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# **A Collective Agreement**

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Prague 2015

**A collective agreement concluded on the date below between the contracting parties:**

Institute of Organic Chemistry and Biochemistry of the AS CR, v.v.i., headquartered in Flemingovo nám. 2, Praha 6, represented by its director RNDr. PhDr. Zdeněk Hostomský, CSc. (hereinafter as the 'IOCB' or the 'Employer')

and  
the Basic Organization of the Trade Union of Workers in Science and Research, represented by its chairman David Mařák (hereinafter as the 'BO of the TUWSR').

**The Contents of the Collective Agreement**

- I. The Basic Provisions
- II. The Forms of Mutual Cooperation
- III. Labor Relations and Compensation for Damages
- IV. Salary, Remuneration and Travel Allowance
- V. Working Hours and Vacation Days
- VI. Working and Social Conditions
- VII. Employee Care
- VIII. Occupational Safety and Health (OSH)
- IX. Compensation for Damages
- X. Final Provisions

**I. The Basic Provisions**

This collective agreement (hereinafter as the 'CA') is concluded according to Act No. 262/2006 Coll., the Labor Code, as subsequently amended (hereinafter as the 'Labor Code'), Act No. 2/1991 Coll., the Collective Bargaining Act, as subsequently amended, and in compliance with other legislation, including the international agreements by which the Czech Republic is bound. This collective agreement regulates both individual and collective relations between the Employer and its employees in the area of employment, wage and social rights. This collective agreement is a company collective agreement binding for all employees at all workplaces of the Employer.

**II. The Forms of Mutual Cooperation**

- 1. The Employer shall provide, at its own expense, a room with equipment (computer, printer, shredder, telephone and two lockers) for the necessary operational activities of the trade-union organization. The Employer shall further pay for reasonable costs of energies, communication services and cleaning of this room, and provide, for free, spaces for meetings, courses and other non-profit events of the trade-union organization and some space allotted on the notice board of the IOCB and the intranet.
- 2. The Employer undertakes to ensure the collection of trade-union membership fees through regular payroll deductions from all members of the BO of the TUWSR employed at the IOCB who have given their consent to it and send these to the bank account of the BO of the TUWSR. After the end of the taxable period, the Employer shall deduct the contributions paid by the members of the BO of the TUWSR concerned from their tax base in compliance with Section 15, Subsection 7) of Act No. 586/1992 Coll., the Income Tax Code, as subsequently amended.
- 3. The Employer undertakes to create the social fund according to Act No. 341/2005 Coll.:
  - a. The source of the social fund is the basic income coming from the expenses of the public research institution in the amount of 2 % of the annual costs of the research institution for wages, wage compensation and remuneration for on-call time and profit appropriation.
  - b. Economically, it is considered a cultural and social need fund.
  - c. The IOCB director along with the trade-union organization prepares the fund budget; they jointly determine the method of its use and submit it for approval to the IOCB board.
- 4. The Employer shall enable the operation of the trade-union library in the current extent and the BO of the TUWSR undertakes to adjust it to the needs of the Employer and the space available.
- 5. The committee of the BO of the TUWSR shall discuss the matters presented by the IOCB director immediately at the next meeting and provide the director with written conclusions of the discussions.
- 6. The committee of the BO of the TUWSR shall always notify the IOCB director in writing about specific situations or actions that might lead to the violation of social peace or occupational safety and health.
- 7. The committee of the BO of the TUWSR shall provide the minutes of meetings of the committee and conferences.

8. The BO of the TUWSR undertakes to invite the IOCB director to the conference of the BO of the TUWSR.
9. Further mutual relations are governed by Section 200 and Section 203, Subsection 2a), Clause 1b) and c) of the Labor Code.
10. The Employer undertakes to inform the committee of the BO of the TUWSR about:
  - a. the development of the average wage and its individual components, including the tariff classification in a modified C01 summary report, annually, after the closure of the budget year;
  - b. issues listed in Section 279 and Section 287, Subsection 1) of the Labor Code;
  - c. occupational safety and health in Part Five, Chapter I of the Labor Code;
  - d. The Employer undertakes to provide the BO of the TUWSR with reports on the jobs newly created in the previous calendar month and the number of employees in the form agreed, always at the beginning of the subsequent month.
11. The Employer undertakes to discuss with the committee of the BO of the TUWSR:
  - a. the issues listed in Section 280 of the Labor Code.
  - b. The Employer shall present and discuss with the respective trade-union organs of the BO of the TUWSR the situation and measures pursuant to Article II, Subsection 11a) at least 30 days before their implementation.
  - c. The employees' complaints concerning the activities of the IOCB and its employees shall be discussed without undue delay by a supervisor in the presence of a member of the committee of the BO of the TUWSR if one of the parties requests his/her presence. Unless agreement is reached at this level, the complaint shall be forwarded to the IOCB director and the committee of the BO of the TUWSR within 15 working days. They shall express themselves in writing on the complaint within 15 working days and shall inform the employees about their decision within this period.

### **III. Labor Relations and Compensation for Damages**

1. The employees' working conditions, mainly the organization of working hours, overtime, work on the days of rest and on-call time as well as the cases of the violation of work duties with the emergence of the employee's duty to cover possible damages are governed by the respective provisions of the Labor Code, the Employer's internal regulations, mainly the Conditions of Employment, which forms an appendix to this collective agreement.
2. The Employer undertakes to inform an employee no later than 2 months before the termination date of an employment contract for a definite period of time if its agreed length is more than 6 months that employment will not be extended.

### **IV. Salary, Remuneration and Travel Allowance**

1. The conditions, rules and method of the payment of the salary, remuneration and travel allowance are governed by the respective provisions of the Labor Code and the Employer's Internal Wage Regulation, which forms an appendix to this collective agreement.
2. The employee is entitled to a severance pay according to Section 67 of the Labor Code. In addition to the severance pay provided according to the Labor Code, an employee who is not eligible for old age or full disability pension and whose employment is terminated through a notice by the Employer for a reason given in Section 52e) of the Labor Code, or an agreement for the same reasons, is upon the termination of employment entitled to a severance pay in the amount of:
  - a. twice the employee's average monthly earnings if the employee was employed by the Employer for more than 6 months and less than 1 year;
  - b. four times the employee's average monthly earnings if the employee was employed by the Employer for more than 1 year and less than two years;
  - c. six times the employee's average monthly earnings if the employee was employed by the Employer for at least 2 years.
3. For on-call time outside the workplace, the employee is entitled to a compensation in the amount of 15% of the average earnings on weekdays and 25 % of the average earnings on Saturday, Sunday and public holidays.
4. Once the employer has reached 50 years of age or his/her employment has been terminated with old age pension granted or his/her employment has been terminated with the disability pension for a disability of the third degree granted, the remuneration shall be granted to the employee depending on the length of his/her employment with the Employer:
  - a. less than 10 years      CZK 15,000
  - b. 10–20 years            CZK 20,000

- c. more than 20 years CZK 25,000
- 5. Having been employed for 10 years and then every 5 years, the employee is entitled to a remuneration in the amount of CZK 5,000.
- 6. The employee in an employment relationship with the Employer is entitled to a remuneration of CZK 10,000 on his/her 60-year birthday and then every 5 years on the proposal of the BO of the TUWSR.
- 7. The remuneration is payable in the payroll period for the calendar month in which the employee became eligible for it. The remunerations are paid from the Employer's operating fund.

## **V. Working Hours and Vacation Days**

- 1. If allowed by the operating conditions of the workplace, the Employer can authorize a shift in working hours or their shortening.
- 2. The vacation allowance is five weeks per calendar year.
- 3. According to the Labor Code, or the Conditions of Employment, the Employer has stipulated that the leave must be taken by the employee in the calendar year in which his/her entitlement to it has arisen unless he/she is hindered by obstacles on the part of the Employer. For urgent operational reasons, a maximum of one week of vacation can be transferred to the next calendar year and the employee must use the vacation by June 30 at the latest.
- 4. The employees shall be allowed to take unpaid leave (the permission is requested from the group leader if the leave is shorter than four weeks and from the director if it is longer).
- 5. If the unpaid leave is shorter than four weeks, the Employer shall cover 2/3 of health insurance and shall not request a payment from the employee.

## **VI. Working and Social Conditions**

- 1. The Employer shall provide the employees with meal benefits through another entity, with which it will conclude a contract for catering services.
  - a. Non-cash catering allowance shall be provided as a discount on meals from a contractor, namely in accordance with applicable legislation.
  - b. The contribution shall be provided from the full price of one main course (CZK 80). The amount of the contribution from the Employer's operating costs is set as 52.5 % of the price of one main course, but no more than CZK 42. The amount of the contribution from the social fund is set to 17.5 % of the price of one main course, but no more than CZK 14.
  - c. The meals shall be provided to the employees that, in accordance with their employment contract, have worked for at least 3 hours on that day unless they are eligible for a meal allowance on a business trip during the work shift.
  - d. Further conditions for the provision of corporate catering are specified in the internal directive "Employee Meals".
- 2. The following financial contribution to the employees' activities organized by the workplace according to the rules set by the "Social Fund" internal directive, or according to the rules for the SF management, shall be provided from the SF:
  - a) the IOCB training and recreation facility in Dolní Malá Úpa is run all year round and shall be used by the IOCB staff and their family members in the extent of use for training purposes;
  - b) a contribution to supplementary pension insurance and state-contributory supplementary pension savings: the IOCB of the AS CR, v.v.i., provides its employees with a state contribution according to the principles listed in the Social Fund directive;
  - c) to the extent possible, the employee shall be provided with assistance in the form of interest-free loans for the purchase of home furnishings, the reconstruction, modernization, or repair of the apartment used by the employee, but no more than CZK 50,000;
  - d) to the extent possible, the employee shall be provided with a social loan (up to CZK 20,000), or non-returnable one-off social assistance (up to CZK 5,000) to bridge an exceptionally difficult financial situation, e.g. after the death of a family member, during a long-term illness, when dealing with the consequences of a natural disaster, etc.;
  - e) for events and activities offered by the contractor administering benefits within IOCB employee personal accounts, for meetings with retirees – former IOCB employees, for IOCB equipment, for camps and St. Nicholas day programs for the children of the employees.

## **VII. Employee Care**

1. The management of the IOCB shall ensure medical care in its own non-state health facility (hereinafter as the “NSHF”) and a dental office on IOCB premises. The provision of occupational medical services is governed by applicable legislation.
2. The Employer undertakes to reimburse the employee’s initial medical examination fee taken following the instructions of a physician of the NSHF workplace.
3. Smoking is strictly prohibited on all premises and at all workplaces of the IOCB outside the spaces reserved for it.

## **VIII. Occupational Safety and Health (OSH)**

1. The cooperation between the Employer and the trade-union organization concerning OSH shall be governed by Section 322 of the Labor Code.
2. An authorized member of the trade-union body has the right to attend any meeting of the Employer on any level concerning the OSH.
3. The Employer undertakes to inform the authorized member of the trade-union body in time about such a meeting and provide him with the documentation necessary for the meeting.
4. The causes and circumstances of all occupational injuries shall always be clarified in the presence of an authorized member of the trade-union organization.

## **IX. Compensation for Damages**

1. Should the Employer claim compensation for a damage from the employee according to Section 263 of the Labor Code, the Employer shall discuss it with the committee of the BO.
2. The method and amount of a compensation for a damage to an employee who has suffered a work injury or has been diagnosed with an occupational disease shall be discussed by the Employer with the trade-union organization.

## **X. Interim and Final Provisions**

1. This collective agreement has been concluded with effect from January 1, 2016 until December 31, 2018.
2. **The system of personal accounts pursuant to Article VI, Subsection 2e) shall become fully operational for the employees on February 1, 2016. The Social Fund and SF Pricelist internal directive as well as the directives Employee Meals and The Social Fund Budget for 2016 shall be adopted through an amendment as part of this agreement. For the bridging period from January 1, 2016 until January 31, 2016, the current directives remain in effect. Should there be any conflict between the existing directives and the collective agreement, preference should always be given to the provisions of this collective agreement.**
3. The contracting parties shall acquaint all the employees with the content of the collective agreement within 15 days from its conclusion.
4. While this collective agreement is still in force, either contracting party can propose a change. Amendments and additions to this collective agreement are made with the consent of both contracting parties in the form of numbered amendments, coming into effect on the day of signature by authorized representatives of the contracting parties. The contracting parties undertake to discuss written proposals for amendments to this collective agreement within 15 working days of their presentation by one contracting party to the other.
5. Each contracting party shall receive two counterparts of this collective agreement, each of which is considered an original. The Employer shall make the CA accessible for all employees.

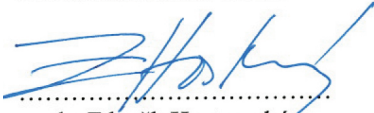
Appendices:

Internal Wage Regulation directive

Conditions of Employment directive

Prague, December 18, 2015

On behalf of the Employer (IOCB)



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dr. Zdeněk Hostomský  
director

On behalf of the BO of the TUWSR  
of the IOCB



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David Mařák  
chairman

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