For the attention of LEC Trades Unions and Staff Associations:
SEK, TURKSEN, PEO, ENYBA, PASYDY, SBA Police Association, UK Dependants Association

BFC/SBAA PAY NEGOTIATIONS 2018/19 – PAY SETTLEMENT

1. I am pleased that all Trade Unions (TUs) and Staff Associations (SAs) have agreed to the Final Pay Proposal set out in my letter dated 20 June 2018. This letter acknowledges that agreement, and Annex A provides COSBAAs and the Trade Unions / Staff Associations' signed acceptance of this pay settlement for those staff represented and the staff who are not represented by a TU or SA.

2. The agreement reached is set out below:
   a. A Fixed Term agreement covering five years (From 01/04/2018 until 31/03/2023) effective as from 01 April 2018 and compromises:
      • Guaranteed payment of annual increments in each of the 5 years
      • 1.2% linear increase in each of Yr. 1 and Yr. 2 for staff on 'new' Terms and Conditions of Service
      • 1.3% linear increase in each of Yr. 3 and Yr. 4 for staff on 'new' Terms and Conditions of Service
      • 0.2% linear increase in each of Yr. 1 and Yr. 2 for staff on 'old' Terms and Conditions of Service

1 There is a small group of staff that have a hybrid of old and new terms and conditions, which will be examined on a case by case basis to ensure the correct pay settlement is awarded.

2 Terms and Conditions of Service implemented on or after 1st of July 2016.

3 Terms and Conditions of Service prior 1st of July 2016.
• 0.3% linear increase in each of Yr. 3 and Yr. 4 for staff on ‘old’ Terms and Conditions of Service

• 2% linear increase for all staff in Yr. 5

• The pay reduction will be removed over the first 4 years by the gradual raising of the current pay reduction threshold as follows:
  o 1 April 2018: from 1500€ – 1800€
  o 1 April 2019: from 1800€ – 2150€
  o 1 April 2020: from 2150€ – 3000€
  o 1 April 2021: no pay reduction

b. There will be commitment from Management and TUs/SAs to enter into constructive and meaningful dialogue on a number of important issues of mutual concern including, by 1 April 2019, new Terms and Conditions for staff employed on/after 1 July 2016 (including the appropriateness of application to all LEC staff). These discussions will be time limited in some cases given the importance of agreement.

c. Should the Crown Employees (Pay and Allowances) Ordinance 2015 be quashed on Judicial Review by the Courts and there was no possibility of appeal then the Employer and Trade Unions would set aside this agreement and recommence pay negotiations for 2018/19 as there is no intention that this pay agreement would deprive any employee of the benefit of that Court decision. This applies in terms of any personal legal action taken as well as Trades Union action.

d. Should TUs succeed in their legal challenge to pay reductions in the Republic of Cyprus and this results in non-trivial implications for BFC/SBAA staff given the Treaty of Establishment undertaking for ‘general equivalence’ in wages and conditions of service, then BFC/SBAA would enter into time-limited discussions with TUs/SAs to address this situation.

e. Should during the period of this agreement, the Republic of Cyprus renegotiate a new collective agreement with TUs and this results in non-trivial implications for BFC/SBAA staff given the Treaty of Establishment undertaking for ‘general equivalence’ in wages and conditions of service, then BFC/SBAA would enter into time-limited discussions with TUs/SAs to address this situation.

3. I have asked that every effort to be made to implement this pay deal so it is paid with August salaries. We will be advising all staff of the outcome week commencing 16 Jul.
4. May I take this opportunity to thank you for your frank and honest approach to our discussions and your personal contributions to the constructive and positive atmosphere within which these difficult negotiations took place.

Yours Sincerely,

Phil Mallion
Deputy Command Secretary
Copy to: COSBBA, DCS, Head of HR
ANNEX A

Confirmation of agreement of the BFC/SBAA 2018/19 Pay Settlement

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