**APPENDIX A**

**EXEMPTION PROCEDURE**

**Important note for management:**

It is important to note that leave enhancement pay exemption applications must be lodged with the bargaining council on or before 31 October 2022.

The industry’s current exemption procedure continues to apply. Any company that is unable to pay leave enhancement pay may make application to its local Regional Council not to pay leave enhancement pay.

If the application is rejected then an appeal may be immediately lodged with the bargaining council's Independent Exemption Appeals Board which is an independent body established in terms of the Labour Relations Act.

The exemption procedure is detailed hereunder:

* Individual companies seeking exemption from paying leave enhancement pay must complete the exemption application form detailed in **appendix B**. It is vital that companies utilise the standard application form to expedite the exemption process.
* Companies seeking exemption must consult their employees on the intention to apply for exemption and the application should contain details and proof of this consultation process. It is important to note that the employees' view on the application is not decisive but merely one of the factors that the Council and Board will take into account when considering the application.
* The exemption application must be accompanied by relevant financial information supporting the motivation for the proposed exemption.
* The application must be lodged with the local Regional Council as soon as possible (but by no later than 31 October 2022).
* The local Regional Council will make a decision on the exemption application. Where the exemption is rejected, an appeal may be lodged with the Independent Exemption Appeals Board.