NTA)}}$$

NTA is represented by the annual average month-end assets less liabilities which are directly related to the operations and will therefore include items such as fixed assets, stocks, work-in-progress, debtors and creditors.

3.1.1 1st tier variable bonus will only be payable after a minimum return on NTA for each operating unit is achieved. The minimum return on NTA is based on the month-end average prime lending rate for the year plus 1 per cent of the 3 leading local banks namely DBS, OCBC and UOB.

3.1.2 0.1 month variable bonus will be paid on every 1 per cent return on NTA above the minimum subject to a maximum of 2 months.

3.2 2nd Tier Variable Bonus

2nd tier variable bonus will be paid based on the improvement in operating profit over the previous year. Thirty percent (30%) of the improvement will be distributed to employees subject to a maximum of one month basic salary. The improvement in Operating Profit will be calculated using the following formula:

$$\frac{\text{(Current Year Operating Profit - Benchmark Operating Profit)}}{\text{(Previous Year)}} \times 30\%$$

If the Company reported a loss in the previous year, the operating profit is assumed to be zero for the purpose of calculating the improvement in profit. A Company would qualify for the 2nd tier variable bonus only if it is profitable.

3.2.1 Definition

Definition for calculation of 2nd tier variable bonus:

- (i) Benchmark Operating Profit
 - Refers to the operating profit less the 1st and 2nd tier variable bonus paid (except in the first year of implementation)
- (ii) Current Year Operating Profit
 - Refers to the operating profit less 1st tier variable bonus paid
- (iii) Treatment of Operating Profit
 - When a company is in a loss situation, the operating profit is treated as zero
- (iv) Base Salary
 - The total base salary as at 30th June

3.3 In the payment of variable bonus, the performance of individual employees will be taken into account. The existing appraisal system will be used.

4. **BUILT-IN INCREMENT PAYMENT (BIP), ANNUAL WAGE SUPPLEMENT (AWS) AND VARIABLE BONUS (VB)**

The payment of BIP, AWS and VB whilst it is largely dependent on the operating unit's performance, will also take into account the performance of the Motor Division. The table below shows the schedule of BIP payment, AWS and VB payment under different circumstances.

Performance of Operating Unit within Motor Division	Grade of Staff	Motor Division in Profit Situation (A)			Motor Division in Loss Situation (B)		
		BIP	AWS	VB	BIP	AWS	VB
<u>Situation 1</u> 1st Tier: Return on NTA is greater than minimum 2nd Tier: Improvement in profit over previous year	Barg	BIP	1 month	P	BIP	1 month	P
<u>Situation 2</u> 1st Tier: Return on NTA is below minimum but greater than 0 2nd Tier: Improvement in profit over previous year	Barg	BIP	1 month	Nil	Nil	1 month	Nil
<u>Situation 3</u> Company is in a loss situation	Barg	Nil	1 month	Nil	Nil	Nil	Nil

Note:

Barg: Bargainable

BIP: Built-in Increment Payment will be paid according to the quantum specified in this Agreement.

AWS: Annual Wage Supplement

VB: 1st Tier

Variable Bonus - 0.1 month for every 1 percent above minimum return on NTA subject to a maximum of 2 months.

2nd Tier

30% of improvement in operating profit over the previous year divided by the wage bill as at 30th June to determine the bonus payable subject to a maximum of one month.

P: Payment of Variable Bonus according to formula in VB.

5. **SCOPE OF SCHEME**

All employees covered under the scope of this Agreement.

6. **COMMUNICATION AND INFORMATION SHARING**

Employees will be briefed by their Operating Unit Head in March and September each year on information pertaining to the operating unit's performance and expectations. The Company will provide the Union after the completion of each financial year with the attached information in the Annex.

PERFORMANCE MOTORS EMPLOYEES' AGREEMENT OF 2013

PROFITABILITY STATEMENT
YEAR ENDING xxxx-

	<u>Year Before (\$'000)</u>	<u>Year Under Review (\$'000)</u>
Turnover	=====	=====
Operating Profit	=====	=====
Current Assets		
- Stocks and Work-in-progress		
- Debtors		
- Others	-----	-----
Current Liabilities		
- Creditors		
- Others	-----	-----
Net Current Assets	-----	-----
Fixed Assets	-----	-----
Net Trading Assets (NTA)	-----	-----
Average Net Trading Assets	-----	-----
<u>(A) Computation of 1st Tier Bonus</u>		
Return on Net Trading Assets % (Annualised)	-----	-----
Average Interest of 3 Local Banks + 1%	-----	-----
1st Tier Variable Bonus Payable (month)	-----	-----
<u>(B) Computation of 2nd Tier Bonus</u>		
Operating Profit	-----	-----
Less 1st Tier Variable Bonus Paid	-----	-----
Benchmark Operating Profit (current year)	-----	-----
Benchmark Operating Profit (last year)	-----	-----
Improvement	=====	=====
30% of Improvement	-----	-----
Base salary as at 30th June	-----	-----
2nd Tier Variable Bonus Payable (month)	=====	=====
<u>(C) Total Variable Bonus Payable (months)</u>	=====	=====
(A) + (B)		