



## **Suggested Trainee Employment Contract**

### **CONTRACT OF EMPLOYMENT**

ENTERED INTO BETWEEN:

("the employer") and

("the employee")

#### **1. DEFINITIONS**

In this contract:

"IAC" means the INSTITUTE OF ACCOUNTING AND COMMERCE;

"FASSET" means the FINANCIAL, ACCOUNTING, MANAGEMENT & OTHER FINANCIAL SERVICES SECTOR EDUCATION & TRAINING AUTHORITY;

"ACT" means the SKILLS DEVELOPMENT ACT, 1998 (Act 97 of 1998).

#### **2. BASIS**

2.1 It is recorded that this contract is concluded on the basis that:

- 2.1.1 IAC is a training provider as contemplated in Section 17 (1) (c) of the Act;
- 2.1.2 The employer or as employee of the employer nominated by him is a member of IAC;
- 2.1.2 The employer is an approved training centre as contemplated in the constitution of IAC

2.2 Should any one of the bases set out in paragraph 2.1 cease to apply, the employee shall be entitled summarily to terminate this contract.

### **3. ESSENCE OF AGREEMENT**

The employee will work for the employer for 3 years from the date hereof as a (trainee accounting officer) with the following duties:

3.1

3.2

3.3

### **4. TRAINING COSTS AND RELATED**

4.1 The employer undertakes to train the employee during the 3-year period referred to in paragraph 3 so as to enable the employee to register as a Financial Accountant in Practice (FAP);

4.2 The employer further undertakes to permit inspections by officials of IAC during working hours into the work performed by and training provided to the employee;

4.3 The employee undertakes to refund the employer:

4.3.1 100% of training costs incurred by the employer in his training should he resign or be dismissed for misconduct or incapacity during the first year of training;

4.3.2 50% of such costs should he resign or be dismissed as set out in 4.2.1 above, during the second year of training;

4.3.3 25% of such costs should he resign or be dismissed as set out in 4.2.2 above, during the third year of training.

For the purposes of this paragraph training costs include the time spent by the employee or employer on formal training events, calculated at the rate charged by either the employee or employer, as the case may be, at the time of the termination of service;

4.4 The employer will pay the costs of the employee for attending seminars, congresses etc., which are required to provide the training referred to in paragraph 4.1;

4.5 The employer will pay the employee a commencing salary of R per month, which will be reviewed annually on. In addition hereto the employer will pay the employee the following allowances:

(a)

(b)

(c)

The employer will also reimburse the employee for reasonable actual expenses in excess of these allowances incurred in the course of employment, provided satisfactory proof thereof is provided by the employee.

### **5. LEAVE**

5.1 The employee shall be entitled to 15 working days' leave per annum, provided that the first entitlement will accrue only after the employee has completed one year's service;

5.2 The employee shall take at least 10 day's consecutive working day's leave per annum, after becoming entitled thereto;

- 5.3 Leave must be taken within 1 year of the employee becoming entitled thereto. Should it not be taken during this period it will be lost;
- 5.4 Leave accrues at the rate of 1.25 days per month;
- 5.5 Leave shall be taken at a time mutually agreed between the employer and employee;
- 5.6 Paid sick leave will be accorded the employee on the basis of 1 day's paid sick leave every 26 days worked during the first 6 months of employment. Thereafter the employee shall be entitled to 30 days sick leave for the rest of the period of employment, reduced by the number of days taken during the first six months;
- 5.7 Sick leave in excess of 1 working day will only be paid on production of a certificate from a registered medical practitioner;
- 5.8 Unpaid sick leave shall be given at the discretion of the employer.

#### **FAMILY RESPONSIBILITY LEAVE**

- 5.9 The employee is entitled to 3 days paid family responsibility leave per annum to be taken:
  - 5.9.1 In the event of a child being born to the employee;
  - 5.9.2 In the event of the employee's child becoming seriously ill;
  - 5.9.3 Upon the death of the employee's spouse, life partner, parent (natural or adoptive), grandparent, child (natural or adopted), grandchild or sibling.

The employee shall provide written proof of the illness or death of the family member concerned, to the employer.

#### **STUDY LEAVE**

- 5.10 For subjects forming part of academic courses required for admission as a member of IAC, the employee shall be entitled to 1 day's leave to prepare for, and 1 day's leave to write, the final examination in the subject in question. This entitlement applies only to the first occasion on which the subject is written, and shall be limited to 10 days per annum;
- 5.11 Sick leave, family responsibility leave, and study leave does not accumulate.

#### **6. CONFIDENTIALITY AND RESTRAINT**

- 6.1 The employee shall not disclose to any third party information relating to or documents of any client of the employer, without the written consent of the employer;
- 6.2 The employee may not render any service or services for reward, directly or indirectly, to any of the employer's clients who are or were clients of the employer during the 3 year period referred to in Clause 4.1 above, for 18 months after the termination of the employee's service with the employer.

#### **7. TERMINATION OF SERVICE**

- 7.1 The employee may terminate this agreement by giving one month's written notice, provided such termination is approved, in writing, by FASSET;
- 7.2 The employer may terminate this agreement only:
  - 7.2.1 For reasons relating to the employee's conduct or capacity. Such termination may be with or without notice of one month, depending upon the circumstances;
  - 7.2.2 By mutual agreement between the employer and employee, on terms agreed by them;
  - 7.2.3 With the approval of FASSET, if it shows good cause. Such termination shall be on one month's notice to the employee.

#### **8. DEDUCTIONS**

8.1 The employee shall, for the duration of his employment by the employer, be a member of the following funds/schemes, and consents to the deduction from his salary of the amounts reflected against the said funds:

A. 2%

B. 3%

C. 4%

8.2 The employee consents to the employer deducting from his monthly salary amounts owing by him to the employer in respect of personal use of the employer's facilities by the employee during the month in question.

## **9. PRIVATE WORK**

9.1 The employee may not render professional services in a private capacity for reward during the period of employment without the written consent of the employer;

9.2 The employee may not be employed by any other person for the duration of this contract without the written consent of the employer.

## **10. RULES AND REGULATIONS**

10.1 The employee will abide by the employer's rules and work practices for the duration of this contract. The rules and work practices relate to working hours, dress codes, tea breaks, lines of communication etc. and may change during the course of this contract. Hours of work as at the date of this contract are: (insert as is appropriate)

10.2 The employee shall, at the request of the employer work overtime, and shall be remunerated therefore as contemplated in the Basic Conditions of Employment Act, 1997.