

Appendix 2 Seniority Scheme

1 INTRODUCTION

In view of the fact that the circumstances of individual employees are conspicuously divergent, the WVOI has developed a "Customized Seniority Scheme" (SROI-2007). As a result of developments in society such as an ageing population and dejuvenation there is a need for employees to continue working to a more advanced age. Cancellation of the FPU-scheme and budgetary considerations also play a role. Therefore, as of 1 April 2007 a seniority scheme is in effect which has as its point of departure that optimal participation of older employees is stimulated and facilitated. Hence the basis for this scheme is flexibility without prejudice to the normal conduct of business/operations. The objective of this scheme is to guarantee that the employee may continue to actively participate in working life until his retirement age.

All rights that ensue from this old scheme are guaranteed until the age of 65 to the employee who entered the scheme during the duration of the former scheme (until 1 April 2007). The former Research Centres Seniority Scheme is included in the 2005-2006 CAO-OI.

2 CONTENT OF THE SCHEME

Seniority days

From the age of 59 to in principle the age of 65 employees may reduce their actual working hours per week. To this end the employer shall allocate a maximum of 156 days. For part-timers the number of days applies in proportion to the extent of their employment. These seniority days can only be used within the framework of the seniority scheme. Of the gross salary 85 % will continue to be paid for a seniority day under this scheme.

Percentage working hours reduction

Seniority-leave days can only be taken in the week-variant (appendix 3 CAO-OI), and the employee has to be present at least 50% of working hours at the time of participation, except for important business considerations.

Using the FPU-scheme

The employee maintains the right to take voluntary FPU while making use of the SROI-2007. However, participants in the SROI-2007 who are still entitled to an FPU-allowance of 100% are obliged to use this allowance for the percentage of working hours for which the SROI-2007 is used.

Arrangements for participation

The consequences of taking part in the SROI-2007 as stated under 3 take effect when the employee starts withdrawing from his deposit of seniority days and thus effectuates the participation scheme. Applying the scheme occurs by agreement and both employee and employer can take the initiative to use the scheme. Participation in the seniority scheme or the employee's choice of reduction in working hours and its actual realisation can only be refused for important business considerations

3 CONSEQUENCES FOR OTHER TERMS OF EMPLOYMENT/RIGHTS

1. The taking of seniority days qualifies as special leave with partial (85%) pay. The employer shall ensure the payment of the owing premiums to the ABP Pension Fund for the original employment for both the employer's part as well as the employee's part.

2. All financial claims relating to remuneration shall continue to be calculated on the basis of the remuneration that the employee would have received if he had not made use of the scheme. This means that matters such as 'pension benefit', 'vacation pay' and 'year-end bonus' will not change as a result of participation in the SROI-2007.
3. The SROI-2007 participant maintains a basic leave claim of 338 vacation-leave hours²⁴. All age-leave hours and the 60+ rule (half an hour less work per day) are handed in from the moment of participation in the SROI-2007.
4. Notwithstanding the existing Scheme/Code of Conduct for Ancillary activities at the organizational level, all new income that employee acquires from work in addition to his reduced employment in connection with this scheme will be deducted from his pay to the maximum pay that is remunerated over the seniority day (= 85%). Therefore one is still entitled to the remuneration that is allied to the extent of the employment minus the seniority days.
5. If the employee fails to use the available seniority days in full in the framework of this SROI-2007 or opts not to make use of this scheme at all, he cannot lay claim to seniority days in any other way. No payment shall take place in any case.
6. For illness on a seniority day no compensation shall be given. Claims during illness and disability shall be based on the remuneration (85%) in pursuance of this SROI-2007.

4 LIMITING CONDITIONS

1. Prior to his participation in this scheme, the employee must have at least 5 consecutive ABP years of service and have been employed for at least 5 years at one of the WVOI organisations, including the participating civil-law employers, whereby ABP regulations are decisive.
2. From the age of 59 to the age of 65 the employee may enter into this scheme at any given moment, on the understanding that the rules specified in this scheme remain fully applicable.
3. Once the scheme SROI-2007 is used, extension of working hours or a return to full-time employment is not possible.
4. No entitlement to unemployment benefit is created for the extent of the reduction in working hours as a result of using SROI-2007.

5 PROCEDURE

1. The employee who wishes to participate in this scheme must inform employer of this in writing at least 2 months before the desired commencement date.
2. Subsequently an agreement shall be effected with the relevant employee, in which the arrangements concerning the working hours reduction time are recorded. Arrangements on the activity-related developments in the position shall also be recorded herein. Arrangements can also be focused on gradual reduction of the final responsibility, to a point where other functions are emphasised. If necessary, arrangements are also made for training, if both parties have agreed to a change in function.
3. The aforementioned agreement can only be changed if substantiated by serious reasons and with the approval of both parties.

6 TRANSITIONAL ARRANGEMENTS

1. Employees who are currently using the former seniority scheme cannot transfer to the new SROI-2007 scheme.
2. Arrangements with employees already using the seniority scheme on 1 October 2003, as was valid before last mentioned date, are not changed and are guaranteed till the age of 65. Adjustments made to the SROI as of 1 October 2003 are therefore not applicable to them.

²⁴ The basic leave claim is determined by the hours of employment at the commencement of the SROI-2007.

7 HARDSHIP CLAUSE SENIORITY SCHEME

In special cases, the provisions in this agreement may be departed from in favour of the employee, if in the employer's opinion this arrangement does not provide for the special circumstances of the individual case.