



**TRINIDAD AND TOBAGO**  
**TRADE DISPUTE NO. 92 OF 2004**

**IN THE INDUSTRIAL COURT**

Between

**TRINIDAD AND TOBAGO  
SENIOR STAFF ASSOCIATION - Party No. 1**

And

**NATIONAL BROADCASTING  
NETWORK LIMITED - Party No. 2**

**CORAM**

**Her Honour Mrs. G. Gafoor - Vice-President**  
**His Honour Mr. V.E. Ashby - Member**  
**Her Honour Mrs. J. Rajkumar-Gualbance - Member**

**APPEARANCES:**

Mr. D. Mendes, S. C. )  
Mr. K. Garcia, Attorney-at-Law ) **for Party No. 1**

Mr. R. Armour, S. C. )  
Mr. M. Quamina, Attorney-at-Law ) **for Party No. 2**

**Dated: 25<sup>th</sup> November 2004**

**JUDGMENT**

**Delivered by His Honour Mr. V.E. Ashby**

This trade dispute between the Trinidad and Tobago Television Senior Staff Association (“the Union”) and National Broadcasting Network Limited (“the

Company”) arises from a breakdown of negotiations between the parties for an “Enhanced Voluntary Separation Package”.

The Union is the recognized majority union for a bargaining unit of monthly-paid workers of the Company. The Company is a fully state-owned limited liability company engaged in, inter alia, the business of producing and broadcasting television and radio programmes to the public.

Written statements of evidence and arguments were submitted by both parties. In addition, in the course of these proceedings and in response to a request made by the Court, the Company submitted its audited financial statement for the year ended December 31, 2003. Both parties relied on their statements of evidence and arguments and no witness was called by either side.

The background to this trade dispute reported to the Minister of Labour by the Union is as follows:

The registered collective agreement between the parties having expired on December 31, 2001, they had commenced negotiations for the agreement to follow it when it was announced, by way of a written media release dated November 7, 2003, that, inter alia, the Company would cease to exist and a VSEP would be offered to all staff after consultations with the representative trade unions.

We note that the acronym VSEP, widely used in the documents of both parties means “Voluntary Separation Package” which at times is alternatively referred to as a “Voluntary Separation Plan” or “Enhanced Voluntary Separation Package”. Only the term “VSEP” will be used hereinafter.

The Union responded to this announcement by joining with the Electronic Media Union of Trinidad and Tobago and the Union of Commercial and Industrial Workers each of which has the status of recognized majority union in respect of other workers of the Company, to form a “Coalition of Unions” to make representations jointly to the Company on the proposed close-down.

By letter dated November 17, 2003 the Company wrote to the “Coalition of Unions” setting out its “preliminary proposals” for VSEP. It is important to note that, in respect of the Union, this approach was required of the Company by Article 6 of the collective agreement which provides at Clause 2(ii):

“The Company and the Union agreed that in the event of VSEP the parties would meet to discuss an enhanced package for the employees involved.”

Negotiations ensued between the Union and the Company, including, up to early in 2004, joint negotiations with the “Coalition of Unions”. Revised proposals were submitted by the Company on January 27, 2004 and the Union responded to these with counter-proposals dated February 2, 2004. By this time, the parties were negotiating bilaterally and no longer through the “Coalition”.

After meetings on February 4<sup>th</sup>, 6<sup>th</sup>, 10<sup>th</sup> and 27<sup>th</sup> and March 2<sup>nd</sup> 2004 the Company on March 4<sup>th</sup>, sent to the Union its final revised proposals for VSEP. These did not find favour with the Union which by letter dated March 9<sup>th</sup> 2004 reported to the Minister of Labour the breakdown of negotiations.

After the Minister's conciliation efforts were unsuccessful, the trade dispute was referred to the Court pursuant to Section 61(a) of the Industrial Relations Act, Chapter 88:01 ("the Act").

The foregoing relatively detailed account of the background to this trade dispute has been given in order, inter alia, to demonstrate that the employer, intending to offer VSEP to workers, was in compliance with the Court's requirements as set out at Page 29 of Trade Dispute 9 of 2003, Caroni (1975) Limited v ATSGWTU delivered on June 27<sup>th</sup> 2003:

"VSEP is essentially **separation by agreement**. There has to be, therefore, agreement between the employer and the employee on the terms and conditions of the separation. The employer cannot impose terms unilaterally. Put in the context of a recognized majority union, such as exists in the instant case, there must be agreement between the employer and the union on the terms and conditions of the separation."

The parties having sought and failed to reach agreement on a VSEP proposal, it is for the Court to determine the trade dispute that exists between them. What is

the scope for making such a determination and in what terms must an appropriate order be made?

There is a difference between the parties over the very fundamental question:

“What is the Court being asked to do?”

For Mr. Douglas Mendes, Senior Counsel, Attorney for the Union, the Court is asked:

“to settle this dispute between them and for the Court to say what is a fair and just voluntary separation plan under the circumstances.”

For Mr. Reginald Armour, Senior Counsel, Attorney for the Company, the question is whether the Court will

“deem the Company’s offer more acceptable, or the Union’s counter-proposals more acceptable”

Although there are some matters of detail with respect to, inter alia, payment of gratuity, recalculation of VSEP upon the conclusion of negotiations for the collective agreement to follow the one that expired at the end of 2001, financial support for retraining, the extent of the difference between the parties is best indicated by their respective final positions on the degree of enhancement of the termination benefits.

From information set out in paragraph 41 of the Company's evidence and arguments and from appendix "M" attached to the Union's evidence and arguments their respective final positions may be summarized as follows:

The starting point of the final proposals for enhancement made by both sides was the severance pay formula in Article 6 of their collective agreement:

<b>YEARS SERVICE</b>	<b>COMPUTATION OF SEVERANCE PAY</b>
1 – 4 years	1 month for each year worked
5 – 9 years	1.5 months for each year worked
10 – 14 years	1.75 months for each year worked
14 years and over	2 months for each year worked

Upon this base, the Company proposed enhancements varying with the worker's age. The maximum enhancement of 32% applies to workers in the age group of 46 to 50 years. From this maximum, the enhancements would decline at five-year age group intervals to 15% for those under 30 years old; in the other direction enhancements would decline to 22% for the 51 - 55 age group and to 18% for the 56 – 60 age group with no enhancement for employees aged 60 years. The Company's claim that this worked out overall to an average enhancement of 25% per employee was not disputed by the Union.

For its part, the Union's proposal had its point of departure in the severance pay formula in the collective agreement but its proposal was that severance pay be calculated at three (3) months per year of service, that quantum to be enhanced

by “40% across the board”. The Union specifically opposed the Company’s proposed variations based on the age of workers. In his oral submissions to the Court, Mr. Mendes made the alternative suggestion that, if the Union’s proposal of three (3) months pay per year of service did not find favour with the Court, it would be the Union’s contention that, if enhancement were to be made on the basis of severance pay calculated as per the collective agreement formula, the degree of enhancement should be “75% across the board”.

The Union was opposed to the age-related variations in the level of enhancement as proposed by the Company. Suffice it to say that, in two judgments which will be referred to below, this Court has shown its approval of such provisions as being in accordance with good industrial relations practice. The judgments are T.D. 60 of 1985 *Trinidad Cement Limited v Trinidad Cement Senior Staff Association* and T.D. 11 of 1987 *Penta Paints (Caribbean) Limited v TIWU*.

In support of the Union’s proposals, Mr. Mendes said that the Court would be a mere rubber stamp if the proposition were to be accepted that it was a matter of allowing the Company to implement the VSEP as it proposed or leaving the workers to receive unenhanced termination benefits in accordance with the collective agreement when the Company was closed down. He argued that the role of the Court, in accordance with equity and good conscience, was to determine what was a reasonable level of enhancement and make an order that the Company offer VSEP at that level rather than what the Company proposed.

For the assistance of the Court he suggested a methodology for determining what that reasonable level of enhancement was. It was based on the concept of evaluating, on the one hand, the benefits and advantages gained by the employer and, on the other, what was lost or given up by the workers when a VSEP was implemented. He gave examples of the benefits and disbenefits.

For the Company, Mr. Armour pointed out that its claim in its evidence and arguments that it was insolvent had not been controverted and that it was only because of a promise of \$30.1 million dollars from the sole shareholder, the government of Trinidad and Tobago, that it was able to make the VSEP offer. Without the promised subvention he saw the grim prospect of the insolvent Company forced to close down, in circumstances where the workers might have no right to severance pay by operation of the law as set out in Privy Council Appeal No. 27 of 1993 *Commercial Finance Co. Ltd. v Ramsingh-Mahabir* reported at [1994] 1 WLR 1297.

The Company, in Mr. Armour's submission, was doing the best it could.

In the instant trade dispute the difference between the parties concerns the level of enhancement of terminal benefits that there should be in the Company's proposed VSEP. The Company proposed a certain level of enhancement; the Union counter-proposed a different and higher level of enhancement. The Union seeks to move the Court to find the level of enhancement proposed by the employer "unreasonable". The Company contends that the level of enhancement it proposes is reasonable in all the circumstances and that the Court should so find and determine.

In Trade Dispute No. 20 of 1978 Sproston's (Trinidad) Limited v TIWU (C.E. Bramble, H. Johnson) delivered on 9<sup>th</sup> November 1978 there is a succinct statement of the approach typically adopted by the Court in fixing terms and conditions of employment in a trade dispute concerning "interests". The case was a dispute over a breakdown of negotiations. TIWU proposed the addition to the article in the collective agreement on severance pay (Compensation for Service) of a clause that would provide for payment of compensation to a worker for voluntary resignation after four years' service. This proposal was opposed by Sproston's. In dismissing the trade dispute the Court said:

"It seems to us that the fact that such a provision is found in some collective agreements is not enough for us to impose it on parties; we could do so if it is a generally accepted principle in that it can be found in the vast majority of collective agreements or, perhaps, that it is a peculiar feature of any particular industry. Nothing of this kind has been proved and we hold that any compensatory payment for past service on voluntary retirement must still be left to parties to settle between themselves.

We accordingly dismiss this dispute."

Typically, therefore, in such disputes the Court does not substitute its own judgment for that of the parties when it determines what provision should be included in a collective agreement in the absence of agreement by the parties. Such awards are made on the basis of the actual practice of the parties to collective bargaining as evidenced by the content of registered collective agreements.

When the Court is able to determine that a norm has been established, it has even been prepared, in appropriate cases, and by reference to such norms, to

make awards altering existing provisions freely negotiated by parties to interests disputes.

In Trade Dispute No. 60 of 1985, Trinidad Cement Limited v Trinidad Cement Senior Staff Association delivered on June 10, 1987 the Court (LPE Ramchand, G. C. Awang) added to an existing collective agreement provision on severance pay clauses which reduced by a "sliding scale" the severance payment to workers who were within ten (10) years of normal retirement age and were eligible to receive an immediate pension.

In so doing the Court said:

"In ordinary circumstances the Court would be reluctant to interfere with freely negotiated terms and conditions. In the instant case however the Court finds it extremely difficult to support the extraordinary level of benefits provided by the previous agreement which the Association seeks to perpetuate. In the context of the prevailing norms, and the inherent concept of the provision itself we do not consider that the scale of benefits contained in the previous agreement is supportable; moreover in the precariously balanced financial position of the Company continuation of the benefits previously provided constitutes a risk and an inhibiting factor of undesirable proportions."

In another case, Trade Dispute No. 11 of 1987 Penta Paints (Caribbean) Limited v TIWU delivered on April 18, 1988, the Court (A. M. Khan, G. C. Awang) ordered the addition to an existing collective agreement article on Compensation for

Service a sliding scale of a similar kind to the one in the Trinidad Cement Limited case. The stated rationale was:

“After careful consideration of the written Evidence and Arguments and the oral submissions of the parties, we are of the opinion, and so hold, that the Company’s proposal to amend the compensation for service provisions in the context of the benefits available to employees by virtue of their membership of the Company’s Pension Plans in respect of employees with ten (10) years or less remaining service to normal retirement is in accordance with good industrial relations practice.”

A distinguishing feature of the “norms” by which the Court is guided is that they are ascertainable from objective evidence in the form of provisions which have been included in registered collective agreements as a result of the actual practice of employers and trade unions.

The case is different with a VSEP offer which is inherently a matter driven largely, on the employer’s side, by subjective considerations – essentially by the employer’s assessment and judgment as to what additional financial cost he elects to incur in order to achieve, by voluntary rather than involuntary separation, a desired level of reduction in the number of employees that his business requires. Such a decision is informed by factors peculiarly within the knowledge and judgment of the employer. A critical consideration must surely be the employer’s ability to pay.

In making his decision, the employer may well give consideration to the costs and benefits identified by Mr. Mendes. As between different employers, however, there can be no telling which exactly are the factors considered or what weight is given to them. Almost infinite must be the variability of the circumstances in which different employers will make decisions on offering VSEP. In the face of such imponderables, the Court has no reliable way of informing itself as to what level of enhancement ought to be made the subject of an award.

It goes without saying, however, that the Court has a responsibility and the power to modify any aspect of a VSEP proposal that is repugnant to good industrial relations practice or that is defective for reasons related to S.46(3)(a) of the Act :

“(a) conflict with any provisions of the Constitution or with this Act or with any other law.”

It is apparent on the evidence before the Court, that the VSEP proposed by the Company is not for the purpose of reducing the size of the work force with the intention of continuing operations. The VSEP is offered against a background where the Company has notified the workers and the Union of its intention to close down. Having done so, it is, in effect, inviting workers to terminate their contracts of employment by agreement, with the incentive held out of enhanced terminal benefits. This Court is not aware of any “norms” by reference to which it can deem the level of enhancement proposed by the Company “unreasonable”.

In T. D. 125 of 1999 BP (Formerly Amoco) v OWTU delivered on December 20, 2000, the Learned President of the Court H.H. Mr. A.M. Khan said with respect to the Court's role in matters of voluntary separation:

“As its name implies, a voluntary separation is entirely voluntary in character. A worker elects whether or not to leave his employment on acceptable terms offered by his employer. Any termination of his employment is, therefore, consensual and not forced. The employer induces the worker to leave his employment prematurely by offering a payment that is not based on any particular formula but which is attractive enough to persuade the employee to resign or retire from his employment before his normal age of retirement. Under normal circumstances, a worker legitimately expects to retain his employment until his normal date of retirement. *The Industrial Relations Act, Chapter 88:01 (the Act)* protects a worker from being dismissed harshly and oppressively or not in accordance with the principles of good industrial practice. Of course, there is always the possibility that his employment may become surplus to his employer's requirements and liable to be compulsorily retrenched, in which event he would be entitled by law to receive compensation for his past service by way of severance benefits.

.....

To require a worker to leave his employment prematurely constitutes altering his existing terms and conditions of employment which permits him to remain in the employer's employment until he is either compulsorily retrenched or dismissed for a reason or reasons which do not violate the provisions of the Act. It is because of the entirely voluntary nature of such a programme that the employer is required to negotiate the incentive payment with the worker, or where the worker is included in a bargaining unit in respect of which there is a recognised majority union, with the recognised majority union concerned. There is no special law that deals with voluntary separation and payments made under such an arrangement receive

no tax considerations under the present income tax law. It is a special consensual arrangement made between employer and worker, or between an employer and a recognised majority trade union on behalf of workers in an appropriate bargaining unit, and unless the worker is treated unfairly or unjustly or the employer violates some important principle of good industrial relations practice, the arrangements will normally be acceptable." (Emphasis added)

Applying this test to the evidence before the Court, we find and so hold that the Union has not substantiated its claim that the level of enhancement of terminal benefits in the Company's proposed VSEP is unreasonable. Accordingly, for the determination of this trade dispute, it is the order of this Court that the VSEP offered by the Company to members of the bargaining unit shall be in terms of the Company's proposals to the Union made under cover of a letter dated March 4, 2004, as amended by the Court.

The Court makes one substantial amendment to these proposals. At item No. 4 of its final revised proposals the Company's position was:

**"4. VSEP Recalculation for Outstanding Union Agreements**

In lieu of a revision of the enhanced VSEP a five percent (5%) payment is being offered on the lump sum payment received by each employees (sic) (VSEP payment plus enhancement) who participates in the programme."

For this provision there shall be substituted:

"4. The VSEP of each eligible employee shall be recalculated in the event that this becomes necessary as a consequence of changes made in the registered collective agreement between the parties for the period

following December 31, 2001 (date of expiry of the last registered collective agreement).”

Other modifications to the Company's proposal are:

- i) Minor editorial changes
- ii) Deletion of references to other trade unions

The original language of the proposals is otherwise preserved.

The said proposals are appended to and form part of and are incorporated into this judgment.

It is so ordered.

Liberty to apply.

**Mrs. G. Gafoor**  
**Vice-President**

**Mr. V.E. Ashby**  
**Member**

**Mrs. J. Rajkumar-Gualbance**  
**Member**

**APPENDIX TO TRADE DISPUTE NO. 92 OF 2004**

Between

**TRINIDAD AND TOBAGO  
SENIOR STAFF ASSOCIATION - Party No. 1**

And

**NATIONAL BROADCASTING  
NETWORK LIMITED - Party No. 2**

**ENHANCED VOLUNTARY SEPARATION PACKAGE**

**2004 Voluntary Separation of Employment Programme**

**1. Eligibility**

All employees (bargaining unit and non-bargaining unit) will be eligible to participate in the VSEP which will provide participants with the opportunity to:

- seek more satisfying employment elsewhere;
- try a new business venture; or
- dependent on age, retire early with a certain amount of financial security.

**2. Severance Formula**

The formula for Severance payments for Senior Staff Association (SSA) based on the existing collective agreement is shown below:

<b>SSA</b>	
1 – 4 years	1 month for each year worked
5 – 9 years	1.5 months for each year worked
10 – 14 years	1.75 months for each year worked
14+ years	2 months for each year worked

Separation calculations will be based on the formula contained in the collective agreement.

**3. Monetary Enhancement**

An enhancement over and above the VSEP payment yielded by the formula will be applied for ALL employees. The overall average enhancement will be twenty-five percent (25%) with the enhancement level of individual employees varying based on the employee's age as set out in the following table:

<b>Age</b>	<b>Enhancement</b>
Less than 30 years	15%
30-35 years	20%
36-40	25%
41-45	30%
46-50	32%
51-55	22%
56-60	18%
Over 60	0%
<b>Average</b>	<b>25%</b>

“4. **VSEP Recalculation for Outstanding Union Agreement**

The VSEP of each eligible employee shall be recalculated in the event that this becomes necessary as a consequence of changes made in the registered collective agreement between the parties for the period following December 31, 2001 (date of expiry of the last registered collective agreement).

5. **Gratuity Payment**

A payment of one (1) week's basic salary will be paid to permanent employees as a gratuity payment and will be subject to income tax deduction.

6. **Presenters, Permanent Part Time Workers**

Presenters and permanent part time workers who worked a minimum of twenty-five (25) hours per week for the fifty-two (52) week period immediately preceding the VSEP offer date will be eligible for one hundred percent (100%) of the Separation payment as well as the enhancement being paid to permanent employees.

7. **Disc Jockeys and Other Freelancers**

Disc Jockeys and other freelancers will be eligible for fifty percent (50%) of the Separation payment as well as the enhancement being paid to permanent employees.

8. **Contract Workers, Long Standing Television Presenters**

Contract workers whose contracts include a termination clause or gratuity provision will be paid according to same. Other contract workers and long standing television presenters will receive a gratuity payment as follows:

<b>Length of Service</b>	<b>Gratuity</b>
1 – 5 years service	total of 3 months' salary or average monthly fees
6 – 10 years service	total of 4 months' salary or average monthly fees
10+ years service	total of 5 months' salary or average monthly fees

9. **Customer Service Representatives, Brand Co-ordinators, Accounts Executives**

Customer service representatives, brand co-ordinators and accounts executives will receive a Separation payment calculated on the basis of their basic salary and average commissions over the twelve (12) months immediately preceding the date of release.

10. **EAP Services**

The Company at present provides Employee Assistance Programme (EAP) services through *Elder Associates Limited* and all employees will have access to same, if needed, prior to the date of release and in the twelve (12) month period immediately following the date of release, to assist in dealing with any emotional trauma arising from the separation process. These services encompass career counselling, personnel financial consultation, job search activities and personal counseling. The cost per employee is **\$300.00** plus value added tax per hour and the Company is prepared to underwrite the cost of up to **five (5) hours'** (or five sessions) worth of counselling per employee.

11. **Financial Counselling /Outplacement Services**

The Company has launched financial counselling/outplacement services to help employees prepare for success in their future endeavours. Group seminars as well as individual sessions are available and the Company is encouraging every employee to take advantage of this facility which is being provided by a cadre of leading professionals. Workshops/seminars are being conducted in the following areas: change management, resume writing, presentation and interview skills, development of business plans and small business management.

12. **Retraining Award**

The Company will match an employee's investment in training in preparation for a new career up to a maximum of **\$4,500.00** provided that he/she registers in an approved programme within twelve (12) months after separation.

**13. Information Brochure**

An information brochure is being prepared and will be distributed to all employees in the form of 'frequently asked questions'. In addition, the brochure and other relevant information will be accessible via the Company's intranet.

**14. Key Contacts**

General questions that have not been addressed in the brochure or in the information on the Company's intranet, as well as questions relating to the health plan, pensions and similar matters may be addressed to:

<b>Name</b>	<b>Designation</b>	<b>Telephone Extension</b>	<b>E-mail Address</b>	<b>Fax</b>
Mrs. Jacinta Aziz	Human Resource Officer	2233	<a href="mailto:HR@nbn.co.tt">HR@nbn.co.tt</a>	628-6733
Mrs. Arlene Belgrove	Administrative Assistant	2232	<a href="mailto:HR@nbn.co.tt">HR@nbn.co.tt</a>	628-6733
Ms. Marlene Gomez	Administrative Assistant	2236	<a href="mailto:HR@nbn.co.tt">HR@nbn.co.tt</a>	628-6733
Ms. Angela Salandy	Assistant to the Director, Finance & Administration	2262	<a href="mailto:HR@nbn.co.tt">HR@nbn.co.tt</a>	628-6733

The Company recommends that employees send their questions in writing via electronic mail to [HR@nbn.co.tt](mailto:HR@nbn.co.tt). Questions will be answered via return electronic mail within twenty-four (24) hours or via telephone to the name and phone number indicated.

**15. Resignation/External Job Offers**

Effective Friday November 7, 2003, any employee who wishes to take up an external job offer will be allowed to do so without jeopardizing his/ her entitlements under the VSEP. However, the employee's 'years of service' under the plan will be calculated up to his/her date of departure and not the 'date of release' as stated above.

**16. Taxation**

In accordance with the provisions of the *Income Tax Act*, up to the first \$300,00.00 of any Separation payment received by employees will be tax-free. Any balance over \$300,000.00 will be subject to tax in the normal manner. Approval must first be obtained from the Board of Inland Revenue before any payment can be made, and employees are therefore being urged to have all tax returns filed.

## 17. Pension Plans

All pension-eligible employees will receive the benefits to which they are entitled on the dates due under the existing trust deeds and rules of the *Trinidad and Tobago Television Company Pension Plan* (the TTT plan) and the *National Broadcasting Services of Trinidad and Tobago Pension Plan* (the NBS plan). The Company will take steps to recompense any contribution arrears or plan deficits to ensure that the plans are able to meet their liabilities. The Company will also develop a framework to facilitate the payment of pensions on the dates due to employees subsequent to separation.

Applicants who are sixty (60) years or over as the date of release can receive an early retirement pension in accordance with the relevant rules of the pension plan of which they are now members, in addition to **ALL** benefits under the VSEP for which they are eligible.

## 18. Information on Individual Entitlements

Each employee will be provided information on the total value of his/her separation benefits. Customized Separation calculations will also be accessible via the Company's intranet. Employees are encouraged to raise any queries or concerns with the Human Resources Department.

## 19. Other Benefits

### Health Insurance

The Company will maintain the group health insurance plan for a period of twelve (12) months following the date of release with **all** premiums to be paid by the Company. Thereafter, optional membership may continue with premiums to be paid by separated employees at rates to be determined by the provider.

The provider has advised of the following terms and conditions of continued membership:

- *Coverage will be extended for a maximum period of twelve (12) months from the date of separation, provided that the existing group contract remains in force;*
- *The required premiums are paid by NBN on behalf of the separated members;*
- *If the separated member secures employment at an earlier date, including being hired by the entity that succeeds the present National*

*Broadcasting Network, coverage, as a VSEP member, will cease immediately;*

- *These separated members will not be allowed to access credit facilities at Health Net Limited or Today's Optical/Optometrists Today;*
- *Claims will be honoured strictly on a reimbursement basis, except for pre-certified surgical expenses;*
- *Membership in the Group Life Plan ceases immediately from the date of separation.*

20. **Vacation**

Each employee will receive a cash payment for vacation leave accrued up to the date of release, prorated for the last year of service or part thereof. This payment is subject to income tax deduction.

25<sup>th</sup> day of November, 2004.