

REPUBLIC OF KENYA



**NATIONAL ASSEMBLY
TENTH PARLIAMENT – FOURTH SESSION, 2012**

**THE DEPARTMENTAL COMMITTEE (I)
ON LABOUR AND SOCIAL WELFARE**

**REPORT ON THE PETITION BY THE HON. JOHN MUTUTHO, MEMBER OF
PARLIAMENT FOR NAIVASHA CONSTITUENCY, ON
THE ONGOING REDUNDANCY EXERCISE AT KENYA AIRWAYS LIMITED
LAID ON THE TABLE OF THE HOUSE ON
13TH SEPTEMBER 2012**

**VOLUME II
(ANNEXES)**

**CLERK'S CHAMBERS
NATIONAL ASSEMBLY
PARLIAMENT BUILDINGS
NAIROBI**

NOVEMBER 2012

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PAPERS LAID

ANNEXES I TO LXV

Petition to seek nullification of the ongoing redundancy exercise and reinstatement of all the affected employees of Kenya Airways limited

PUBLIC PETITION

(STANDING ORDER NO 204)

Approved
ASNA
11/09/2012

James Lwand
Hon. John Ouko
on 13.9.2012

We, the undersigned being employees affected by the ongoing redundancy exercise at Kenya Airways seek to bring to the attention of the government through Parliament:

THAT we have been working for Kenya Airways on permanent and pensionable terms in various departments and are members of Aviation and Allied Workers Union[k] that is mandated to represent workers who are its members in all matters relating to their terms and conditions of service.

THAT we have worked for Kenya Airways for diverse durations

THAT the majority of us are young people with young families who solely depend on us and that we have committed our salaries to mortgages and loans.

THAT we have gained enough and valuable experience in our course of duty most of which has been at the expense of our employer through trainings/workshops/short term courses.

THAT a similar exercise was undertaken in 2004 under the same CEO where many of our colleagues were retrenched and a new lot employed immediately, thereby proving that the objective was not to downgrade the wage bill but driven by other motives

THAT over the last one year, the Company has increased pay for its top executives by over 24% compared to 10% for the unionisable employees

THAT the management and pilots totaling approximately 1000 employees earn approximately 74% of the total wage bill compared to the unionisable employees totaling about 3340 earning approximately 26% of the total wage bill.

THAT the company has misled the public into believing that the wage bill is Kshs. 13.2 billion, in an attempt to justify the redundancy exercise while the actual wage bill is Kshs 8.3 Billion.

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THAT over 90% of the employees affected by the redundancy exercise, are in the category of those taking 26% of the total wage bill, whose net result will be insignificant on the total wage bill.

THAT the Company made a decision to do fuel hedging [long term fuel purchase contracts] for 5 years, a decision whose consequence has led to high fuel prices for Kenya Airways above the market prices, which are being cited to justify redundancies.

THAT Kenya Airways has been quoted indicating that the employees declared redundant will be taking home a consolidated severance package of Kshs.2 million as minimum while in truth, most of us will be getting as low as Kshs.100,000 despite having worked for over 10 years.

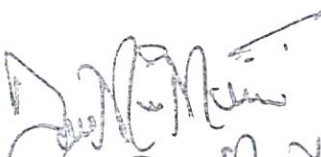
THAT the Company provided an overheads account of Kshs.3 billion in the 2011-2012 financial year to among others cater for foreign trips that actually takes the bulk of this allocation with top management taking unlimited foreign trips with family members, an expenditure that negatively impacts on the profitability of the company.

THAT the top executives enjoy monthly pet allowances of over Kshs.70,000 an amount that is way above the average wage of the unionisable employees, and further the top executives enjoy a monthly spousal responsibility allowance of over Ksh.300,000.

THAT on the 1st of August 2012, Kenya Airways communicated to all its employees on their intention to commence a redundancy exercise and without prior consultation with the workers union gave a 9 day notice for those who wished to take an early voluntary retirement.

THAT among the reasons cited for this envisaged redundancy were unsustainable wage bill, high headcount and high jet fuel costs.

THAT while Kenya Airways purports to downsize its workforce, but the reality on the ground is that the company has either maintained or increased its manpower levels.


Hon. Ben M. N. Muthiga EBS

Petition to seek nullification of the ongoing redundancy exercise and reinstatement of all the affected employees of Kenya Airways limited

THAT Kenya Airways has an ambitious 10 year Strategic Plan, Project Mawingu, to expand its fleet to over 100 aircrafts and to fly to all parts of the world, we are already 3 years into the plan that will keep on demanding for more employees, and hence the current redundancy exercise is a huge contradiction.

THAT having worked for Kenya Airways for diverse durations, we felt this to be our calling and our future and did not therefore offer/volunteer to be retired early.

THAT starting 3rd September 2012, we started receiving our dismissal letters from Kenya Airways, indicating that we had been declared redundant effective 4th September 2012, and that our payments would be processed upon, among others, undergoing a medical check-up at the Kenya Airways Clinic.

THAT there appears to have been a deliberate objective to target female staff who had delivered in the last two years, those who were expecting and employees who had work-related injuries and occupational health being treated using Kenya Airways medical cover.

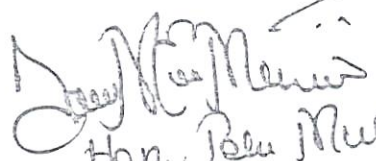
THAT some of our colleagues affected by the exercise had been booked for delivery that was due in a week's time that would ordinarily be covered by the Kenya Airways medical cover. The hospital declined to honor this booking on the strength of the redundancy.

THAT one of the affected ladies was expectant and due for delivery, and further miscarried despite having no recorded complications or conditions.

THAT one of the affected employees was due to fly to India for specialized treatment for a condition that was unmanageable in Kenya and would have enjoyed the Kenya Airways Medical Cover for this treatment.

THAT among those affected is a disabled employee who has served Kenya Airways for over 15 years.

THAT this exercise is designed to target current and former union officials and those members who actively participated in the strike action of 2009, whose objective was to agitate for the conclusion of the Collective Bargaining Agreement


Hon. Peter Mutitu. E.S.P. MR

(CBA) that would have resulted in the improvement of terms of conditions of service that had been pending for long.

THAT the Company has irregularly outsourced functions to external companies where the CEO holds substantial interests through proxies, without due regard to the established competitive procurement procedures, and that the company has hired expatriates to undertake duties that have traditionally been performed by Kenyans.

THAT the CEO is on his way out of the Company and has attended an interview for position of CEO for Magadi Africa in South Africa, and that he holds an insignificant shareholding of only 5 shares in Kenya Airways which raises serious doubts whether he has the interest of the Company at heart.

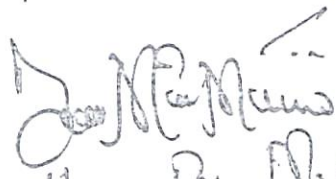
THAT the CEO forced the Company to pay salary arrears of Kshs 798,000 allegedly arising out of a job evaluation exercise for his domestic workers, yet these roles were not part of the job evaluation exercise and are not in the Company structure.

THAT among the reasons given for the redundancy exercise is the drastic increase in headcount in the year 2011-2012, a move solely undertaken by the CEO to seemingly justify redundancy since interestingly, it is not affecting the employees hired during the period in reference.

THAT this redundancy exercise is discriminatory, unlawful, irregular, and inhuman and is a cover-up of corrupt deals being undertaken under the watch of the CEO which, if allowed to proceed, will be a travesty of justice and an infringement of the fundamental rights of the affected employees.

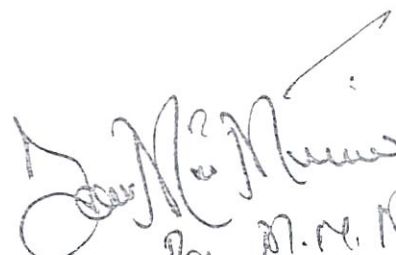
THEREFORE, your humble petitioners pray that: the Government of Kenya through Parliament;

1. Nullifies the whole exercise of redundancy and reinstates all the affected employees unconditionally and without any victimization whatsoever.


Hon. Ben Mutitu M.P.


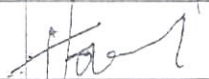
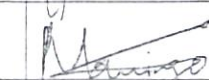

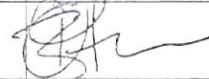
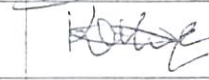

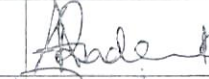
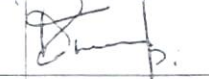


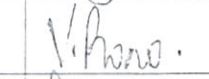
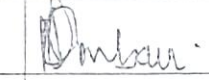

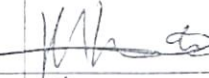
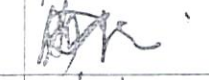


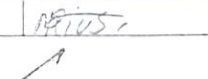
Petition to seek nullification of the ongoing redundancy exercise and reinstatement of all the affected employees of Kenya Airways limited

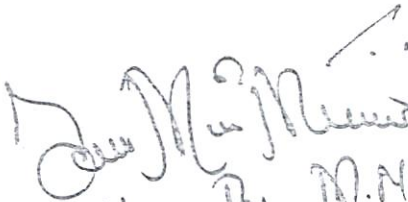
2. Constitutes an Ad-Hoc committee to investigate the CEO of Kenya Airways on issues to do with outsourcing of various functions to external companies, hiring of expatriates to take over jobs traditionally held by Kenyans, and other unethical practices.
3. Suspends the hiring of expatriates and outsourcing of these functions pending the outcome/findings of the investigation.
4. Undertakes a forensic audits to uncover the truth


Hon. J. M. Mutitu

Petition to seek nullification of the ongoing redundancy exercise and reinstatement of all the affected employees of Kenya Airways limited

AND your petitioners will forever pray.

	NAME OF PETITIONER	FULL ADDRESS	NATIONAL ID OR PASSPORT NO	SIGNATURE/THUMB IMPRESSION
1	IRENE MWENDE SAMMY	P.O BOX 19002-00501 NBO	13714511	
2	SHEILA HOARAU	P.O BOX 19002-00501 NBO	6447114	
3	VIOLET MANIGO	P.O BOX 19002-00501 NBO	8523636	
4	MORAA CAROLINE	P.O BOX 19002-00501 NBO	24524319	
5	BERYL A OTIENO	P.O BOX 19002-00501 NBO	22518473	
6	BEATRICE KILEL	P.O BOX 19002-00501 NBO	25483506	
7	MAUREEN A ANYANGO	P.O BOX 19002-00501 NBO	23828235	
8	ANDEKA ROSELINE	P.O BOX 19002-00501 NBO	12966716	
9	DAVID MUSEMBI	P.O BOX 19002-00501 NBO	22554674	
10	NYAKOMBO KEVIN	P.O BOX 19002-00501 NBO	21432715	
11	ONGATI ELIJAH	P.O BOX 19002-00501 NBO	12794722	
12	VIOLA C RONO	P.O BOX 19002-00501 NBO	22388137	
13	NGUMBAU ANTHONY	P.O BOX 19002-00501 NBO	21929439	
14	CAROLINEMASINJILA	P.O BOX 19002-00501 NBO	12703934	
15	MARGRET MWIKALI	P.O BOX 19002-00501 NBO	10367571	
16	MADENGE MUDIGO	P.O BOX 19002-00501 NBO	20907111	
17	MICHAEL PONDA	P.O BOX 19002-00501 NBO	21748118	
18	TINDI SWEENY	P.O BOX 19002-00501 NBO	22617106	
19	JUDITH MWONGELI PIUS	P.O BOX 19002-00501	14578690	


Hon. Peter M.A. Nantulyo FPS MP

Petition to seek nullification of the ongoing redundancy exercise and reinstatement of all the affected employees of Kenya Airways limited

		NBO		
20	KIRAGU ANNE NJERI	P.O BOX 19002-00501 NBO	21437893	<i>Kiragu</i>
21	MARGRET L MWANGANGI	P.O BOX 19002-00501 NBO	13590724	<i>Mwangangi</i>
22	TIMOTHY MUCHIRI	P.O BOX 19002-00501 NBO	13235372	<i>Muchiri</i>
23	ANNE WAITHERA PETER	P.O BOX 19002-00501 NBO	23785690	<i>Waithera</i>
24	WAIGANJOMOLLY	P.O BOX 19002-00501 NBO	21910443	<i>Waiganjomolly</i>
25	JASHO HANIFA	P.O BOX 19002-00501 NBO	22100477	<i>Hanifa</i>
26	ORWA JACKIE	P.O BOX 19002-00501 NBO	14435712	<i>Orwa</i>
27	OKUMU LILIAN	P.O BOX 19002-00501 NBO	14506348	<i>Okumu</i>
28	EDNA KITHUKU	P.O BOX 19002-00501 NBO	22184601	<i>Kithuku</i>
29	TONY LUGAYE	P.O BOX 19002-00501 NBO	22886816	<i>Lugaye</i>
30	FAITH KIMARU	P.O BOX 19002-00501 NBO	22647043	<i>Kimaru</i>
31	OGARA DEREK	P.O BOX 19002-00501 NBO	24402531	<i>Ogara</i>
32	OGWAYO MICHAEL	P.O BOX 19002-00501 NBO	21457213	<i>Ogwayo</i>
33	SEGERO STEPHEN	P.O BOX 19002-00501 NBO	24563477	<i>Segero</i>
34	ROBERT MURIUKI	P.O BOX 19002-00501 NBO	14647506	<i>Muriuki</i>
35	KENYATTA JUMA	P.O BOX 19002-00501 NBO	22559938	<i>Kenyatta</i>
36	MORRIS K MULELA	P.O BOX 19002-00501 NBO	13677435	<i>Mulela</i>
37	ALEX W MWANGI	P.O BOX 19002-00501 NBO	13334565	<i>Mwangi</i>
38	ANASTATISA KIVELI	P.O BOX 19002-00501 NBO	21775906	<i>Kiveli</i>
39	JOSEPH KASEMA	P.O BOX 19002-00501 NBO	20980477	<i>Kasema</i>
40	NGILA WAMBUA	P.O BOX 19002-00501 NBO	26453161	<i>Wambua</i>




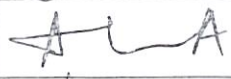






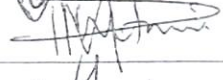
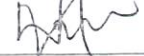
*Dr. M. M. Mwangi
Hon. Rep. M. M. Mwangi EBT*

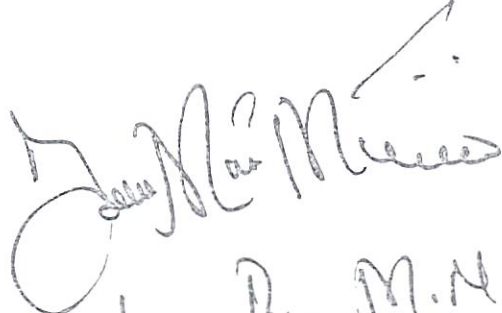
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41	NDUNGU JANE	P.O BOX 19002-00501 NBO	23472325	<i>[Handwritten signature]</i>
42	BELLA OSALA BRONISLAVIA	P.O BOX 19002-00501 NBO	24825010	<i>[Handwritten signature]</i>
43	RUTH WANJIKU GUCHU	P.O BOX 19002-00501 NBO	24246102	<i>[Handwritten signature]</i>
44	LINDANNE MUREU	P.O BOX 19002-00501 NBO	22951127	<i>[Handwritten signature]</i>
45	JUDY N. KINUTHIA	P.O BOX 19002-00501 NBO	13801600	<i>[Handwritten signature]</i>
46	SUSAN N. WAROKERA	P.O BOX 19002-00501 NBO	13706086	<i>[Handwritten signature]</i>
47	CATHERINE GACHUHI	P.O BOX 19002-00501 NBO	13406273	<i>[Handwritten signature]</i>
48	ESTHER W. NDUNGU	P.O BOX 19002-00501 NBO	22375345	<i>[Handwritten signature]</i>
49	CAROLINE CHIRCHIR	P.O BOX 19002-00501 NBO	22508227	<i>[Handwritten signature]</i>
50	HASTINGS MBOYA	P.O BOX 19002-00501 NBO	21087659	<i>[Handwritten signature]</i>
51	LUCY MWAMCHERA	P.O BOX 19002-00501 NBO	7199355	<i>[Handwritten signature]</i>
52	JASON RUNO	P.O BOX 19002-00501 NBO	22383809	<i>[Handwritten signature]</i>
53	FAITH ANYANGO	P.O BOX 19002-00501 NBO	22327891	F.A.
54	BEATRICE A. OWITI	P.O BOX 19002-00501 NBO	23873820	AKITHI
55	DANIEL ODHIAMBO OMENYA	P.O BOX 19002-00501 NBO	22108685	<i>[Handwritten signature]</i>
56	CAROL METTA	P.O BOX 19002-00501 NBO	14647244	<i>[Handwritten signature]</i>
57	ODINDO BERYL	P.O BOX 19002-00501 NBO	22529004	<i>[Handwritten signature]</i>
58	SUSAN WASHIAI	P.O BOX 19002-00501 NBO	13300205	<i>[Handwritten signature]</i>
59	JULIE KUBIA	P.O BOX 19002-00501 NBO	22725080	<i>[Handwritten signature]</i>
60	OOKO DONNA	P.O BOX 19002-00501 NBO	23700232	<i>[Handwritten signature]</i>
61	EMMA OLANG'	P.O BOX 19002-00501 NBO	24046972	<i>[Handwritten signature]</i>
62	JOSEPHINE KIKOSI	P.O BOX 19002-00501	20230931	<i>[Handwritten signature]</i>

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 Hon. J. M. N. Mutitu Esq.

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		NBO		
63	JUDY KARIUKI	P.O BOX 19002-00501 NBO	11443466	
64	VIOLET NDUATA CHEGE	P.O BOX 19002-00501 NBO	20144403	
65	CAROL MUNENE IRUNGU	P.O BOX 19002-00501 NBO	11767786	
66	LILLIAN ACHIENG ASEWE	P.O BOX 19002-00501 NBO	22695871	
67	ANTHONY OJEE ODIYO	P.O BOX 19002-00501 NBO	20373254	
68	JACQUELINE KAMAU NG'ANG'A	P.O BOX 19002-00501 NBO	2277442	
69	ALVIN A. ANGOCHE	P.O BOX 19002-00501 NBO	21733745	
70	LEON S. OBAO	P.O BOX 19002-00501 NBO	24740959	
71	NANCY NDUATI	P.O BOX 19002-00501 NBO	13752242	
72	JULIUS CHACHA MWITA	P.O BOX 19002-00501 NBO	22849033	
73	PURITY C. MUTURI	P.O BOX 19002-00501 NBO	20250455	
74	KENNEDY WEKESA WANYONYI	P.O BOX 19002-00501 NBO	22500279	


Hon. Ben M.N. Mutitu Esq MP.

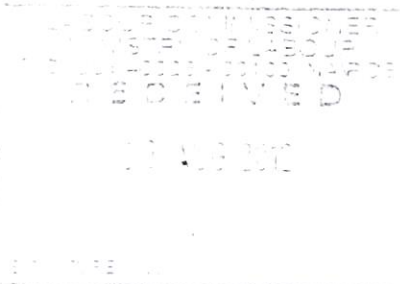


The Pride of Africa

DM/093/2012

1 August 2012

The Permanent Secretary
Ministry of Labour
PO Box 40326
00100 NAIROBI



Dear Sir/Madam

LC. MA
Dwps
3/2

RE: KENYA AIRWAYS STAFF RATIONALISATION EXERCISE

Following our profit warning issued towards the end of the last financial year, Kenya Airways continued to experience declining revenues principally occasioned by economic difficulties in most of the markets we operate in. Some of the routes that we operate and that have traditionally been very profitable, have continued to witness a downturn in passenger volumes occasioning sharp shortfalls in our expected revenue streams. In addition, unstable fuel prices and an increasingly competitive environment has not only negatively impacted our operating margins but also constrained our ability to continue increasing our fares to counter the challenges. Despite various initiatives that we have put in place, our cost base continues to be extremely high. This coupled with other direct operating costs, have put pressure on our contribution margin reducing our overall ability to operate profitably. This scenario is not peculiar to Kenya Airways. Indeed, most airlines globally are feeling the crunch occasioned by the unstable fuel costs, increased airport charges and regional geopolitical situations.

Kenya Airways continues to face a major challenge of balancing the cost of doing business against its ability to meet customer's requirements. Besides our direct operating costs being extremely high, our employee costs and other overheads have continued to rise disproportionately to our rise in revenues. While we have continued to focus on improvements on our operational processes to bring about efficiency, the operating costs for the business have generally remained high, and untenable in an environment where revenues are going down. This trend has remained constant into the first quarter of the current financial year.

Owing to the large increase in headcount in 2011/2012, significant staff annual salary increments, adjustments arising out of the job evaluation grade movements and costly decisions driven by tough CBA negotiations, our employee costs have risen to unsustainable levels. As such, the Board of Directors has taken a view that these need to be reviewed with the objective of long term sustainability of the airline. The airline will not be sustainable if it is not profitable.

The Company will, therefore, immediately embark on a restructuring exercise that will result in staff redundancies and, where applicable, outsourcing of labour. The exercise will cover both unionisable and non-unionisable staff cadres across the board. Details of the positions and total numbers affected are currently being worked out, but are expected not to exceed 650. (The Technical and Security departments restructuring will be delayed due to exigencies of business, but is expected to take place by the end of the Second Quarter). The key criterion to be used in the identification of staff affected in this process will be their fit in the revised organisation structures based on their skills and experience, standard of work performance, displayed work initiative and respective competencies defined for the different roles in the organisation design. In executing this process, full compliance to the labour laws and the Collective Bargaining Agreement where applicable, will be observed. We anticipate completing the exercise by 31st August 2012.

We acknowledge that this is a difficult exercise for all concerned, but the best option available in the present business circumstances.

Yours faithfully



Titus T Naikuni
Group Managing Director & CEO

cc District Labour Officer, Ministry of Labour

The Labour Commissioner, Ministry of Labour

The Executive Director, Federation of Kenya Employers (FKE)

National Secretary General, Kenya Airways Aviation Allied Workers Union - Kenya (AAWU-K)

The Branch General Secretary, Kenya Airways Aviation Allied Workers Union - Kenya (AAWU-K)



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Harambee Avenue
NAIROBI

When replying please quote

Ref. No. OPM/PS/08/03/40

Date: 31st August, 2012

Dr. (Eng) Cyrus Njiru, CBS
Permanent Secretary
Ministry of Transport
Transcom-House
NAIROBI

CT PS

Lc: Please note and prepare a brief for me

Dear *PS*

RE: KENYA AIRWAYS STAFF RATIONALIZATION PROGRAMME

with recommendations

The above subject refers. The Rt. Hon. Prime Minister has received an appeal from unionizable staff of the Kenya Airways regarding the impending staff rationalization programme by the Kenya Airways Management that will see between 650-1500 members of staff lose their jobs.

The petition raises a number of pertinent questions regarding the planned retrenchment and whether the Company's is applying good corporate practice. For instance, it is unclear whether:

- a) Kenya Airways has explored all available options for reducing its wage bill including introducing pay cuts
- b) The Company has engaged the Aviation and Allied Workers Union (AAWU) in discussions over the planned staff rationalization
- c) Employees of Kenyan origin are facing retrenchment while jobs for foreign nationals performing similar duties are protected

In the recent past, similar Public Companies such as Orange Telkom Kenya that have undertaken massive employee retrenchment entered into negotiation with the workers union and agreed on a settlement package that was mutually acceptable to both parties and the Government.

In this regard, and in the Public Interest, the Rt. Hon. Prime Minister has directed that the planned retrenchment of Kenya Airways workers be suspended, pending consultations within Government and among Management and Staff at Kenya Airways.

Kindly prepare a brief for the Prime Minister on this matter.

Yours

[Signature]
Dr. Mohamed Isakakia, CBS
PERMANENT SECRETARY

The Pride of Africa

DM/108/2012

4 September 2012

The Secretary General
Aviation & Airport Services Workers Union
PO Box 19104
00501 NAIROBI

Dear Sir


RE: DIALOGUE ON CURRENT AND PENDING MATTERS

The Management of Kenya Airways Ltd wishes to invite dialogue with the Union on matters that are currently facing our business eg staff rationalization, UBA, etc. and business performance, Management-Union relationships, etc.

As you are aware, the Management has always encouraged dialogue and has a strong preference to address matters at the bilateral level until the said dialogue is exhausted, before resorting to 3rd party involvement, as is laid out in the Agreements that we have between us. This has in the recent past been the case with the Union.

We once again would like to reiterate our position that we are open to dialogue and engagement and would encourage you to adopt a similar approach in your business relationship.

Yours faithfully


Aisan Mwendar
Group Human Resources Director

cc: Executive Director, Federation of Kenya Employers

Labour Commissioner, Ministry of Labour

Secretary General, Central Organisation of Trade Unions (COTU)

Permanent Secretary, Ministry of Transport

Permanent Secretary, Office of the Prime Minister

DM/107/2012


4 September 2012

The Permanent Secretary
Office of the Prime Minister
Prime Minister's Building
PO Box 74434
00200 NAIROBI, Kenya

✓ Through

Forwarded as requested

The Permanent Secretary
Ministry of Transport
PO Box 52692
00200 NAIROBI, Kenya


PS, Min of Transport
4/9/2012

Dear Sir

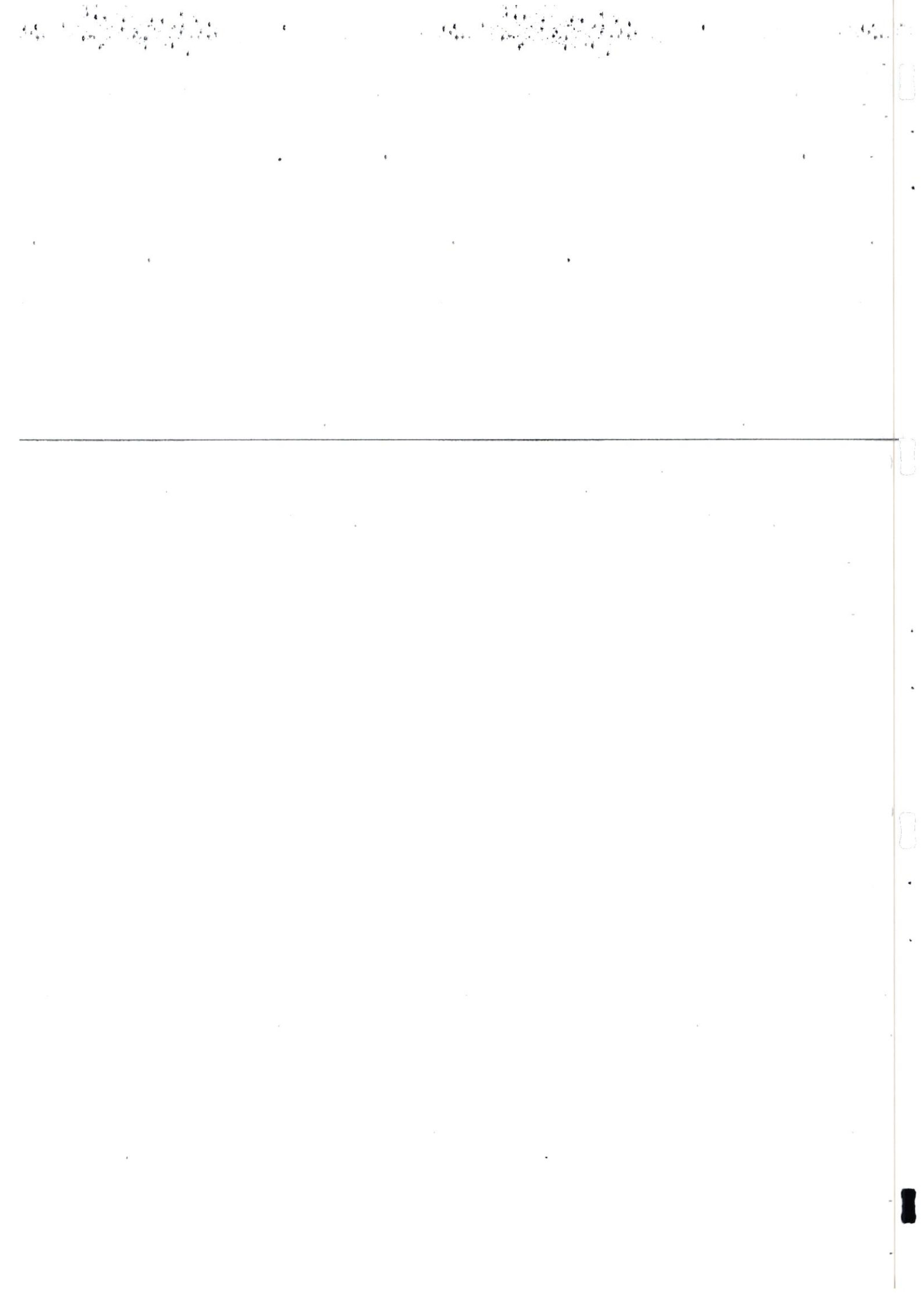
RE: KENYA AIRWAYS STAFF RATIONALISATION PROGRAMME

Your above captioned letter (Ref: MOT/S/6.005) dated 31st August refers.

Kenya Airways Ltd has already forwarded a narrative describing our business predicament to the Minister of Transport which we append herewith.

With reference to the specific issues raised by you in your letter to the Permanent Secretary, Ministry of Transport and later addressed to us, we wish to respond as follows:-

- a) Various options for controlling the rise in wage bill have been tabled in past negotiations with the Union, but have been overridden by the tough stance taken by the Union (Ref. Strike action by unionisable employees in 2010).
- b) Management have endeavoured to engage the Aviation & Allied Workers Union in discussion for the greater part of this year, but they have been unable to get the Union round the table due to internal leadership wrangles within the Union (many of which have been the subject of litigation in the Industrial Court). This notwithstanding, Management has been in discussion with whichever "faction" presents itself for dialogue. The latest such discussion happened on the 3rd August 2012 where the Union officials tabled their proposals on control of employee costs for Management consideration (see Agenda and minutes attached), only for the other "faction" to present Management with a Court Order on the 10th August 2012 (after a second meeting – minutes attached), restraining Kenya Airways Ltd ".....by



way of temporary injunction from proceeding with any negotiation or any staff rationalisation....."

Management is subsequently left in a quandary when confronted with accusation of not having or wanting to have dialogue with a Union that sought and obtained legal intervention to stop any negotiations! Nevertheless, Management is still open to discussions with the Union but is duty bound to continue with the staff rationalization exercise as it is Management responsibility to the Board of Directors to exercise prudence in all its actions, that will lead to sustaining the airline's profitability, and very existence.

- c) As an international airline whose strategy is to dominate the African region and grow destinations in Asia and the Far East, management has taken the business decision to have minimal crew who are locals of those destinations for various reasons (knowledge of local language and culture to be able to interact with non-English speaking passengers, reduced cost of layover for staff who have to be accommodated in hotels, etc). Such foreign nationals are employed under their respective countries labour laws and are considered as locals in their countries, not expatriates. (See attached narrative for details). It is our considered view that the staff rationalization is based on business need, and not ethnicity or nationality.

We trust that this serves to shed some light on our current business predicament, and the business decisions we are making in the interests of our national carrier and the Kenyan public at large.

It is instructive to note also that the entire staff rationalization exercise will be conducted as humanely as possible and within the provisions of the laws that relate thereto.

Yours faithfully

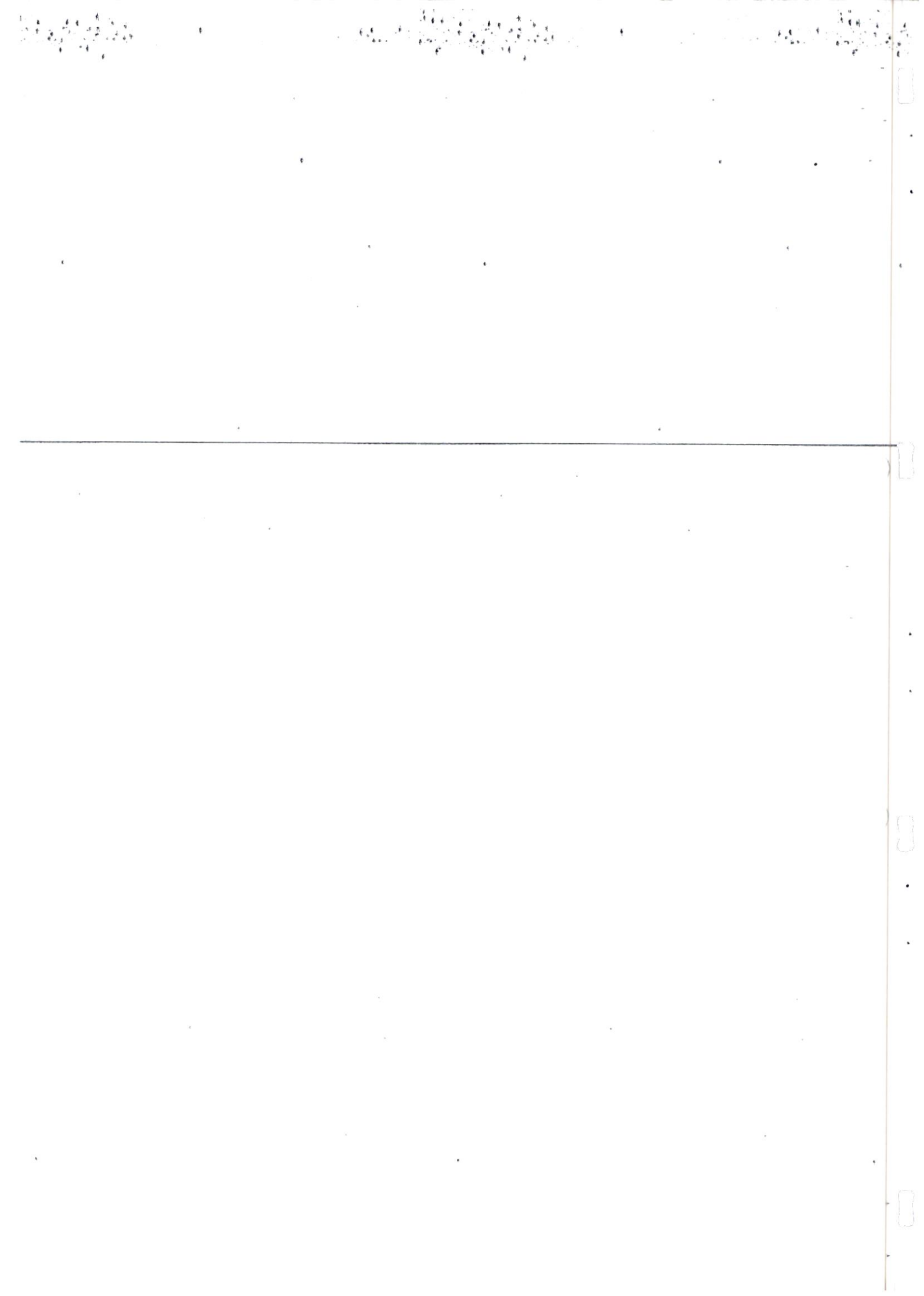


Titus T Naikuni
Group Managing Director & CEO

cc: Permanent Secretary, Secretary to the Cabinet and Acting Head of Public Service

Permanent Secretary - Ministry of Labour

Permanent Secretary - Ministry of Finance





OFFICE OF THE PRIME MINISTER
PERMANENT SECRETARY'S OFFICE

Telephone: +254(0)20-3247000
Fax No. +254(0)20-2210876

Prime Minister's Office
2nd Floor
P.O. Box 71114-00100
Harambee Avenue
NAIROBI

When replying please quote

Ref. No. OPM/PS/08/03/20

Date: 6th September 2012

Mrs. Beatrice N. Kituyi, CBS
Permanent Secretary
Ministry of Labour,
NSSF Building
NAIROBI

Dear

RE: PETITION FOR INTERVENTION AGAINST KENYA AIRWAYS STAFF
RESTRUCTURING PROGRAMME

The above subject refers. As you are aware, Kenya Airways has embarked on a staff restructuring programme that may see more than 500 members of staff retrenched.

This Office has received the attached petition from the Aviation and Allied Workers Union (AAWU) protesting that the Kenya Airways Management has violated section 40(1) (a) of the Employment Act of 2007 by failing to notify the Union of an intended strike.

Additionally, the Union has raised the following specific concerns:

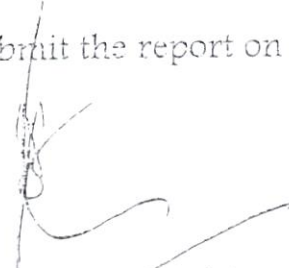
- a) The notice of retrenchment was issued to staff members on 1st August, 2012 without any prior notification, engagement or negotiation with the staff union as expected under the CBA and the Employment Act, 2007.
- b) In the severance notice, staff members were given only 10 days to by 10th August, 2012 to decide whether to opt for Voluntary Early Retirement (VER) or wait to be retrenched.
- c) The severance package issued in the retrenchment notice had not been negotiated nor agreed on between management and the staff union.
- d) The Union is of the view that KQ management have not explored all available options for reducing its wage bill including introducing pay cuts which staff members are willing to accept.
- e) The Union contends that the retrenchment exercise is targeted exclusively towards employees of Kenyan origin while jobs for more than 450 foreign nationals performing similar duties are protected.

In a meeting chaired by the Rt. Hon. Prime Minister in this Office today, it was agreed that the Ministry of Labour would investigate the allegations raised by the AAWU and present a report to the Prime Minister for further direction.

The purpose of this letter is to request you to urgently undertake a comprehensive review of the entire Kenya Airways staff retrenchment exercise and submit a report to this Office indicating whether the process is being undertaken within the Law and meets international protocols on labour management as prescribed by the ILO.

Kindly submit the report on or before Tuesday 11th September, 2012.

Yours



Dr. Mohamed Isahakia, CBS
PERMANENT SECRETARY

Encs.

Cc. Dr. (Eng) Cyrus Njiru, CBS
Permanent Secretary
Ministry of Transport
Transcom House
NAIROBI

Mr. Joseph K. Kinyua, CBS
Permanent Secretary
Ministry of Finance
NAIROBI

Mr. Titus Naikuni
Chief Executive Officer
Kenya Airways
NAIROBI

Ms. Perpertia Mponjiwa
Chairperson
Aviation and Allied Workers Union
Nairobi

Aviation & Allied Workers Union (Kenya)

All correspondents should be addressed to the General Secretary

Chairperson
Perpetua Mponjiwa

General Secretary
Bonne Nicholas M. Barasa



AAWU

P.O. Box 19104-00501
Nairobi, Kenya
Cell: 0729 909 075
Email: au_kenya@yahoo.co.uk
info@aawu-kenya.com
Website: www.aawu-kenya.com

OUR REF: AAWU/COM/VO 1/4/12
YOUR REF:
DATE: 1ST SEPTEMBER 2012
FROM: AVIATION & ALLIED WORKERS UNION
TO: RT HON RAILA AMOLO ODINGA
PRIME MINISTER OF THE REPUBLIC OF KENYA
PRIME MINISTER'S OFFICE
HARAMBEE AVENUE
NAIROBI.

**SUBJECT: PETITION FOR INTERVENTION AGAINST KENYA AIRWAYS
RESTRUCTURING PROGRAMME.**

Further to our memorandum dated 28th august, 2012 ref: AAWU/Com/No 1/4/12 on the above subject we wish to enclose under cover hereof various documents in support of the petition and request for your intervention.

Sir the issue of restructuring or the so called redundancy came as a shocker to the employees of Kenya airways.

The Company issued notices of redundancy to its employees advertent without following the due process and laid down procedures but exercised, and in its behavior depicted dictatorial propensity that has compromised the whole process.

Sir in terms of the collective bargaining agreement (CBA) of 2010-2012 signed between the Company and Aviation & Allied Workers Union (herein after referred to as the union), the redundancy clause was never agreed upon and was marked as pending during the registration and confirmation of the CBA by the industrial court. Therefore the company should have not proceeded with its restructuring process before the conclusion of the pending issues in the (CBA).

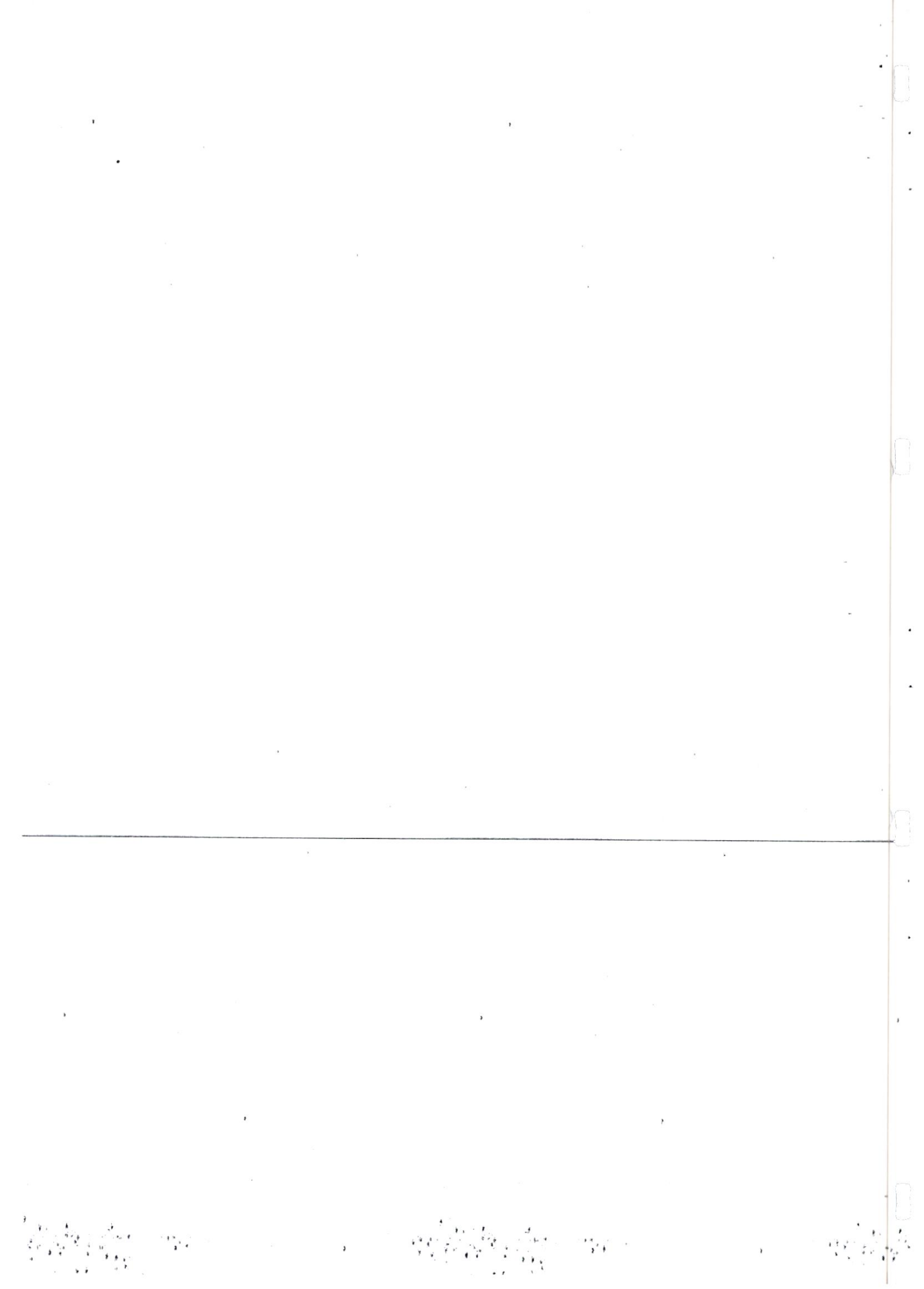
I tender in evidence the said CBA and more precisely pages 65-82 of the attached document hereto.

Deputy Secretary General: Rob Abkula
Vice Chairperson: David M. Kisindai

Asst. Secretary General: Edwin O. Wakoli
Asst. Secretary General: Zipporah Maina
Vice Treasurer: Mark S. Okello

Treasurer: Patrick M. Njuguna
Stephen Maronco
Francis Ayoo

"We Strive For The Best"



Sir, I further state that the company has not complied with the express provisions of section 40 of the Employment Act, 2007, which provides that the employer should notify the Trade Union not less than a month prior to the date of the intended date of termination on account of redundancy. Such notice was never issued by the company to the trade union.

Further the company failed to take into account that the redundancy clause in the CBA was disputed and pending. The company should have waited until the final conclusion of the said pending clause and thereafter proceeded to engage the Trade Union before commencing the restructuring process. Therefore the decision of the company to proceed with the restructuring lacks accountability, transparency and is opaque. The whole of section 40 of the Employment Act aforesaid has been abrogated by the Company with impurity and abandon.

Sir the notice the company issued was too short and fails to meet the statutory threshold of one month required in terms of the Employment Act. The Company gave its staff ten days within which the employees were to make a decision to choose to either opt for voluntary retirement or wait for the redundancy process to commence, which notice was issued on 1st August, 2012 and was to lapse on 10th August 2012. This particular notice subjected many of the Union & non unionisable employees psychological torture as the workers had not prepared psychologically to make such a choice or otherwise.

I tender in evidence a bundle of documents at pages 127-145.

Sir, I summarily confirm that the Union was never favoured by the Company to do the following;

- a) Negotiate with the company.
- b) No notice was ever issued to the Union by the company.
- c) The principle of '*audi alteram partem*' was never observed, thus the workers were never effectively represented by the union in terms of the redundancy or et.al.



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Small, illegible text or markings at the bottom right of the page.

Sir, the Constitution of Kenya 2010 requires that the natural values and principles of governance binds all state organs state officers, public officers and all persons whenever any of them makes or implement public policy decisions. The article further provides and defines what constitutes natural values, which are; patriotism, democracy and participation of the people, good governance, integrity, transparency and accountability just to member a few.

Sir, the company has employed 660, foreigners and intends to retrench or declare redundant 650 Kenyans. It is worthy of note that the Republic of Kenya holds 29% of the shares in the Company making it the majority share holder. The shares are held in trust by the government on behalf of the sovereign people of Kenya.

The employment of foreigners at the expense of qualified Kenyans and the Company proceeding to declare Kenyan employees redundant, demonstrates lack of patriotism and good governance on the part of the Company which should be seen to embrace the principles as espoused in terms of the said article of the constitution.

Sir, we kindly appeal to you to intervene and have the parties reach amicable solution in respect of this matter.

Thank you.

Yours Faithfully,

For Aviation & Allied Workers Union



PEPERTUA MPONJIWA

(CHAIR PERSON)

Cell NO. 0704090732/ 0728800178

KENYA AIRWAYS EMBRAER PRE-DELIVERY PAYMENT FINANCING STRUCTURE

This memo describes the structure for the financing for Kenya Airways ("KQ") of pre-delivery payments ("PDPs") to the manufacturer (the "Manufacturer") under the Purchase Agreement (the "Purchase Agreement").

A. Incorporation of the Borrower:

A bankruptcy remote orphan SPC is incorporated in the Cayman Islands (Amboseli Limited, the "Borrower"). The shares in the Borrower are held on trust, pursuant to the Declaration of Trust by Walkers SPV as trustee for the benefit of persons to whom the Borrower is indebted, and thereafter for a charitable institution in the Cayman Islands.

The maintenance, administrative and services costs of the Borrower are met by KQ pursuant to the terms of the Corporate Services Agreement between Borrower, Walkers SPV (as trustee and administrator) and KQ.

(See step 1 in the structure chart.)

B. Assignment of Purchase Agreement:

KQ transfers the Purchase Agreement to the Borrower. The transfer is effected under an assignment and assumption agreement (an "Purchase Agreement Assignment"), to which the Manufacturer consents pursuant to the Consent and Agreement. As a result of the transfer, the Borrower assumes the obligation to make the remaining PDPs to the Manufacturer and to pay the balance of the purchase price for each Aircraft to the Manufacturer and acquires the right to take title to the Aircraft from the Manufacturer upon their delivery. KQ remains a co-obligor with the Borrower under the transferred Purchase Agreement and all obligations of KQ as "purchaser" under the Purchase Agreement remain unaffected by the transfer.

(See steps 2 and 3 in the structure chart.)

C. Loan Agreement:

The Borrower enters into a PDP loan facility with the PDP lenders (the "Lenders"). Drawings under the PDP loan facility in respect of each Aircraft are paid by the Facility Agent in the following manner:

- a) on the closing date (the "Closing Date"), in relation to the first drawdown, to the Borrower to assist it to finance the consideration (the "Transfer Price") payable by it to KQ for its acquisition of the Purchase Agreement under the Purchase Agreement Assignment (equal to the amount of the PDPs previously paid to the Manufacturer by KQ); and

1) in relation to each subsequent drawdown, directly to the Manufacturer on behalf of the Borrower on each date on which a PDP instalment is payable to the Manufacturer (a "PDP Payment Date") to enable the Borrower to fund each PDP instalment for which it is responsible under the transfer Purchase Agreement (provided that KQ has paid any Borrower Contribution (see below) payable by it on that date)

(See step 4 in the structure chart.)

D Forward Purchase Agreement

On the Closing Date, KQ and the Borrower enter into a Forward Purchase Agreement under which KQ agrees to purchase each Aircraft from the Borrower upon delivery for a consideration (the "Delivery Consideration") equal to the aggregate of (i) the net purchase price payable by the Borrower to the Manufacturer under the transferred Purchase Agreement (the "NetPurchase Price") (ii) the running costs of the Borrower and (iii) the interest payable by the Borrower to the Lenders under the PDP loan facility.

(See step 5 in the structure chart.)

The Delivery Consideration is payable by KQ in instalments:

- a) On each interest payment date under the PDP loan facility KQ pays instalments of Delivery Consideration equal to instalments of interest payable to the Borrower under the PDP loan facility (together with any running costs of the Borrower then due) (each, a "Borrower Contribution").
- b) KQ pays the final instalment of Delivery Consideration on the delivery date of the relevant Aircraft equal to the Net Purchase Price and the Borrower applies these on that date (a) to pay the purchase price balance to the Manufacturer and (b) to repay the PDP Loan to the PDP Lender in respect of that Aircraft.

However, under the Forward Purchase Agreement the Borrower instructs the Manufacturer to deliver the Aircraft, on each delivery date, to its nominated transferee pursuant to a Direction to Transfer Title Agreement. Such nominee is Samburu Limited to whom the Delivery Facility is made by the long lenders

E Security

The following security is provided in respect of the Borrower's obligations:

- a) KQ provides a Guarantee to the Manufacturer of the obligations of the Borrower under the transferred Purchase Agreement.
 - b) KQ provides a Guarantee to the Lenders of the obligations of the Borrower to the Lenders under the PDP loan facility.
 - c) A first priority Security Assignment of all the Borrower's rights in the transferred Purchase Agreement.
 - d) A first priority Share Charge over the Borrower's shares.
 - e) KQ receives a fully subordinated second ranking Share Charge over the Borrower's shares to secure its interest in the Purchase Agreement (a) arising from its payment of amounts due from it under the Forward Purchase Agreement and (b) under its guarantee to the Lenders.
- (See steps 6 – 10 in the structure chart.)

The PDP Lender, the Borrower and KQ enter into a Security Trust Deed, pursuant to which, inter alia, the order and ranking of the share charges is agreed and the subordination of the KQs rights under the second priority share charge is set out.

(See step 11 in the structure chart.)

Aviation & Allied Workers Union (Kenya)

All correspondents should be addressed to the General Secretary

Bonne Nicholas M. Barasa

Daniel K. Yatihi

Perpetua Mponjwa



P.O. Box 19104-00501

Nairobi, Kenya

Cell: 0721 914 425

0729 909 075

Email: au_kenya@jahan.co.uk

Website: www.aawu-kenya.com

4th August, 2012
Au/Hq/Kq/2012

The Human Resources Director
Kenya Airways Limited
P.O. Box 19002
Nairobi

Dear Sir,

RE: REDUNDANCY

Following our meeting on Friday 3rd August, 2012 in relation to the above captioned subject matter it was agreed that the union to submit its proposal towards solving the matter.

As a result, attached find details.

Thank you.

Yours Faithfully,

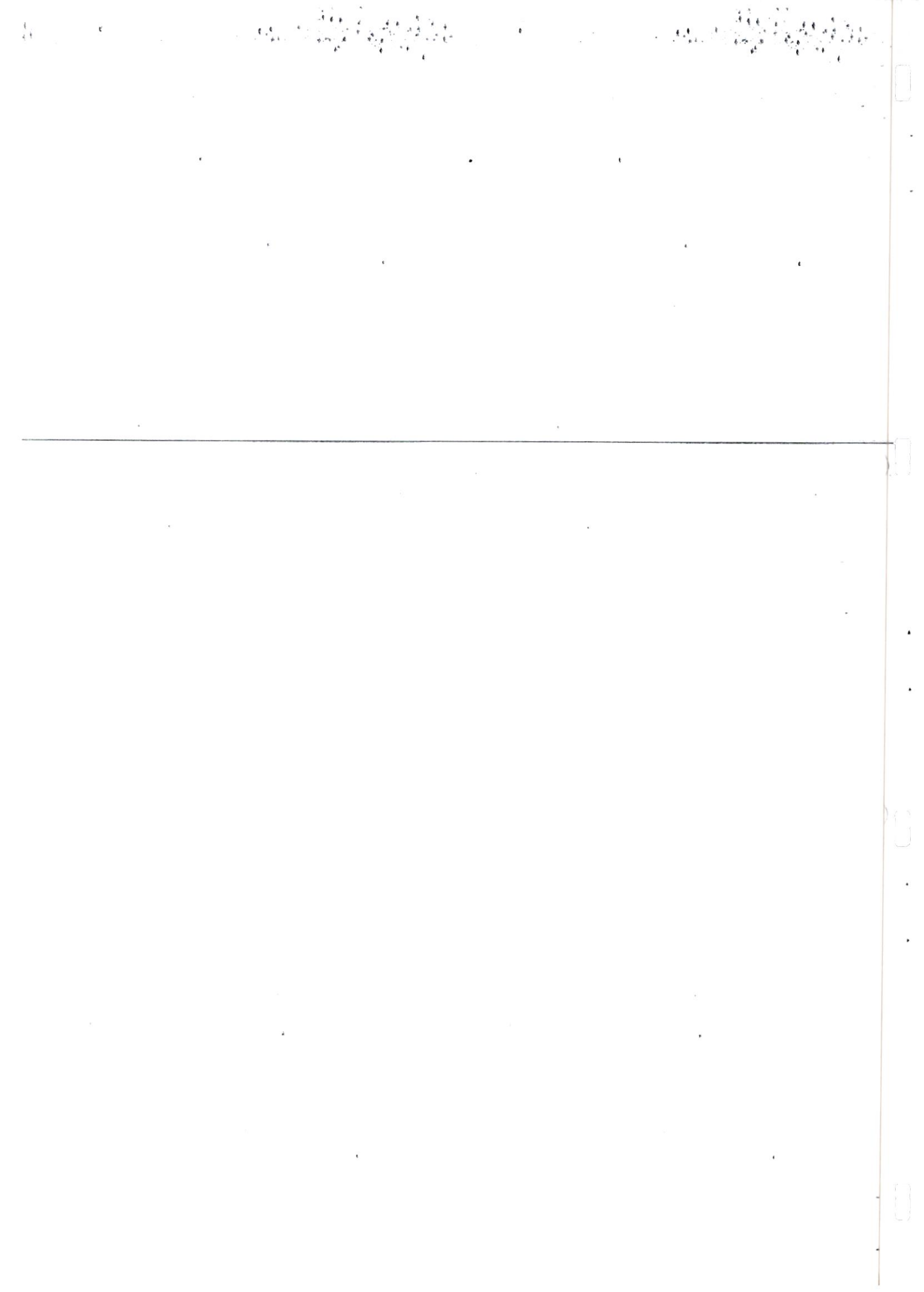
Bonne Nicholas Barasa
General Secretary/CEO



Rob Akula
David M. Kisindai

Edwin O. Wakoli
Zipporah Maina
Mark S. Otello

Patrick M. Njuguna
Stephen Maroneo
Francis Ayoo



1. Improved package on voluntary early retirement

a) Using 30 days for every year worked

b) Applying 20.5 days in a month when calculating the severance pay to arrive at 246 actual working days in a year (i.e. $20.5 \times 12 = 246$).

2. In the event that the numbers are not achieved, a pay cut approach across all employees to be agreed to avoid redundancies. Since we do not have the figures in terms of staff and the costs, we shall agree on the percentage of the pay cut once we know after the voluntary numbers have been known.

Example: - A reduction of 10% of salary (Basic pay+House Allowance+Transport Allowance) for six months.

- Forfeiture of meal allowance for six months
- Reduction of guaranteed layover nights from 9 to 7 for six months
- A reduction by 10% of Approval pay for six months.

The above example of pay cut was successfully applied by British Airways.



1000

1000

Minutes of Meeting Held on 3rd August 2012 between Kenya Airways Ltd Management and Aviation and Allied Workers Union (AAWU)

Date of meeting:	3 rd August 2012	Location:	Block A - Boardroom
Minutes prepared by:	Odhiambo Ooko	Charge time to:	Not Applicable

Agenda

1. Labour restructuring
2. AOB

Attendance at meeting

Management Representative	AAWU Representative
Alban Mwendar –Group HR Director – Chairing	Bonnie N Baraza– General Secretary
Charles Kireru - Head of Employee Relations	Stephen Nyamota – Branch Chairman
Odhiambo Ooko – Manager Industrial Relations and employee welfare	Morris Odeny – Ag Branch Secretary
	Noah Sitenei -Branch office
	Oscar Salim – Branch trustee
	Daniel Yatich National treasure
	Duncan Munuve – National office admin

The meeting was called to order by the group HR director at 12.45 p.m.

Min. 1/08/2012 - Presentation by Group HR director of labour restructuring

Management

The Group HR Director took the meeting through power point presentation on the staff restructuring plan.

He noted that the Employment Act requires that one month notice be issued to the Union and the Ministry which the Company has already complied with. He further observed that the best practice is for the parties to engage before the process commence. He stated that due to developments in the Union the company has been in a dilemma on who to deal with due to intra-conflicts within the Union. He noted that several letters went unanswered from the Union side, an indication that all was not well. He however thanked the Union for honoring the appointment

Union

The Union stated that it was not true that management did not know which officials to talk with since their letter heads and recognition agreement had not changed. The Union felt that management was involved in their internal conflicts. They however assured the Management that the Union Office is fully operational and both parties should commence their engagements as usual. They observed that management has already addressed the media over restructuring matter while they had declined to comment on the matter.

Management

Management stated that they had no intention of addressing the media but were reacting to questions from the media. Management however assured the Union that it will only transact business with fully registered Union officials as required by the Labour relations Act 2007 and the Recognition Agreement.

Union

The union wanted to know the number of unionisable staff who would be affected by the reorganization. They stated that they will provide suggestions on how to avoid retrenchments and wanted to know if management was ready to take their suggestions or if they had already made a decision.

Management

Management responded that there is no figure agreed so far but requested the Union to put their suggestion/proposals in writing to the Management for further engagement.

Union

However the Union proposed that the re-organization be taken up after the CBA negotiations of 2012/13

Management

Management observed that the delay to finalize the negotiations was caused by the Union itself hence it should hasten the process.

Union

In response the Union stated that it was consulting its members to arrive at agreeable demands. It also noted that the re-organization will have a negative impact on its membership. The Union felt that the process should await the CBA negotiations.

Management

Management assured the Union that the process will be in accordance with the law and the Union will be fully involved. It was also clarified that the exercise was due to the business pressure which is beyond Management control. Management also advised that negotiations would be under duress if there was an impending redundancy.

Union

The union proposed that management should give a better package for VER (voluntary early retirement) and after the VER the redundancy should be stopped as they wanted to borrow practices from other airlines like BA who instituted salary reduction from the CEO downwards. They stated that after the VER both parties can negotiate the way forward

Management

Management requested the Union as one of the stakeholders to submit its views for Managements deliberations. It was agreed that the Union suggestions should reach Management by Monday the 6th of August 2012 so that they could be discussed and a feedback be given by Tuesday the 7th of August 2012.

Union

The Union committed to do so since the exercise has affected the morale of its members

Management

In terms of future engagement Management requested the Union to open a new chapter of openness, and consultation .It observed that this was the only way both parties can build a successful and profitable Company.

Union

They stated that while they are in agreement with the Management desire there is urgent need for the Company to address managers who are fond of using abusive language. They wanted the use of abusive language stopped. Some managers were calling workers rotten egg and all sorts of names.

Min. 1/08/2012 - Presentation by Group HR director of labour restructuring

Management

Management agreed and requested the Union to submit such names with tangible evidence since the same cannot be tolerated in the Company.

Min. 2/08/2012 - AOB

Union

They raised an issue of one of their members whom they felt was not being listened to and had obtained a court order stopping the disciplinary panel against him.

Management

In reply Management stated that it was aware of the case and had complied with the order. However management stated that this was not the solution and in case the Union has observed any gaps it was open to discussions on how to find solutions together instead of resorting to court to stop internal processes.

The meeting ended with an understanding that the Union would provide their suggestions by Monday the 6th of August 2012 so that management can provide the feedback by Tuesday the 7th of August 2012 subject to confirmation.


Meeting ended at 2.15pm.

Next meeting

Date:	7 th August 2012	Time:	TBA	Location:	TBA
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Signed  Name A. MUSENDAR Chairman Date 10/8/12

Signed  Name C. KIRUMU Management Representative Date 10/8/12

Signed  Name Rob B Akhula AAWU Representative Date 10/8/12

Minutes of Meeting Held on 10th August 2012 between Kenya Airways Ltd Management and Aviation and Allied Workers Union (AAWU)

Date of meeting:	10 th August 2012	Location:	Block A – room 209
Minutes prepared by:	Odhiambo Ooko	Charge time to:	Not Applicable

Agenda

1. Union proposal on redundancy

Attendance at meeting

Management Representative	AAWU Representative
Alban Mwendar –Group HR Director – Chairing	Bonnie N Baraza– General Secretary apologies represented by Rob B Abkula
Charles Kireru - Head of Employee Relations	Stephen Nyamota – Branch Chairman
Odhiambo Ooko – Manager Industrial Relations and employee welfare	Morris Odeny – Ag Branch Secretary
	Noah Sitenei -Branch office
	Abubaker– Branch V/chairman
	David Kisandai. Nation V/chairman

The meeting was called to order by the Group HR director at 11.00 a.m.

Min. 1/08/2012 - Confirmation of minutes of 3rd August 2012

Min. 1/08/2012 - Confirmation of minutes of 3rd August 2012

The minutes of the meeting of 3rd August 2012 were read, confirmed and signed.

Management

The Group HR Director opened the meeting with introductions. He welcomed Mr. Rob B Abkula who was representing the General Secretary. He reiterated the importance of both parties working hand in hand and for creating good rapport. He indicated that due to pressures of work it had not been possible to hold the meeting earlier as envisaged. He stated that he had received the Unions proposals on redundancy on the 6th August 2012 and was going to give managements feedback.

Union

The Union stated that good rapport was needed for harmonious industrial relations and that both parties were partners. They stated that if the workers were happy management would see better productivity.

Management

Management feedback on Union proposal 1

The Union had proposed that package on voluntary early retirement (VER) be improved by using 30 days for every year worked.

Management stated that they did not get an opportunity to engage the union on clarifications of their proposals and took them the way they were written. The thirty days proposal was assumed to mean thirty days for each year worked. This was a deviation from the CBA, they were not sure if it was as per completed year or as per CBA. They observed that an increase in the number of day payout would significantly increase the initial cost of redundancy by about 50%. This would worsen the financial situation of the Company. The company was keen on recouping the cost of redundancy within this financial year. The increase proposed by the union was not workable as it was not good for the business.

Union

The union stated that the circular which management sent to them was exhaustive as it did not indicate the number of unionisable staff to be affected. They stated that the management had not complied with the law as they had not given them the extent of redundancy. They stated that they had a legal right to information.

Management

Management responded that the information would be shared as and when it was available. The VER exercise would create vacancies and any staff who would not be redeployed in the new structure would have their jobs abolished and be declared redundant. This would be the point that the number to be declared redundant would be known. They stated that they did not have the information as they did not know how many staff would opt for VER.

Union

They stated that they were representing their members and that the letter that was sent to them did not indicate the numbers of union members to be affected. Their members were worried by the redundant. The lack of information was not good as it meant that they were in a mix up.

Management

Management observed that the VER period was still on. The number given on the letter was for the entire number of staff that would be affected by the redundancy.

Union

The Union wanted to know how much the management intended to save in costs and stated that many people were willing to take VER. They proposed that management gives feedback on all points in their proposal.

Management

Management responded that cost was just one of the considerations and that rightsizing the organization and changing and improving process within the organization were also key. Other factors included a relook at stocks and inventory, projects on fuel costs and many others for the long term sustainability of the airline. Management stated that the company would thereafter embark on a culture change program after the redundancies. Management proceeded to give feedback on part B of the First proposal from the Union. They had stated that applying 20.5 days in a month when calculating the severance pay would arrive to 246 actual working days in a year (i.e. $20.5 \times 12 = 246$).

Management stated that they did not understand this proposal and sought clarification from the union.

Union

They stated that in terms of working they did not work 365 days in a year. They work for 246 days and any extras are paid as overtime. The calculation that was sent to staff was done on 365 days. They further stated that they do not earn salary for 30 days and if they worked for 30 days they would be paid overtime.

Management

Management in response stated that the calculation presented would work for accrued leave days and not on severance pay. For severance pay the formula would be based on 365. They stated that all workers are paid for 365 days in a year.

Union

The Union stated that as per the CBA they worked for 180 hours per month and the 365

Min. 1/08/2012 - Confirmation of minutes of 3rd August 2012

days and hours worked would not equate to 365 days.

Management

The management stated that working hours and days paid should not be mixed. Extra hours are paid as overtime whilst day paid are all days in a year.

Union

They stated that their proposal was for consideration that the workers be paid based on 246 days as an additional send off.

Management

Management stated that the 246 days could not be valid and were reluctant of taking that route.

Management

In response to the Unions proposal of staff taking a pay cut Management asked if it was factual that staff would happy to take a pay cut. They sought clarification if the union was proposing a pay cut for all staff.

UNION

They stated that as workers representatives they were presenting their proposals so that when they received a feedback they would sell it to their members. They were sure that as their representatives their members would go for a pay cut if faced with a redundancy as an option.

MANAGEMENT

~~They stated that the pay cuts that would be required would be more drastic than had been proposed~~

UNION

They asked management as to how much they were intending to save.

MANAGEMENT

They stated that they were hoping to reduce employee costs as a percentage of turnover from 12% to 10%. This was not intended as a once off reduction but as a sustainable one. The reduction of a salary for a specific period would not achieve this goal as it would be put back at the expiry of the period.

UNION

They asked for a 5 minutes break for consultation. After the break they stated that since their proposals had not been accepted they did not want to engage in further discussions. The VER was closing on this day and they would have requested for an extension of VER if the package would have been improved. They stated that they would expect the numbers of union staff to be affected to be provided after the end of VER. They wanted to avoid a situation of their members getting a bad picture and asked for the details to be able to explain them to their members.

MANAGEMENT

They stated that discussions would be held in the next week with all divisional directors and the number that would be affected would then be known. They stated that tentatively by Wednesday or Thursday of the next week they would be ready to meet the Union with feedback.

UNION

They asked the management to engage the tax authorities for a tax exemption for the staff that would be affected.

MANAGEMENT

They responded that they would engage the tax authorities and revert back to the union. Management stated that they sought clarity from the union proposals and were open to more proposals that would lead to longer term cost savings and on process improvements.

UNION

They sought clarity on the assessments that they staff were going to undertake and how the results would be given. They also asked if this was the only criteria since staff had different academic qualification would sit for the same assessment.

MANAGEMENT

They clarified that the assessments would be conducted by an independent third party provider whom will collate the results outside the company and rank the staff. They stated that the assessments test did not give any undue advantage of education standards as they were skill based.

Meeting ended at 2.15pm.

Next meeting

Date:	TBA	Time:	TBA	Location:	TBA
--------------	-----	--------------	-----	------------------	-----

Signed Name.....Chairman Date.....

Signed NameManagement Representative Date

SignedName..... AAWU Representative Date

Aviation & Allied Workers Union (Kenya)

All correspondents should be addressed to the General Secretary

Perpetua Mponjiwa

Bonne Nicholas M. Barasa

Robert K. Uchoro



P.O. Box 19104-00501
Nairobi, Kenya
Cell: 0729 909 075
Email: au_kenya@yahoo.co.
Info@aaawu-kenya.com
Website: www.aaawu-kenya.c

0-071

Date: 16th June, 2012

Dear Mr. Barasa


RE: SUSPENSION OF OFFICIAL: BONNE NICHOLAS BARASA

We refer to the letter inviting you to the NEC meeting scheduled on 16th June, 2012, and the charges attached thereto, you failed to file your submissions nor to attend in person.

In the circumstances, the NEC has confirmed all charges as were alleged. Consequently, pursuant to the minute no.3 which resolved that you be suspended and Rule 12 (f) of the constitution, you are hereby **suspended** forthwith from the office of the General Secretary

You are therefore required to handover all the instruments of power and anything that belongs to the union. However, you may follow the procedures as provided under the constitution for redress.

Yours sincerely,


Zipporah Maina
Ag. General Secretary

Cc: Registrar of Trade Unions
Cc: Branches of AAWU

Rob Abkula
David M. Kisindai

Edwin O. Wakoli
Zipporah Maina
Mark S. Okello

Patrick M. Njuguna
Stephen Maronco
Francis Ayoo

"We Strive For The Best"



26W
FD A

3 days
to update

Suspended or not?

~~4978~~

Our Ref: PF/0008020/PF

4th September 2012

Julius Chacha Mwita
0008020

Through Director, Flight Operations

Dear Julius,

RE: REDUNDANCY

Further to the staff memo sent out on the 31st July 2012 the business has had to declare some of its members of staff redundant. This is to advise you that you are one of the employees affected by the changes. Consequently, your last day of work is 4th September 2012. The company has worked out your terminal dues to be paid to you and includes the following:

- Salary and applicable allowances up to and including 4th September 2012
- Severance pay at the rate of 20 days for every completed year of service. You 5 completed years of Service as at 4th September 2012, hence your severance pay amounts to Kes 245,299.73
- 3 months pay in lieu of notice amounting to Kes 223,836.00
- Accrued leave amounting to 47.23 days
- Provident Fund contributions in accordance with the Provident Fund Rules.

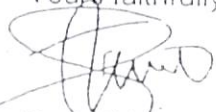
Less

- Leave days that you have taken in advance
- Any amount owed to the business

The above amounts will be paid once you have completed the clearance process, undergone an exit medical checkup with KQ clinic, signed off on all the necessary discharges and returned all Company property that may be in your possession. Payments will be made less any liability or any outstanding balance that may be indicated in the clearance form. Note that the amounts will be paid net of tax.

On behalf of management, we take this opportunity to thank you for your dedicated services over the last 5 years to the Airline and wish you the best in your future endeavours.

Yours faithfully,



Tom Shivo
Head of Human Resources Relationships & Reward

212
115

Box 16-248



The Pride of Africa



DM/093/2012

1 August 2012

The Permanent Secretary
Ministry of Labour
PO Box 40326
00100 NAIROBI

Dear Sir/Madam

RE: KENYA AIRWAYS STAFF RATIONALISATION EXERCISE

Following our profit warning issued towards the end of the last financial year, Kenya Airways continued to experience declining revenues principally occasioned by economic difficulties in most of the markets we operate in. Some of the routes that we operate and that have traditionally been very profitable, have continued to witness a downturn in passenger volumes occasioning sharp shortfalls in our expected revenue streams. In addition, unstable fuel prices and an increasingly competitive environment has not only negatively impacted our operating margins but also constrained our ability to continue increasing our fares to counter the challenges. Despite various initiatives that we have put in place, our cost base continues to be extremely high. This coupled with other direct operating costs, have put pressure on our contribution margin reducing our overall ability to operate profitably. This scenario is not peculiar to Kenya Airways. Indeed, most airlines globally are feeling the crunch occasioned by the unstable fuel costs, increased airport charges and regional geo-political situations.

Kenya Airways continues to face a major challenge of balancing the cost of doing business against its ability to meet customer's requirements. Besides our direct operating costs being extremely high, our employee costs and other overheads have continued to rise disproportionately to our rise in revenues. While we have continued to focus on improvements on our operational processes to bring about efficiency, the operating costs for the business have generally remained high, and untenable in an environment where revenues are going down. This trend has remained constant into the first quarter of the current financial year.

Owing to the large increase in headcount in 2011/2012, significant staff annual salary increments, adjustments arising out of the job evaluation grade movements and costly decisions driven by tough CBA negotiations, our employee costs have risen to unsustainable levels. As such, the Board of Directors has taken a view that these need to be reviewed with the objective of long term sustainability of the airline. The airline will not be sustainable if it is not profitable.

The Company will, therefore, immediately embark on a restructuring exercise that will result in staff redundancies and, where applicable, outsourcing of labour. The exercise will cover both unionisable and non-unionisable staff cadres across the board. Details of the positions and total numbers affected are currently being worked out, but are expected not to exceed 650. (The Technical and Security departments restructuring will be delayed due to exigencies of business, but is expected to take place by the end of the Second Quarter). The key criterion to be used in the identification of staff affected in this process will be their fit in the revised organisation structures based on their skills and experience, standard of work performance, displayed work initiative and respective competencies defined for the different roles in the organisation design. In executing this process, full compliance to the labour laws and the Collective Bargaining Agreement where applicable, will be observed. We anticipate completing the exercise by 31st August 2012.

We acknowledge that this is a difficult exercise for all concerned, but the best option available in the present business circumstances.

Yours faithfully



Titus T Naikuni
Group Managing Director & CEO

cc District Labour Officer, Ministry of Labour

The Labour Commissioner, Ministry of Labour

The Executive Director, Federation of Kenya Employers (FKE)

National Secretary General, Kenya Airways Aviation Allied Workers Union - Kenya (AAWU-K)

The Branch General Secretary, Kenya Airways Aviation Allied Workers Union - Kenya (AAWU-K)



Kenya Airways
The Pride of Africa



lex. P 12

Redundancy or retrenchment??

M E M O

To: All KQ People

DD/074/S.5

From: Titus Naikuni

6th September 2012

VER / RETRENCHMENT PROGRAMME

I thought it wise that I should give you an update of where we stand on the above mentioned program.

The people whose VER applications had been accepted as well as those identified for redundancy have been released. The total number is 599 and nearly all have picked their letters and are in the process of clearing. There are about 50 or so who are still to pick their letters and we do hope they will do so by tomorrow.

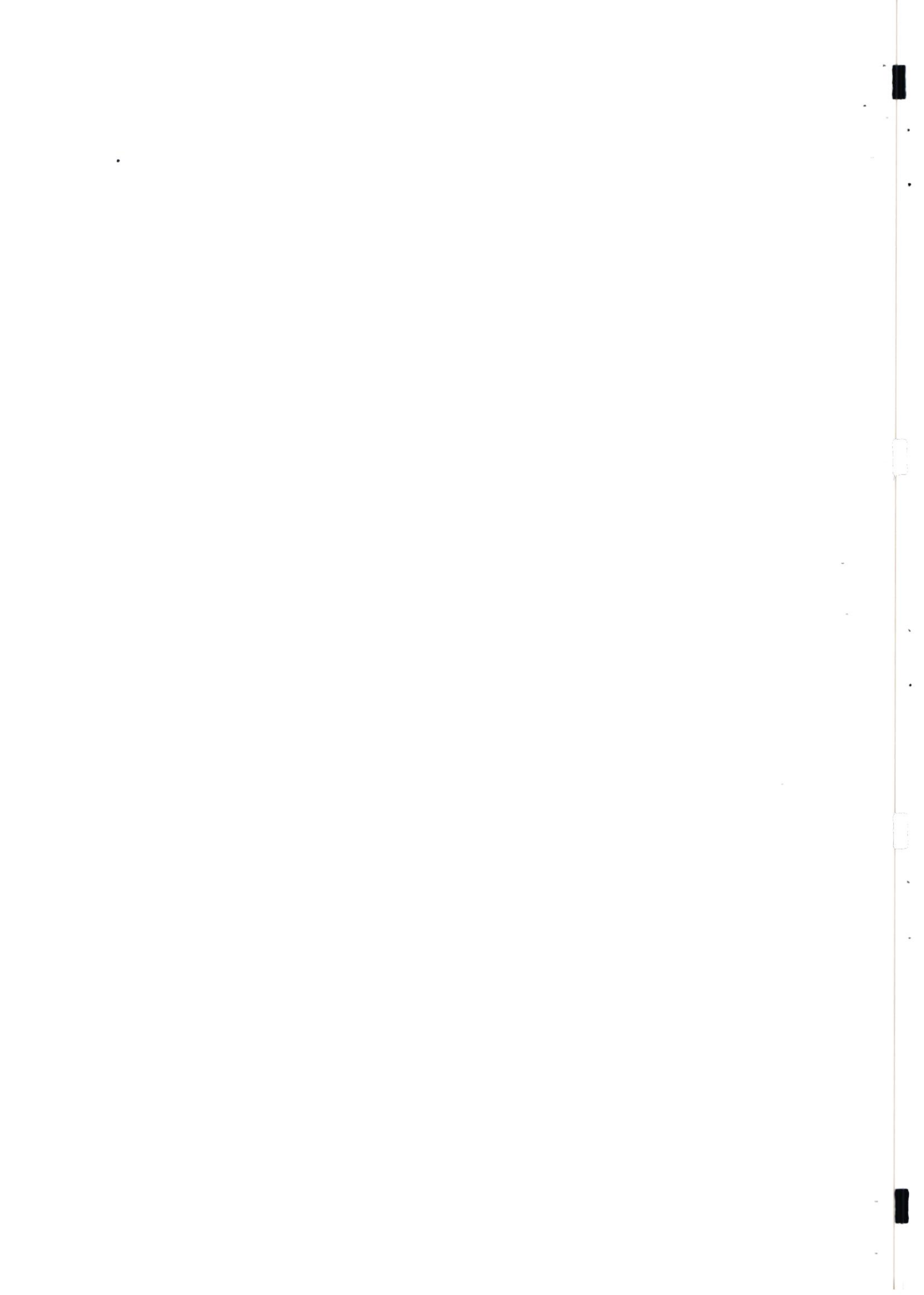
For those of you who were not affected by this exercise I would like to encourage you to be calm and confident enough and deliver the best in terms of service to our customers either directly or indirectly. We need to forget what has happened and move on to give our best. The reason we got to where we are is because of poor performance of our business as a result of economic pressures and some self-inflicted bad practices amongst some of us. Lower revenue as a result of lost business has meant that the business could not continue to support the high cost base including labour costs. It is incumbent upon us who have remained to put our best foot forward and recover our Pride.

We must:

- i. be aggressive on our selling
- ii. check in our customers with speed and smiles
- iii. make sure our planes are maintained correctly and on time
- iv. handle bags efficiently and with honesty
- v. report on time to operate flights
- vi. depart flights on time etc etc

As you can see everyone of us has a part to play for our survival. DISCIPLINE AT WORK IS VERY KEY.

159 021



Annex. P 1

AGREEMENT ON RECOGNITION AND NEGOTIATING PROCEDURES.

This Agreement is made on the 18th Day of December 2008

Between

KENYA AIRWAYS LIMITED
(Herein referred to as The Company)

And

AVIATION AND ALLIED WORKERS UNION (K)
(Herein referred to as The Union)

I PREAMBLE

The parties to this Agreement being fully determined to regulate the relations between them in the interest of the Company and its employees agree to work together to promote and establish mutual understanding and co-operation as follows:-

- a) Negotiations and discussions between the Company and the Union shall be conducted on representative and authoritative basis.
- b) All issues arising which affect employees covered by this Agreement shall be fully and promptly considered with a view to mutually agreed settlement.
- c) Recognized procedures for negotiations and discussions between the parties shall be fully utilized by both parties to this Agreement.
- d) An essential factor in successful negotiations is the clear statement of issues involved and of the conclusion after mutual agreement between the parties to this Agreement.
- e) Both parties recognize their mutual interest in promoting good relationship between them and agree on the desirability of improving productivity since, from such improvements, can better wages and conditions and terms of employment be achieved and they agree jointly to maintain goodwill in the industry and to cooperate towards this end.

This is the exhibit Marked "P 1"
referred to in the annexed
Affidavit of PERPETUA MURITHI
declaration
Sworn before me this 9th
declared Aug at Nairobi
day of Aug 2008
Commissioner for Affidavits

[Handwritten signature]

11 DEFINITIONS.

For the sake of clarity, the following definitions will apply in this agreement.

"Company" shall mean Kenya Airways Limited

"Union" shall mean Aviation and Allied Workers Union (K)

"Parties" shall mean both the Company and the Union.

"Board of Directors" shall mean the Company's Board of Directors

"Collective Agreement" shall mean any agreement made between the Company and the Union which relates to the terms and conditions of employment.

"Confidential Staff" shall mean any employee engaged by the Company and whose duties are confidential in nature.

"Employees" shall mean all employees of the Company who are eligible to join the Union and are not excluded by the nature of their duties from being Union Members

"Industrial Court" shall mean the Kenya Industrial Court as established under Section 11 of The Labour Institutions Act No. 12 of 2007.

"Lock Out" shall mean the closing of place of employment, the suspension of work, or the refusal by the Company to continue to employ any number of employees-

- a. For the purpose of compelling any employees of the Company to accept any demand in respect of a trade dispute; and
- b. Not for the purpose of finally terminating employment

"Strike" shall be as defined in the current Labour Relations Act

"Management" shall mean the Management of Kenya Airways Limited

"Chief Executive" shall mean the Chief Executive Officer of the Company or anybody acting on his behalf.

"General Secretary" shall mean the person for the time being holding the office of General Secretary and Chief Executive Officer of the Union and includes any person duly authorized to act for and on behalf of the General Secretary for a specific purpose.

"Negotiating Committee" shall mean the negotiating committee between the

Company and the Union as constituted and operated from time to time.

"Salaries" shall mean salary scales, wage rates, overtime rates and fixed and variable allowances.

"Salary" shall mean basic salary.

"Staff Rules And Regulations" shall mean the Companies' internal rules and Regulations as amended from time to time.

"Standing Instructions" shall mean the Companies staff notices, circulars, fleet Notices and standing orders and as amended from time to time.

"Terms and Conditions of Service" shall include but will not be limited to salary, leave days, leave traveling allowance, provident Fund/other retirement benefits, hours of work, housing/owner allowances, Medical arrangements, uniforms, shift allowance, maternity/paternity leave, benevolent benefits, rebate tickets, transport/commutation allowance, transfer notice/allowances, nights done allowance, retrenchment/redundancy, sick leave, overtime and such allowances and any other terms/conditions as may be agreed upon from time to time between the Company and the Union and included in the Collective Bargaining Agreement.

"Trade Dispute" shall be as defined in the current Labour Relations Act

"Manager" shall mean an employee vested with the authority to supervise other employees, or who is responsible over a section of the activities of the Company or who is required by the Management as part of his/her duties, to make recommendations in connection with recruitment, termination, assessment, promotion or disciplinary action, and / or to whom subordinate staff apply in the first instance for the remedy of Grievances.

"Unionisable Staff" shall mean any employee eligible for membership to the Union under this recognition agreement

11 RECOGNITION.

The Company hereby agrees to recognize the Union as a properly constituted and representative body and labor organization representing the interests of the employees of the Company as contained in the terms and conditions of services clause.

The Company hereby agrees that it will consult with the Union before transferring any of its Unionisable staff to its Subsidiary

The Union undertakes, after elections have been carried out in accordance with its constitution, to present without delay, the names of the registered Branch and

National Officials to the Company and to advise any amendments as they occur. In the case of any amendments, the new officials shall be duly registered by the Registrar of Trade Unions

- d) The Company on its part undertakes not to enter into discussion and negotiation on the subject specified in the "terms and conditions of services" clause of this agreement with any individual or individuals purporting to represent the Union other than its accredited representatives. The Union undertakes to provide its officials with proper credentials setting out inter-alia, the positions held by them.
- e) The Union undertakes that no employee shall be compelled to become a member of the Union. The Company undertakes that no employee shall be penalized because of Union membership.
- f) The Company reserves the sole right to conduct its business and manage its operations. This includes the right to;
 - a. Engage, promote, demote, or otherwise discipline or terminate employees
 - b. Determine the working days, times, manner and methods of work as well as the manpower needs of each work section
 - c. Determine the method of work performance as well as quality of work
 - d. Control and regulate the use of all equipment and property of the Company
 - e. To make rules and regulations and/or issue notices that are deemed necessary for the efficient and safe conduct of its operations in accordance with the Company's employment policy or any other terms of service agreement with the Union.
- g) The Union undertakes that employees who are Union representatives will carry out their duties delegated to them by Management during their prescribed working hours and such representatives will not leave their places of work for any purpose in connection with their duties as representatives without permission of the Management. Such permission shall not be unreasonably withheld.
- h) It is agreed that staff rules and regulations, practices covered by staff notices, circulars and standing instructions of the Company shall form part of this agreement unless amended or superseded by the provisions of this Agreement and the agreed terms and conditions of employment.
- i) Normal rights of access to the members and potential members shall be accorded to accredited Union representatives for the purpose of Union business.

IV JOINT CONSULTATION

1. The Union and the Management recognize the importance of the existence of a climate of mutual confidence and understanding. It is therefore agreed between them to apply an effective policy of communication by means of Joint Consultations.
2. The purpose of the Joint Consultation is to clarify and explain issues and not to negotiate on the matters raised.

[Handwritten signature]

3. The information to be clarified/explained at Joint Consultation meetings may include:
- a. General Working conditions
 - b. Training
 - c. Health and Safety regulations
 - d. Transport
 - e. Uniforms and protective wear
 - f. Welfare activities
 - g. Explanation of decisions likely to affect the position of employees in the Company
 - h. Explanation of decisions likely to have an economic impact on the staff

V GRIEVANCE HANDLING

a) INDIVIDUAL GRIEVANCES

Any individual employee of the Company who wishes to redress a grievance with which he/she is directly and personally concerned, shall first raise the grievance with his/her Controlling Manager for settlement

If settlement is not reached within seven (7) days, he/she or the Union acting on his/her behalf shall have the right to appeal to the Departmental Director as soon as possible and within fourteen (14) days.

If settlement is not reached within 14 days, he/she or the Union acting on his/her behalf shall have the right to appeal to the Human Resources Director as soon as possible and in any case, within 14 days.

If settlement is not reached, he/she or the Union acting on his/her behalf shall refer the matter to the Group Managing Director & CEO as soon as possible and in any case within one month.

If settlement is not reached within one month, the Union acting on his/her behalf shall refer the matter to the minister for labor in accordance with the provisions of the Labour Relations Act.

Where the grievance arises out of termination/dismissal, the staff or the Union acting on his/her behalf shall commence the appeal process from the Level of Human Resources Director and proceed thereafter as set out above. The appeal shall be in writing and shall set out the grounds of appeal.

b) COLLECTIVE CLAIMS

These shall mean any claim/s for alteration of terms and conditions of services regarding matters specified in "Terms and Conditions of Service" clause of this agreement, which may affect any or all the employees of the Company.

- i) Such claims shall be submitted in writing to the Director Human Resources by the Union's General Secretary or his authorized representative giving three (3) months notice to alter, accept or reject the claims. The Company also has the right to do the same to the Union by giving three (3) months notice.
- ii) On receipt of such claims either party shall within fourteen (14) days indicate in writing its acceptance or otherwise.
- iii) In the event of failure to reach a settlement of the matter within fourteen (14) days and in the event either party expressing themselves in writing as dissatisfied, the matter shall be referred to a negotiating committee. The committee shall be convened within seven (7) days on the receipt of the Union's communication and it shall likewise be convened on a similar request from the Management.
- iv) The committee shall consist of not more than six (6) representatives nominated by the Managing Director/Chief Executive and six (6) representatives nominated by the Union of whom not less than two (2) representative of the Union shall be from the employees actually employed in the Company.

The quorum of the committee shall be at least three members from the Union and two members from the Management

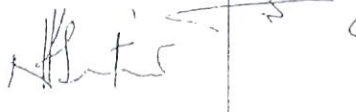
- v) The committee shall regulate its own procedures and elect its chairman.

All agreements jointly reached shall be confirmed in writing and signed by both Parties.

c) COLLECTIVE GRIEVANCES

These mean any grievance(s) from a breach of agreed terms and conditions of services on matters specified in the "Terms and Conditions of Services" clause of this agreement, which may affect all employees of the Company.

- 1) Such grievance(s) shall in the first instance be raised by the Branch Secretary official with the Controlling Manager/Departmental Director.
- 2) In the event of Controlling Manager/departmental Director being unable to solve the issue/s within fourteen (14) days the Branch Secretary shall refer the issue/s to the General Secretary, who will refer the grievance(s) to the Director Human Resources.
- 3) In the event of failure to settle the issue/s at the Director Human Resources level, the General Secretary will approach the Company's Managing Director/Chief Executive.



VI FAILURE TO REACH AGREEMENT

- 1) In the event of failure to reach a settlement at the Managing Director level in case of individual dispute either party may refer the dispute to the minister for labor in accordance with provisions of the Labour Relations Act.
- 2) No Strike, Lockout or other action to stop or hinder the operations of the business of the Company on a matter which has been referred to the negotiating committee shall take place until:-
 - a) Deadlock has been recorded in the committee.
 - b) After such deadlock, twenty one (21) days strike or lock-out notice has elapsed.
- 3) It is agreed that in the event of a lock out, the Company shall allow the employees to resume work as soon a return to work formula is agreed upon and negotiations begin between the Management and the Union.
- 4) It is agreed that in the event of a strike, the Union shall allow the employees to resume work as soon as a return to work formula is agreed upon and negotiations begin between the Management and the Union.

AMENDMENTS/ALTERATIONS OR TERMINATION OF THIS AGREEMENT.

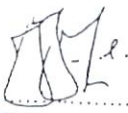
This agreement shall come into force from the date the Company and the Union execute and append their signatures. It shall continue in force until amended or rescinded by mutual agreement.

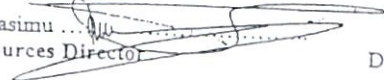
Either party wishing to amend, alter or modify this agreement shall give three (3) months written notice to the other party with details of the proposed amendments, alterations or modifications.

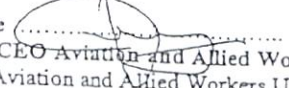
In the event of it proving impossible to obtain mutual agreement, then either party may refer the dispute to the Minister for labor in accordance with the provisions of the Labour Relations Act.

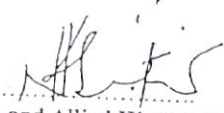
[Handwritten signatures and initials]

Notwithstanding anything to the contrary contained in this clause, the Agreement shall continue to be in force until another one is finally agreed upon between the parties to this Agreement.

Signed by Titus Naikuni 
Group Managing Director & CEO
For and on behalf Of Kenya Airways Limited Date 23/3/09

Witnessed by Paul Kasimu 
Group Human Resources Director Date 18/12/08

Signed By Jimi Masege 
General Secretary & CEO Aviation and Allied Workers Union (K) Date 18/12/08

Witnessed by Noah Sitienei 
Branch Secretary Aviation and Allied Workers Union (K) Date 18/12/2008

COLLECTIVE BARGAINING AGREEMENT FOR THE
PERIOD 2008/2010

PARTIES:

KENYA AIRWAYS LIMITED

&

AVIATION AND ALLIED WORKERS UNION

MATTERS CONTAINED HEREIN:

TERMS AND CONDITIONS OF SERVICE

This is the exhibit referred to in the annexed

Affidavit

declaration

Sworn

before me this

day of

PM 2

of PETERUA MPOJIVA

9th

AUG at NAIROBI

Commissioner for Oaths

COLLECTIVE BARGAINING AGREEMENT
BETWEEN
KENYA AIRWAYS LIMITED
AND
AVIATION AND ALLIED WORKERS UNION
IN MATTERS OF TERMS AND CONDITIONS OF SERVICE FOR THE PERIOD 2008/2010

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1. PREAMBLE

This Memorandum of Agreement on Terms and Conditions of Service is made on the 8th day of August 2011 between Kenya Airways Limited (hereinafter referred to as the Company) and the Aviation and Allied Workers' Union (hereinafter referred to as the Union) whereby the parties meeting together in free heart and voluntary association have determined the Terms and Conditions of Service which shall apply to employees of the Company covered by this Agreement throughout Kenya in occupational grades H1-H9.

2. OVERRIDING EXISTING AGREEMENTS

Except as otherwise herein expressly provided, this Agreement supersedes all existing Agreements and Contracts previously entered into by the Company on Terms and Conditions of service, in respect of its Unionisable Kenyan employees who are currently covered by Job Grade H1 – H9.

3. DEFINITIONS:

All definitions contained in the Recognition Agreement and the Interim Agreement between Kenya Airways Ltd and Aviation and Allied Workers Union shall be deemed to be incorporated into this Agreement.

To avoid any doubts in regards to this Agreement and points of reference the following words shall have the meanings mentioned as follows:

Company
Kenya Airways Limited

Union
Aviation and Allied Workers Union (K)

Kenya Civil Aviation Authority
Shall be as defined in Kenya Civil Aviation Authority CAP 394

Operator
Means a person, organization or enterprise engaged in or offering to engage in an aircraft operation in accordance with CAP 394 (INSTRUMENTS AND EQUIPMENT) KCARs of 2007, Part 1, Regulation 2.

Agreement
This document between Aviation & Allied Workers Union and Kenya Airways Ltd, including all its annexure and parts.

Republic
The Republic of Kenya.

Base
The City of Nairobi, Kenya.

Operational Base:
Shall mean an employee's main place of work.



Outstation:

Station other than an employee's main place of work.

Local time at base

Three hours (03hrs) plus (+) Greenwich Meridian Time. (G.M.T)

Local Night for Cabin Crew

This shall mean a period of 8 hours falling between 2200 hours and 0800 hours local time

Day

A 'day' is a calendar day

Reporting time

The time which an employee is expected to report for duty at base or other place of work

Rest Period

An uninterrupted and defined continuous period no part of which forms duty period of an employee

Day off

A day devoid of any duty.

Crew Member

Shall mean a person assigned by an operator to duty on aircraft during a flight duty period. This is according to CAP 394 (OPERATION OF AIRCRAFT), KCARS of 2007, Part 1, Regulation 2.

Flight Crew Member

A licensed crew member charged with duties essential to the operations of an aircraft during flight duty period as defined in KCARS 2007 – Personnel Licensing and Operation of aircraft Regulations, Part 1 Regulation 2.

Cabin Crew Member

Shall be as defined in CAP 394 (Personnel Licensing) Part 1 Regulation 2.

Crew Resource Management

Shall mean a program designed to improve the safety of flight operations by optimizing the safe, efficient and effective use of human resources, hardware and information through improved crew communication and co-ordination as defined in CAP 394 (OPERATION OF AIRCRAFT), KCARS of 2007, Part 1, Regulation 2.

Medical Practitioner

Medical practitioner shall mean a person registered under the Medical practitioners and Dentist Act Chapter 253 Laws of Kenya or any modification, reenactment or replacement thereof, if he practices in Kenya, or under any applicable legislation in the country where such practitioner practices medicine if not in Kenya.

Medical Board

As per appointment by the Ministry of Health

Salary

Salary shall mean Basic salary, House Allowance and Transport Allowance

4. STAFF RULES, NOTICES AND STANDING INSTRUCTIONS

Staff Rules and regulations, staff notices and any other standing instructions issued by the Company, applying to the members of the Union, will be made available to the Union. Any amendments thereto and additional Rules and Regulations, staff notices and standing instructions which could lead to an alteration in the terms and conditions of service will not be arbitrarily introduced by the Company and will be discussed with the Union before implementation. Such a discussion shall be foregone only if the said changes are necessitated by a change in the existing laws.

5. SCOPE OF SERVICE

Employees shall perform duties related to their letters of appointment. The Company may from time to time require an employee to serve at any operating base or associated companies, any civil air operator or its subsidiary maintaining required standards of safety, service and maintenance of operations commensurate with those laid down by the company. Salary shall be at the Operator's rate or at the associated Company's rate whichever is higher. The service will as far as possible continue to be governed by the provisions laid down by this agreement.

6. ENGAGEMENT

Upon successfully passing medical examination to be conducted by a Doctor appointed by the Company, every employee on engagement shall be given a Letter of Appointment prior to commencing duties and such letter shall set forth with the employee's job title, salary scale, and other related matters pertaining to the employee's Terms and Conditions of Service. Every new employee shall have access to the Collective Bargaining Agreement and Staff Rules and Regulations.

7. PROBATION

A newly recruited employee shall be on probation for an initial period of three months following the appointment into the Company. During probation, either party may terminate the services of the other by giving one month's written notice or one month's salary in lieu. The period of probation may be extended if satisfactory progress has not been made, by informing the employee in writing prior to the expiry of the probationary period pointing out areas of weaknesses, but the extension shall not exceed a further period of three months. If no satisfactory progress is made then the services will be terminated, otherwise he/she shall be confirmed immediately.

8. CONFIRMATION

On successful completion of probationary period, the employee will be confirmed in writing immediately in his appointment and will from then, be on permanent terms.

9. RATES OF PAY & ALLOWANCES

- a) The current Basic Salaries, Transport/Commutation Allowance and House allowance/Owner Occupier shall be increased by 12.5% for the year July 1st 2008 to June 30th 2009 and a further 12.5% for the year 1st July 2009 to June 30th 2010.
- b) The current Shift allowance shall be increased by 15% for year July 1st 2008 to 30th June 2009 and a further 15% for year July 1st 2009 to June 30th 2010.

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c) Layover allowance

This shall be paid at the following rates with effect from 1st July 2008

- (i) Cabin Crew: USD 90
- (ii) Senior Flight Attendant: USD 100
- (iii) Flight Purser: USD 110

There will be 9 guaranteed nights without conditions effective 1st October 2009.

This clause applies until the final rates are discussed and agreed. See attached Appendix.

d) Overtime

If the Company requires an employee to work extra hours above the stipulated working hours, he/she shall be paid for such extra hours worked for that day at the following rates on condition that overtime is approved by the Controlling Manager before it is undertaken.

- (i) For overtime worked during the weekdays from Mondays to Saturdays – 1.5 x the hourly rate
- (ii) For overtime worked on Sundays and Public Holidays - Double the hourly rate

e) Engineer Allowances

This shall be paid at the following rates with effect from 1st October 2009

- i) License
 - 1st License – Kes. 9,000.00
 - 2nd License – Kes. 9,000.00
 - 3rd License – Kes. 5,625.00
- ii) Approvals
 - 1st approval – Kes. 4,500.00
 - 2nd approval – Kes. 4,500.00
 - 3rd approval – Kes. 4,500.00
- iii) Flying allowance
 - Day flight – Kes. 5,000.00
 - Night flight – Kes. 9,500.00
- iv) Layover - USD 110

f) Productivity for cabin crew

- i) Above 75 hours per roster – Kes. 900.00 per hour
- ii) Above 12.5 hours per duty payment – Kes. 3,500.00 per hour

g) NightStop Allowance for cabin crew

- i) Flight Purser – 15% of basic salary
- ii) Senior Flight Attendant – 17% of basic salary
- iii) Flight Attendant – 19% of basic salary

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10. ACTING ALLOWANCE

- a) A staff appointed to act in a higher role shall be issued with a written communication confirming the appointment.
For unforeseen acting appointments of cabin crew, the acting shall be logged in SABRE and it will indicate the flight number and date acted. Further, a quarterly letter shall be made and issued to the cabin crew on the number of times he/she has acted during the period, signed by the Head of In-flight Services & Standards.
- b) For unforeseen appointments for other staff, an email communication shall be issued to the staff pending issuance of a formal letter to the staff
- c) An acting appointment shall be acknowledged in writing by the controlling manager or someone else in authority in the absence of the controlling manager within two working days.
- d) If an employee acts on a higher post for a continuous period of 15 days or more he will be paid an acting allowance of the full difference between his present basic salary and the bottom salary attached to the higher post prorated for the period he/she has acted.
- e) A cabin crew who has acted on a similar role on 8 flights in a 6 month period will be paid an acting allowance prorated for the period.
- f) If the employee's present basic salary is more than the bottom of the higher grade, he/she will be paid an acting allowance calculated at the rate of two year's increments of the higher post per month.
- g) Where the acting appointment is in excess of six (6) months by reasons of absence e.g. training, sickness, etc.; acting allowance shall continue to be paid for the entire period.
- h) An employee acting on a Management position shall be paid 20% of his/her present basic salary.

11. CABIN CREW REGULATIONS

The Cabin Crew Regulations shall be in accordance with the appendix attached to and forming part of this Agreement. This shall be applicable to employees who are Cabin crew. The Cabin Crew Regulations are prepared in line with the CAP 394, Kenya Civil Aviation Regulations of 2007.

12. STAFF PERFORMANCE APPRAISAL

Every employee shall have his/her performance appraised formally at least once a year and on a continuous basis. Formal appraisal will be conducted by the employee's immediate Supervisors. An appraisal form shall be completed by the immediate Supervisor for each employee appraised. Where shortcomings or outstanding performance is noted, this will be communicated to the employee in writing. Employees will be given feedback of the appraisal outcome within three (3) months of the start of the appraisal process. The Company will address performance shortcomings in accordance with the Company's Staff Rules and Regulations as amended from time to time.

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13. LICENSE, TRAINING AND COURSES OF INSTRUCTION

Training shall be relevant to the job or Company requirements, and where such opportunities arise, these will be notified to the employees concerned. The Company will also consider sponsoring courses of study relevant to both the employee and Company needs subject to the Company's Training Policy. Where an employee undertakes such training with the approval of the Company, the training shall be regarded as a normal service within the company.

14. PROMOTION

Promotion from one grade to another shall be granted by the Company in accordance with the laid down Company Procedures. Promotion Policy and Procedures shall depend on merit, professional qualifications, performance, competence, experience and seniority assuming all other variables are the same. There will be no discrimination.

- a) An employee granted promotion shall be so informed in writing. Date of appointment and payment shall be effected immediately.
- b) Promotion opportunities within the Company shall be given to suitably qualified employees of the Company by advertising such opportunities through the Staff Vacancy Notices. Any vacant posts should be advertised internally as soon as possible before any external candidates are considered for such posts. It should be established that there is no suitable candidate in the Company before any external advert is placed.
- c) A successful candidate for promotion should be released within one month from the date the staff is informed of his/her promotion. It is imperative that proper handing/taking over process takes place.
- d) Employees of the Company shall not be subject to a probationary period on promotion from one grade to another.

15. SENIORITY AND PROMOTIONS POLICY

Seniority and Promotions policy for the employees who are Cabin crew shall be in accordance with appendix attached to and forming part of this Agreement.

16. MERIT INCREMENT

Merit increments shall be granted to an employee at the discretion of Management based on performance. This shall not alter the annual increment date. The employee granted merit increment shall be informed in writing.

17. ANNUAL INCREMENTS

- a) Every employee shall, unless stopped on disciplinary grounds, be granted annual increment in January or July if his/her appointment or promotion anniversary is between January and June or between July and December respectively.
- b) Where a staff has reached the ceiling of the job grade, annual increments will be given on 'a personal to holder basis'.

- c) Staff on demotion shall continue to earn annual increments of the new grade and on reaching the top of the grade, they will earn annual increments on a personal to holder basis.
- d) Increments between the notches will remain consistent with the current practice as the time of signing of this Collective Bargaining Agreement.
- e) Personal to holder increments will apply for staff who have reached the top of their grade through annual increments and not through Job Evaluation down grade.
- f) Effective date of the 'personal to holder increment' for staff reaching the top of the grade will be 1st July 2008.

18. ANNUAL LEAVE

Upon successful completion of probationary period, and on condition that leave has been earned, each employee shall be entitled to 25 working days annual leave.

For purpose of calculating annual leave, Saturdays, Sundays and Public Holidays shall not be included.

Deviation from the planned leave rosters due to operational exigencies should be discussed with the affected employee and he/she should be given an option to choose alternative leave dates.

19. ANNUAL LEAVE TRAVELLING ALLOWANCE

Any employee proceeding on annual leave will be entitled to leave traveling allowance of Kes. 8,000.00. This allowance will be payable only once in a year.

20. STAFF TRAVEL PRIVILEGES

Employees who have completed one (1) year's service in employment will be eligible for Staff Travel privileges in accordance with Staff Travel Rules and Regulations

21. DUTY TRAVEL

Staff traveling on duty will be booked in accordance with the staff travel rules

22. COMPASSIONATE LEAVE

The company may grant an employee compassionate leave which may be either-

- (i) Paid leave to be deducted from his\ her annual leave.
- or
- (ii) Unpaid leave if he\ she has no leave due upto a maximum of 15 days per year.

23. STUDY LEAVE

The company may grant an employee study leave which may be either-

- (i) Paid leave to be deducted from his\ her annual leave.
- or
- (ii) Unpaid leave if he\ she has no leave due upto a maximum of 15 days per year.

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24. RELIGIOUS HOLIDAYS

Apart from the gazetted holidays, an employee may be granted paid leave at the discretion of the Company for appropriate religious holidays celebrated by his/her faith.

25. SICK LEAVE

- a) If an employee falls sick and is hospitalized for a continuous period or certified by a medical doctor to be incapable of attending to work, such an employee will be entitled to the following sick leave in any one-calendar year:-
 - a. Ninety (90) days on full pay, and thereafter
 - b. Ninety (90) days on half salary.
- b) For all other sickness, a maximum of thirty (30) days sick leave with full pay shall be allowed in any one calendar year, and any sickness beyond the thirty days will be without pay.
- c) To qualify for the above, the following condition will apply:-

Where an employee has been absent due to sickness for one or more working days, he/she will be required to produce a medical certificate signed by a Medical Officer certifying that he/she was unfit for duties during the period of absence, and the certificate shall be produced upon returning back to duty. Notification of sickness should be as soon as possible

- c) After the expiry of the total of 180 days referred to in (a) above, annual leave may be offset against the period of sickness or employment terminated. In both cases the union will have the right to appeal to the management for consideration.

26. MEDICAL ARRANGEMENTS

- a) Every employee in the Company shall be entitled to medical benefits for themselves and their eligible members of family in accordance with the Rules governing the Scheme. These Rules shall be placed in the Company intranet.
- b) The cost of the premium will be shared between the Company and employees, but no employee shall be required to contribute more than 2% of his basic salary.

27. POSTING/TRANSFER WITHIN KENYA

If an employee is transferred by the Company from one station to another station within Kenya he will be entitled to:-

- a) A disturbance allowance equivalent to one month's basic salary.
- b) The first 30 days on full-board hotel accommodation at the new station for himself, wife and children. As an alternative to hotel accommodation, the Company will pay the employee KES 52,887.00 to enable him/her to make his/her own accommodation arrangements.
- c) The Company will transport the family and his unaccompanied baggage from the old station to the new residence upto 1,500 kgs.
- d) The employee will be given at least one month' written notice for preparation unless on emergency cases which will require one week's notice.
- e) The employee shall be given seven (7) consecutive days off to enable him/he to make necessary transfer arrangements subject to operational requirements.

28. STAFF PROVIDENT FUND SCHEME

- a) The Company operates a Staff Provident Fund Scheme and each employee is required to become a member of the Scheme after successfully completing his/her probation.
- b) Each employee will be required to contribute 10% of his/her basic salary and the Company 10% of the employee's basic salary towards the Fund.
- c) The Scheme will be run by Trustees composed of Management and Union Representatives.
- d) Benefits of the Scheme will be in accordance with Rules of the Staff Provident Fund Scheme.

29. FUNERAL EXPENSES

- a) When an employee or his/her spouse dies whilst the employee is in the service of the Company, the Company will provide a coffin worth Kes.30,000/= and Kes. 10,000.00 for flowers for each and a coffin of Kes.20,000/= for a child subject to a maximum of 4 children in a lifetime. Only those children who are 19 years and below or up to 24 years if attending full-time recognized educational institutions will qualify. Should the family settle for more expensive coffin, they will pay the difference.

The spouse and children referred to above, shall be those in the Company records.



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- b) The Company will provide:-
 - i) One Minibus to carry the remains of the employee and surviving members of the immediate family only from the place of work or death to his final burial place/home.
 - ii) One bus to carry staff mourners and Company representative to the funeral.
 - iii) Transport for employee's belongings to the final destination using the most convenient and cost effective means.
- c) In cases of termination of employment by death, the normal retirement benefits will apply. In addition, he will qualify for the Insurance Scheme applicable.

30. UNIFORM AND EQUIPMENT

Those required to wear uniforms or protective clothing as provided for in the Occupational Safety and Health Act will be issued by the Company with such items but it will be their responsibility to keep them clean. All such uniforms shall remain the property of the Company.

31. TOOL KITS

The Company shall provide tool kits to employees who use them. This shall remain the property of the company for the duration of employment and shall be returned upon termination of service. The company shall inspect the tool kits every six (6) months. Damaged or worn out tools will be replaced as and when necessary.

32. WARNING

- a) If the employee commits an offence not serious to warrant dismissal/termination, they shall be issued with a first warning letter which will remain valid for twelve (12) months from the date the offence was committed. A Copy of the warning letter to be given to the Branch Secretary if the staff is a union member.
- b) If they commit another offence within the same period, he shall be issued with a second warning letter with a copy to the Branch Secretary if the staff is a union member and this shall also be valid for twelve (12) months.
- c) If they commit another serious offence within this period, he shall be issued with a third and last warning letter with a copy to the Branch Secretary if the staff is a union member and this shall also be valid for twelve (12) months
- d) Should the employee be proven to have committed another serious offence within this period, then they shall be terminated.
- e) A final warning may be issued for a first offence where the severity of the offence is such that a first warning and second warning is inappropriate

33. LEAVE FOR TRADE UNION CONFERENCES, MEETINGS, EDUCATIONAL SEMINARS AND COURSES

- a) The company will grant paid leave subject to exigencies of duty for Union officials, delegates or nominees who are Company employees selected by the union to attend to their trade union conferences or meetings.
- b) The names of the Union officials/delegates/nominees to attend the conference or meeting will be submitted to the Company in writing fourteen (14) days prior to the date of such conference or meeting.

- c) During such meetings, conferences or seminars, the Company shall provide 100% rebated tickets economy class on Kenya Airways services to the officials referred to in (a) above subject to availability of seats. The Company will assist in procuring tickets from other carriers.

34. MATERNITY / PATERNITY LEAVE

A female employee shall be entitled to maternity leave in accordance with the Kenyan Labour Law.

A male employee whose wife is registered in Company records shall be entitled to paternity leave in accordance with the Kenyan Labour Law.

35. INSURANCE

GROUP LIFE INSURANCE SCHEME

Every employee will be insured by the Company and in the event of death while in the services of the Company, the benefits shall be paid in accordance with the provisions of the Group Life Insurance Scheme.

GROUP PERSONAL ACCIDENT SCHEME

The Company will provide a twenty-four (24) hour cover against any injury to all its employees. The benefits of this Scheme will be in accordance with the provisions of the Group Personal Accident Scheme.

36. LOANS

The Company shall endeavour to make arrangements with financial institutions for assistance to employees.

37. TRAVEL PERMIT EXPENSES

Any travel permit expenses for an employee to enable him/her to obtain valid travel documents for the performance of such duties such as health certificates, visas and airport taxes shall be borne by the Company.

38. MEAL ALLOWANCE WHILE ON DUTY

Staff on shift will be paid a meal allowance. This will be paid at the following rates with effect from 15th July 2009:

- a) Breakfast – Kes. 250.00 per day
- b) Lunch – Kes. 350.00 per day
- c) Dinner – Kes. 350.00 per day



39. DISCIPLINARY MEASURES

Where charge(s) against an employee is/are proven, the Company may impose one or more of the following measures:-

- a) Verbal warning.
- b) Issue the employee with a cautionary letter
- c) Issue the employee with a warning letter
- d) Recovery of the cost of the damaged item from the salary of the employee involved
- e) Deferment, stoppage or withholding of an employee's increment for twelve months.
- f) Suspension.
- g) Demotion in rank.
- h) Termination.
- i) Dismissal.

40. SUSPENSION

- a) Where an employee commits a serious offence warranting investigations, the Company shall immediately suspend the employee on full pay.
- b) Prior to investigation and/or hearing, the Company shall furnish the employee with a copy of the precise charge(s) against him/her. Upon written request (excluding sms communication), the employee shall be granted a postponement of the hearing not in excess of five (5) days, in which to prepare and secure the presence of witnesses. He/she shall have the right to be represented by an employee of his choice or by an authorized representative of the Union.
- c) Within ten (10) days after the close of such a hearing, the Company shall communicate its decision in writing and shall furnish the employee and the Union with a copy thereof.
- d) Where the charge(s) against an employee is/are confirmed, the Company may at its discretion impose one of the disciplinary measures stipulated in Clause 21 of this Agreement and in order of severity. An employee who has been dismissed or whose services have been terminated as a result of investigation and hearing shall have a right of appeal in accordance with the procedures stipulated in the Recognition Agreement.
- e) Pending investigation and hearing under Clause (b) above, an employee charged with a serious disciplinary offence may be suspended on full pay up to a maximum period of 30 days during which time a decision shall be made in accordance with Clause (d) above. Where an employee has been granted a postponement of the hearing under Clause (b) above, the period of suspension shall be extended by the period of such postponement.
- f) If after the investigations no charges are established against the employee, the suspension shall be lifted immediately and the staff reinstated back to the place of work.

- g) Subject to Clause (b) and (e) above, no employee shall be on suspension for more than 30 days. If the case is not finalized by the end of the period, the employee shall be reinstated to his/her place of work and his/her records shall be cleared.
- h) An employee on suspension shall provide his Controlling Officer with a valid contact number/address for reach within the suspension period. It is the employee's responsibility to inform his Controlling Officer of any change of the contact number/address within the suspension period.
- i) Where the offence said to have been committed by the staff is very serious and may lead to severe disciplinary action being taken against the staff if proved after an internal disciplinary hearing, the staff will be suspended from duty pending the finalization of the internal disciplinary process.
- j) If a decision has been reached to terminate or dismiss the employee, the effective date of such termination or dismissal shall be the date when the decision is made.
- k) The authority to suspend shall be vested on the Departmental Director in consultation with the Human Resources Director.

41. CRIMINAL CASES AGAINST STAFF

- (i) Where an employee is arrested for a cognizable offence punishable by imprisonment and is not released within a period of 14 days on bail or on bond or otherwise lawfully set at liberty the Company shall take an administrative action in accordance with the Labour Laws.
- (ii) Where an employee is suspected of having committed a criminal offence against the Company, he shall be suspended for 4 months on half salary to allow investigations to continue. Thereafter, the employee shall remain without pay until the case is finalized. When the investigations are concluded and the employee is found not guilty, he/she shall be reinstated to his former job and be paid the remaining half salary withheld. If found guilty, he/she shall be summarily dismissed.
- (iii) If his case is taken to court by the government, and he/she is not found guilty, he shall be reinstated and if found guilty he shall be dismissed summarily.
- (iv) If an employee is held in custody under any written Law for any offence, such an employee shall lose pay for all the period he/she is held.

42. TERMINATION OF EMPLOYMENT

Upon successful completion of the probationary period, either party may terminate contract of employment by giving two months' written notice or two months' salary in lieu.

43. CERTIFICATE OF SERVICE

The Company shall issue the employee with a certificate of service as provided for in the Employment Act 2007.

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44. CAUSES FOR TERMINATION OF EMPLOYMENT

Any of the parties may terminate the employment services on the following grounds:

- a) Failing to report for duty for seven consecutive days without notifying the Company in writing (excluding sms communication).
- b) Failing to check out during initial training.
- c) Resignation.
- d) Professional Negligence.
- e) Failure to obey Company rules.
- f) Failure to obtain relevant documents related to one's job e.g. licenses, certificates, passes without reasonable cause.
- g) Any of the party may terminate employment for lawful cause or any other reason provided for in the Law.

45. ENTITLEMENT ON TERMINATION

An employee whose services have been terminated under clause 23 shall be entitled to;

- a) Salary for all the days worked and any appropriate allowances.
- b) Pro-rata leave.
- c) Provident Fund (subject to Staff Provident Fund Rules).
- d) ESOP shares where applicable in accordance with the ESOP Rules and Regulations.
- e) Vacation of Company Quarters
If the employee is living in a Company house, he/she will be permitted one extra month period of occupation but will pay rent for such period.
- f) An employee terminated while away from his/her initial Station of Employment.
If an employee is terminated while away from his/her initial station of employment, he/she shall be provided with air passages on Company services for self, spouse and children and freight entitlement up to a maximum of 1,500 Kgs from duty station to airport nearest to his/her home. The employee must utilize these entitlements within 90 days from the date of termination of services.

46. DISMISSAL

The Company shall summarily dismiss an employee from its service in accordance with the provisions of the CBA, Staff Rules and Regulations and Employment Act 2007.

47. ENTITLEMENT ON DISMISSAL

An employee who has been dismissed summarily shall be entitled to;

- a) His/her salary and applicable allowances upto the date of dismissal,
- b) Own and Company's contribution of provident fund in accordance with the prevailing Staff Provident Rules,
- c) Overtime worked,
- d) Pro rata leave if any,
- e) ESOP shares if applicable in accordance with the prevailing ESOP Rules and Regulations.
- f) Certificate of Service.

48. RETIREMENT

- Normal retirement age shall be 60 years subject to medical fitness and employee's performance. However, by mutual agreement, an employee may opt to retire on attaining 50 years of age with full benefits.
- b) On attainment of retirement age, an employee shall retire on his/her retirement date.
 - c) It is the responsibility of every staff to take cognizance of his/her retirement age.
 - d) Where an employee is retired, he will be entitled to the following:
 - i. Six (6) months written notice or six (6) months' salary in lieu of such notice.
 - ii. Gross pay, overtime, earned leave days and any other allowances accrued upto the day of retirement.
 - iii. Provident Fund own contribution plus Company's contribution plus interest earned.
 - iv. ESOP shares in accordance with existing ESOP Rules and Regulations.
 - v. If in Company accommodation, the employee will be allowed one month's ex-gratia period after the expiry of notice to surrender the premises. However, where such employee is paid salary in lieu of notice, he/she shall if in Company accommodation, be allowed to remain in the accommodation for three (3) months, and be charged economic rent for two of the three (3) months.

49. REDUNDANCY

- a. This shall be as defined in the current Employment Act - 2007 and as may be amended from time to time.
- b. An employee declared redundant shall receive three (3) months written notice or three (3) months' salary in lieu.
- c. An employee who has been declared redundant and given notice shall be permitted to leave before the expiry of the notice period if he/she so wishes. However, he/she shall not be paid for the unexpired notice period.
- d. In addition to (b) above, an employee declared redundant shall be entitled to a severance pay at the rate of 20 days salary for each completed year of service.
- e. An employee declared redundant shall also be entitled to the following:-
 - i. Gross Pay upto the effective date of the redundancy.
 - ii. Accrued leave days upto the effective date of redundancy based on the salary at the rate of 20.5 working days per month.
 - iii. Provident Fund in accordance with the Provident Fund Rules and Regulations.
 - iv. Accrued overtime upto the date of redundancy.
 - v. ESOP shares in accordance with ESOP Rules and Regulations if applicable.

50. INVENTION

Both the company and the union agree that if an employee invents any patent related to ones work, such may be acquired and become copyright of the Company. The employee shall however receive a reward at a value to be agreed with the Company, Employee and the Union.

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51. TIME KEEPING/CLOCKING

There shall be time keeping and clocking System in the Company.

This shall be in accordance with the existing current Company staff rules and regulations. Duty time shall be in accordance with the applicable reporting times as communicated to staff from time to time through staff manuals, notices or any other Company recognized means of communication.

52. HOURS OF WORK

The normal working hours shall be:

- a) Employees working during office hours will work 45 hours per week provided that for overtime calculations, clause 9(d) shall apply.
- b) Shift employees will work 180 hours per shift pattern
- c) Cabin crew members working hours will be in accordance with Cap 394 Operation of Aircraft Regulations 214 (3) and Regulation 218(1); that is; 160 hours duty time in any 28 days period and 105 flying hours in any 28 day period. Crew duty starts one and half hours before chocks off and ends 30 minutes after chocks on effective 1st July 2008 and 45 minutes after chocks on effective 1st October 2009.

Parties recognize that air transportation operates throughout a twenty four hour cycle and hours of work shall vary amongst the various cadres of employees.

53. GRIEVANCE HANDLING PROCEDURES

All disputes/grievances between the Union and the Company on matters contained in this Collective Bargaining Agreement shall be handled in accordance with the procedures stipulated in the Recognition Agreement between the two parties and the Kenyan Labour Laws.

54. INTERPRETATION

If there is any disagreement pertaining to any clause in this agreement, the clause in disagreement shall be referred to a negotiating committee for interpretation and their verdict shall be binding to the parties. However, if parties fail to agree, the matter shall be handled in accordance with the Labour Laws.

55. CHECK OFF SYSTEM

The Company shall operate a Check off System as provided for in the Labour Relations Act of 2007.

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56. SEARCHES

1. Searches shall be conducted in Company leased/owned premises and aircrafts
2. In outstations, searches shall be done in the Company aircraft or Company premises and not in the hotels.
3. Such searches shall as far as possible be conducted with utmost regard to decorum and decency.

57. UNION ACTIVITIES

- a) The Union may use company notice boards and other tools of communication to communicate to their members but with approval of Management
- b) The Union shall be allowed to educate staff on Union activities during staff induction forums
- c) The Company will facilitate access to restricted areas to Union officials for access to staff. If there are costs involved, the same to be borne by the Union.

58. DURATION AND EFFECTIVE DATE OF AGREEMENT

Notwithstanding the date in clause 1 and the actual date of signing of this Agreement, it is hereby mutually agreed upon that the terms and conditions for Unionisable Kenya Airways Employees for the duration between 1st July 2008 to 30th June 2010 shall be modified as follows:-

- a) On Basic Salary, Transport/Commutation allowance and House/Owner Occupier Allowance, the effective date shall be 1st July 2008. 20% of the increment has already been paid
- b) For engineer Allowances the effective date of the increment shall be 1st October 2009.
- c) For meal allowance, the effective date of the increment shall be 15th July 2009
- d) For Annual travelling leave allowance, the effective date shall be 1st July 2008
- e) For nightstop allowance and productivity for cabin crew, the effective date shall be 1st October 2009
- f) For shift allowance, the effective date shall be 1st July 2008. 20% of the increment has already been paid.
- g) For all other clauses, the effective date shall be the date this Collective Bargaining Agreement is registered.

During this period, either party may amend or modify the Agreement by giving the other sixty (60) days written notice, and at the same time, giving proposed details of the intended change. Both parties would then enter into negotiations on the proposed terms.

Notwithstanding anything to the contrary contained in this Clause, this Agreement shall continue to be in force until another one is finally agreed upon between the two parties to this Agreement.

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BASIC SALARY FROM JULY 2008 TO JUNE 2010 (REVISED)

GRADE H3

EFFECTIVE 01.07.08 TO 30.06.09

CURRENT	NEW
15,522	17,462
16,678	18,763
17,834	20,063
18,989	21,363
20,145	22,663
21,300	23,963
22,456	25,263
23,612	26,564
24,767	27,863
25,923	29,163
27,079	30,464
28,234	31,763
29,390	33,064
30,545	34,363
31,701	35,664
32,857	36,964
34,012	38,264
35,168	39,564
36,324	40,865
37,479	42,164
39,213	44,115
40,946	46,064
42,680	48,015
44,413	49,965
46,146	51,914
47,880	53,865
49,822	56,050
	58,292
	60,623
	63,048
	65,570
	68,193

EFFECTIVE 01.07.09 TO 30.06.10

CURRENT	NEW
17,462	19,645
18,763	21,108
20,063	22,571
21,363	24,033
22,663	25,496
23,963	26,958
25,263	28,421
26,564	29,884
27,863	31,346
29,163	32,809
30,464	34,272
31,763	35,734
33,064	37,197
34,363	38,659
35,664	40,122
36,964	41,585
38,264	43,048
39,564	44,510
40,865	45,973
42,164	47,434
44,115	49,629
46,064	51,822
48,015	54,017
49,965	56,210
51,914	58,404
53,865	60,598
56,050	63,056
58,292	65,578
60,623	68,201
63,048	70,929
65,570	73,767
68,193	78,717

EFFECTIVE 01.07.09 TO 30.06.10

CURRENT	NEW
18,083	18,083
19,292	19,292
20,501	20,501
21,710	21,710
22,920	22,920
24,128	24,128
25,337	25,337
26,547	26,547
27,755	27,755
28,964	28,964
30,174	30,174
31,383	31,383
32,591	32,591
33,801	33,801
35,010	35,010
36,219	36,219
37,428	37,428
38,637	38,637
39,846	39,846
41,055	41,055
42,264	42,264
43,473	43,473
44,682	44,682
45,891	45,891
47,100	47,100
48,309	48,309
49,518	49,518
50,727	50,727
51,936	51,936
53,145	53,145
54,354	54,354
55,563	55,563
56,772	56,772
57,981	57,981
59,190	59,190
60,399	60,399
61,608	61,608
62,817	62,817
64,026	64,026
65,235	65,235
66,444	66,444
67,653	67,653
68,862	68,862
70,071	70,071
71,280	71,280
72,489	72,489
73,698	73,698
74,907	74,907
76,116	76,116
77,325	77,325

EFFECTIVE 01.07.08 TO 30.06.09

CURRENT	NEW
16,074	16,074
17,148	17,148
18,223	18,223
19,298	19,298
20,373	20,373
21,447	21,447
22,522	22,522
23,597	23,597
24,671	24,671
25,746	25,746
26,821	26,821
27,896	27,896
28,970	28,970
30,045	30,045
31,120	31,120
32,195	32,195
33,269	33,269
34,344	34,344
35,419	35,419
36,493	36,493
37,568	37,568
38,642	38,642
39,717	39,717
40,791	40,791
41,866	41,866
42,940	42,940
44,015	44,015
45,089	45,089
46,164	46,164
47,238	47,238
48,313	48,313
49,387	49,387
50,462	50,462
51,536	51,536
52,611	52,611
53,685	53,685
54,759	54,759
55,834	55,834
56,908	56,908
57,983	57,983
59,057	59,057
60,131	60,131
61,206	61,206
62,280	62,280
63,355	63,355
64,429	64,429
65,504	65,504
66,578	66,578
67,653	67,653
68,727	68,727
69,802	69,802
70,876	70,876
71,951	71,951
73,025	73,025
74,100	74,100
75,174	75,174
76,249	76,249
77,323	77,323

BASIC SALARY FROM JULY 2008 TO JUNE 2010 (REVISED)
 GRADE H4

ATTACH:

BASIC SALARY FROM JULY 2008 TO JUNE 2010 (REVISED)

GRADE H5

EFFECTIVE 01.07.08 TO 30.06.09

CURRENT	NEW
18,900	19,013
17,767	19,988
18,633	20,962
19,500	21,938
20,367	22,913
21,233	23,887
22,100	24,863
22,967	25,838
23,834	26,813
24,700	27,788
25,567	28,763
26,434	29,738
27,300	30,713
28,167	31,688
29,034	32,663
29,901	33,639
30,767	34,613
31,634	35,588
32,501	36,564
33,368	37,539
35,101	39,489
36,834	41,438
38,568	43,389
40,301	45,339
42,035	47,289
43,768	49,239
45,502	51,190
47,235	53,139
48,968	55,089
50,702	57,040
52,550	59,119
	61,247
	63,452
	65,736
	68,103
	70,554

EFFECTIVE 01.07.09 TO 30.06.10

CURRENT	NEW
19,013	21,389
19,988	22,466
20,962	23,562
21,938	24,680
22,913	25,777
23,887	26,873
24,863	27,970
25,838	29,068
26,813	30,165
27,788	31,261
28,763	32,358
29,738	33,456
30,713	34,552
31,688	35,649
32,663	36,746
33,639	37,843
34,613	38,939
35,588	40,037
36,564	41,134
37,539	42,231
39,489	44,425
41,438	46,618
43,389	48,813
45,339	51,008
47,289	53,201
49,239	55,394
51,190	57,588
53,139	59,782
55,089	61,975
57,040	64,170
59,119	66,509
61,247	68,903
63,452	71,383
65,736	73,953
68,103	76,816
70,554	79,374

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BASIC SALARY FROM JULY 2008 TO JUNE 2010 (REVISED)

GRADE H6

EFFECTIVE 01.07.08 TO 30.06.09

CURRENT	NEW
21,190	23,839
22,345	25,138
23,501	26,439
24,656	27,738
25,812	29,039
26,968	30,339
28,123	31,638
29,279	32,939
30,435	34,239
31,590	35,539
32,746	36,839
33,901	38,139
35,057	39,439
36,213	40,740
37,368	42,039
38,524	43,340
39,680	44,640
40,835	45,939
41,991	47,240
43,146	48,539
44,302	49,840
45,573	51,270
46,844	52,700
48,116	54,131
49,387	55,560
50,658	56,990
51,929	58,420
53,200	59,850
54,472	61,281
56,282	63,317
	65,407
	67,565
	69,795
	72,098
	74,477

EFFECTIVE 01.07.09 TO 30.06.10

CURRENT	NEW
23,839	26,819
25,138	28,280
26,439	29,743
27,738	31,205
29,039	32,668
30,339	34,131
31,638	35,593
32,939	37,058
34,239	38,519
35,539	39,981
36,839	41,444
38,139	42,906
39,439	44,369
40,740	45,832
42,039	47,294
43,340	48,757
44,640	50,220
45,939	51,682
47,240	53,145
48,539	54,607
49,840	56,070
51,270	57,678
52,700	59,287
54,131	60,897
55,560	62,505
56,990	64,114
58,420	65,723
59,850	67,331
61,281	68,941
63,317	71,232
65,407	73,583
67,565	76,011
69,795	78,519
72,098	81,110
74,477	83,787




BASIC SALARY FROM JULY 2008 TO JUNE 2010 (REVISED)
GRADE H7

EFFECTIVE 01.07.08 TO 30.06.09

CURRENT	NEW
29,408	33,084
30,795	34,644
32,182	36,205
33,569	37,765
34,955	39,324
36,342	40,885
37,729	42,445
39,116	44,006
40,502	45,565
41,889	47,125
43,276	48,686
44,663	50,246
46,049	51,805
47,436	53,366
48,823	54,926
50,210	56,486
51,596	58,046
52,983	59,606
54,370	61,166
55,757	62,727
57,143	64,286
58,530	65,846
60,048	67,406
61,650	69,356
63,153	71,046
64,655	72,737
66,157	74,427
67,504	75,942
	77,461
	79,010
	80,590
	82,202
	83,846

EFFECTIVE 01.07.09 TO 30.06.10

CURRENT	NEW
33,084	37,220
34,644	38,975
36,205	40,730
37,765	42,486
39,324	44,240
40,885	45,995
42,445	47,751
44,006	49,506
45,565	51,260
47,125	53,016
48,686	54,771
50,246	56,527
51,805	58,281
53,366	60,036
54,926	61,792
56,486	63,547
58,046	65,301
59,606	67,057
61,166	68,812
62,727	70,567
64,286	72,322
65,846	74,127
67,406	75,925
69,356	78,026
71,046	79,928
72,737	81,829
74,427	83,730
75,942	85,435
77,461	87,143
79,010	88,866
80,590	90,664
82,202	92,477
83,846	94,327

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BASIC SALARY FROM JULY 2008 TO JUNE 2010 (REVISED)
GRADE H8

EFFECTIVE 01.07.08 TO 30.06.09

CURRENT	NEW
39,436	44,366
40,938	46,055
42,440	47,745
43,943	49,436
45,445	51,126
46,947	52,815
48,450	54,506
49,952	56,196
51,454	57,886
52,957	59,577
54,459	61,266
55,961	62,956
57,463	64,646
58,966	66,337
60,468	68,027
61,970	69,718
63,473	71,407
64,975	73,097
66,477	74,787
67,980	76,478
69,482	78,167
71,215	80,117
72,949	82,068
74,682	84,017
76,416	85,968
78,149	87,918
79,883	89,868
81,618	91,818
83,257	93,664
	95,537
	97,448
	99,397
	101,385
	103,413

EFFECTIVE 01.07.09 TO 30.06.10

CURRENT	NEW *
44,366	49,911
46,055	51,812
47,745	53,713
49,436	55,615
51,126	57,516
52,815	59,417
54,506	61,320
56,196	63,221
57,886	65,121
59,577	67,024
61,266	68,925
62,956	70,826
64,646	72,727
66,337	74,629
68,027	76,530
69,718	78,431
71,407	80,333
73,097	82,234
74,787	84,135
76,478	86,037
78,167	87,938
80,117	90,131
82,068	92,326
84,017	94,519
85,968	96,714
87,918	98,907
89,868	101,102
91,818	103,295
93,664	105,372
95,537	107,480
97,448	109,629
99,397	111,822
101,385	114,058
103,413	116,339

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BASIC SALARY FROM JULY 2008 TO JUNE 2010 (REVISED)
GRADE H9

EFFECTIVE 01.07.08 TO 30.06.09

CURRENT	NEW
51,809	58,285
53,427	60,105
55,045	61,928
56,663	63,746
58,280	65,565
59,898	67,385
61,516	69,206
63,134	71,026
64,752	72,846
66,370	74,666
67,988	76,487
69,606	78,307
71,223	80,126
72,841	81,946
74,459	83,766
76,077	85,587
77,695	87,407
79,313	89,227
80,931	91,047
82,549	92,868
84,167	94,687
85,785	96,508
87,403	98,328
89,021	100,148
90,639	101,968
92,257	103,788
93,875	105,607
95,493	107,428
97,111	109,248
98,729	111,068
100,347	112,888
101,965	114,708
103,583	116,528
	118,348
	119,768
	121,206
	122,660
	124,132

EFFECTIVE 01.07.09 TO 30.06.10

CURRENT	NEW
58,285	65,571
60,105	67,619
61,926	69,666
63,746	71,714
65,565	73,761
67,385	75,808
69,206	77,856
71,026	79,904
72,846	81,952
74,666	84,000
76,487	86,047
78,307	88,095
80,126	90,142
81,946	92,189
83,766	94,237
85,587	96,285
87,407	98,333
89,227	100,381
91,047	102,428
92,868	104,476
94,687	106,523
96,508	108,570
98,328	110,617
100,148	112,665
101,968	114,712
103,788	116,759
105,607	118,806
107,428	120,853
109,248	122,900
111,068	124,947
112,888	126,994
114,708	129,041
116,528	131,088
118,348	133,135
119,768	134,739
121,206	136,358
122,660	137,993
124,132	139,649

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HOUSE ALLOWANCE IN KES PER MONTH
EFFECTIVE 1ST JULY 2008 TO 30TH JUNE 2009(REVISED)

GRADE	CURRENT	NEW
H1	6,737	7,579
H2	8,407	9,458
H3	9,668	10,877
H4	11,118	12,508
H5	12,786	14,384
H6	13,595	15,294
H7	16,539	18,606
H8	20,010	22,511
H9	23,168	26,064

EFFECTIVE 1ST JULY 2009 TO 30TH JUNE 2010(REVISED)

GRADE	CURRENT	NEW
H1	7,579	8,527
H2	9,458	10,640
H3	10,877	12,236
H4	12,508	14,071
H5	14,384	16,182
H6	15,294	17,206
H7	18,606	20,932
H8	22,511	25,325
H9	26,064	29,322

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OWNER OCCUPIER IN KES PER MONTH

EFFECTIVE 1ST JULY 2008 TO 30TH JUNE 2009(REVISED)

GRADE	CURRENT	NEW
H1	8,270	9,304
H2	15,358	17,278
H3	15,358	17,278
H4	15,358	17,278
H5	23,058	25,940
H6	23,058	25,940
H7	26,218	29,495
H8	31,972	35,969
H9	31,972	35,969

EFFECTIVE 1ST JULY 2009 TO 30TH JUNE 2010(REVISED)

GRADE	CURRENT	NEW
H1	9,304	10,467
H2	17,278	19,437
H3	17,278	19,437
H4	17,278	19,437
H5	25,940	29,183
H6	25,940	29,183
H7	29,495	33,182
H8	35,969	40,465
H9	35,969	40,465




CAPITAL COST CEILING VALUE OF PROPERTY IN KES
EFFECTIVE 1ST JULY 2008 TO 30TH JUNE 2009(REVISED)

GRADE	CURRENT	NEW
H1	496,174	558,196
H2	921,466	1,036,649
H3	921,466	1,036,649
H4	921,466	1,036,649
H5	1,383,494	1,556,431
H6	1,383,494	1,556,431
H7	1,572,964	1,769,585
H8	1,918,254	2,158,036
H9	1,918,254	2,158,036

EFFECTIVE 1ST JULY 2009 TO 30TH JUNE 2010(REVISED)

GRADE	CURRENT	NEW
H1	558,196	627,970
H2	1,036,649	1,166,230
H3	1,036,649	1,166,230
H4	1,036,649	1,166,230
H5	1,556,431	1,750,985
H6	1,556,431	1,750,985
H7	1,769,585	1,990,783
H8	2,158,036	2,427,790
H9	2,158,036	2,427,790

Thomas J. H. H. H.

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SHIFT ALLOWANCE IN KES PER MONTH

EFFECTIVE 1ST JULY 2008 TO 30TH JUNE 2009 (REVISED)

GRADE	CURRENT	NEW
H1	1,805	2,078
H2	2,044	2,351
H3	2,044	2,351
H4	2,044	2,351
H5	2,287	2,630
H6	2,287	2,630
H7	2,528	2,905
H8	2,708	3,112
H9	2,708	3,112

EFFECTIVE 1ST JULY 2009 TO 30TH JUNE 2010 (REVISED)

GRADE	CURRENT	NEW
H1	2,078	2,387
H2	2,351	2,703
H3	2,351	2,703
H4	2,351	2,703
H5	2,630	3,025
H6	2,630	3,025
H7	2,905	3,341
H8	3,112	3,579
H9	3,112	3,579

L. H. L.



CAR ALLOWANCE IN KES PER MONTH
EFFECTIVE 1ST JULY 2008 TO 30TH JUNE 2009(REVISED)

GRADE	CURRENT	NEW
H1 TO H9	8,419	9,471

EFFECTIVE 1ST JULY 2009 TO 30TH JUNE 2010 (REVISED)

GRADE	CURRENT	NEW
H1 TO H9	9,471	10,655

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COMMUTATION ALLOWANCE IN KES PER MONTH

EFFECTIVE 1ST JULY 2008 TO 30TH JUNE 2009 (REVISED)

GRADE	CURRENT	NEW
H1 TO H9	3,608	4,059

EFFECTIVE 1ST JULY 2009 TO 30TH JUNE 2010 (REVISED)

GRADE	CURRENT	NEW
H1 TO H9	4,059	4,568

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CABIN CREW – SENIORITY AND PROMOTION POLICY

- a. The Company will be guided by the Human Resources policy, competence, skills, knowledge, experience and other particular requirements for the job as per the approved role profile when short listing. In the short listing process, years of service will be given priority for interested applicants subject to satisfying the minimum profile requirements. However appointment to the position will be subject to the interview results.
- b. Unsuccessful applicants will be given formal feedback, which may include, and not limited to, face to face meetings.
- c. In the event that a staff is dissatisfied with the feedback given, he/she will raise the issue for consideration through the agreed grievance handling procedure under the recognition agreement. The staff may raise the issue either directly through his union at the first instance. In the event that the staff raises the issue through the Union, he/she should give written instructions to the Union to act on his/her behalf.
- d. The Head of Inflight Services will maintain a list of staff in order of their employment dates in In-flight services, and this list will be accessible for audit. A copy will be provided to the Union.
- e. A cabin crew who accepts transfer to perform as an instructor at the company in-flight training center/Emergency School or any other Kenya Airways approved training shall continue to accrue seniority while in that position.
- f. A cabin crew, who is transferred to non-flying duties within the company because of physical incapacity or injury, shall retain and continue to accrue seniority during such period of sickness or injury. Upon return to duty from non-flying duties as described above, a cabin crew shall be permitted to resume the status to which he/she was previously assigned before transferring to Non-flying Supervisory Duties.
- g. A cabin crew member who transfers to other duties related to flying but not training related shall be allowed to resume flying duties. The decision to resume flying duties and the rank the staff will rejoin flying duties will be at the sole discretion of management. He/she will retain seniority at the same level as seniority as he/she was before the transfer to the other duties.
- h. Cabin crew who have transferred to other duties within the Company unrelated to flying shall be stricken from the Flight Attendant Seniority list on the date of appointment to the new role. Any such individual who may be re-appointed as Cabin crew will be placed at the bottom of the Cabin Crew Seniority list.

END



CABIN CREW FLEET REGULATIONS

Regulation on flight times, Duty Periods, Rest Periods and time off duty for Cabin Crew.

DEFINITIONS.

1.1 Authority

Shall mean Kenya Civil Aviation Authority. This is according to CAP 394, KCARs of 2007.

1.2 Operator

Means a person, organization or enterprise engaged in or offering in or offering to engage in an aircraft operation. This is according to CAP 394, KCARs of 2007.

1.3 Crew Member

Shall mean a person assigned by an operator to duty on an aircraft during a flight duty period. This is according to CAP 394, KCARs of 2007.

1.4 Cabin Crew Member

Shall mean crew members who perform in the interest of safety to the passengers, duties assigned by the operator or the Pilot in Command of that aircraft. This is according to CAP 394, KCARs of 2007.

1.5 Pilot in Command

Shall mean the pilot designated by the operator, or in the case of general aviation, the owner, as being in command and charged with the safe conduct of a flight. This is according to CAP 394, KCARs of 2007.

1.6 Medical Practitioner/ Examiner/ Assessor

A person registered under the Medical Practitioners and Dentists Act, Chapter 253, Laws of the Republic of Kenya or any modification, reenactment or replacement thereof, if he practices in Kenya, or under any applicable legislation in the country where such practitioner practices medicine if not in Kenya.

1.7 Human Performance

Shall mean human capabilities and limitations which have an impact on the safety and efficiency of aeronautical operations. This is according to CAP 394, KCARs of 2007.

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1.8 Safety Sensitive Personnel

Shall mean persons who might endanger aviation safety if they perform their duties and functions improperly. This is according to CAP 394, KCARs of 2007.

1.9 Serious Injury

Shall mean an injury which is sustained by a person in an accident. This is according to CAP 394, KCARs of 2007.

1.10 Fitness of Crew Members

A person shall not act as a required member of crew at any time when that person is aware of any decrease in medical fitness which may render him/her unable to safely and properly execute the duties of a crew member.

The operator and the pilot in command shall be responsible for ensuring that a flight is not commenced if any required crew member is incapacitated from performing duties by any cause such as injury, sickness, fatigue and the effects of alcohol or drugs. This is according to CAP 394, KCARs of 2007.

1.11 Duty

Any continuous period during which a crew member is required to carry out a task associated with the business of the company. The duty start time will be indicated on the crew's roster.

1.12 Local Time

Three hours (03hrs) plus (+) Greenwich Meridian Time. (G.M.T)

1.13 Night

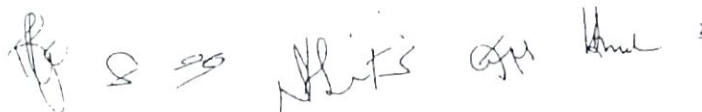
The time between fifteen minutes after sunset and fifteen minutes before sunrise. Sunset and sunrise being determined at surface level. This is according to CAP 394, KCARs of 2007.

1.14 Day

A "day" is a calendar day

1.15 Charter

A flight that is not a regularly scheduled flight which is contracted by a person or group for the transportation of the person(s) or agents or representatives of the

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group. It shall count as duty and shall be considered as such when calculating crew duty times. This is according to CAP 394, KCARs of 2007.

1.16 Ferry

A flight which doesn't transport revenue passengers. It shall count as duty and shall be considered as such when calculating crew duty times. This is according to CAP 394, KCARs of 2007.

1.17 Service Procedures

These are on board service standards and sequence. Before determining the kind of service to be provided, the company shall factor crew complement, number of passengers, equipments and service time. The type of service required shall not compromise the primary duty of Cabin crew which is the safety of passengers.

1.18 Positioning/Deadheading

Cabin crew traveling in a company aircraft or any other carrier and may be associated with a flight duty as a passenger, on a company ticket for performing a task related with the Company's business. It shall count as duty and shall be considered as such when calculating crew duty times. This is according to CAP 394, KCARs of 2007.

1.19 Reporting Time

The time in which a Cabin crew is expected to report for duty, which is one and a half hours (1.5) before take off.

1.20 Rest Period

An uninterrupted and defined continuous period on ground, no part of which forms duty period of a Cabin crew Member. This is according to CAP 394, KCARs of 2007.

1.21 Sector

Time from push back, when the aircraft moves under its own power until it comes to rest after landing, in its designated parking position and the chocks are put on.

1.22 Home Standby duty

A specific period of which a cabin crew member has not been assigned to specific duty, but is available for duty. A home Standby duty period shall be a maximum of twelve (12) hours and shall commence either from 6.00 a.m, 12 noon or 6.00 p.m. The standby period shall count as three (3) hours duty or pro rated accordingly. Each standby duty period shall be followed by a minimum six (6) hours rest period.

1.23 Airport Standby (morning / afternoon)

It is a duty period commencing at reporting time and ends at sign off time.

Morning standby shall be between 0300 GMT or 0600 Local time and shall end 0859 GMT or 1159 Local time.

Afternoon Standby shall commence 0900 GMT or 1200 Local time and shall end 1459 GMT or 1759 Local time.

The company shall amend airport standby start and end times as per operations requirements and communicate to crew at least two weeks before commencement.

Duty time for flight duties assigned from airport standby will commence at the airport standby duty reporting time.

1.24 Split Duty

A flight duty period consisting of two or more sectors, separated by less than the minimum rest period stipulated in this document. The break shall be less than 10 hours and the last hour shall not be flying. This is according to CAP 394, KCARs of 2007.

1.25 Flying Duty Period (EDP)

Any time during which a crew member operates an aircraft as a member of its crew. This period begins at the reporting time of one and a half hours (1.5) and ends forty five (45) minutes after chocks on, on the final sector.

No employee shall be assigned duty (local and regional flights excluding nightstops) for four consecutive days without day(s) off. Cabin crew shall not be assigned more than two consecutive flights departing before ten (10) a.m local or two consecutive night flights.

An employee shall not be assigned or compelled to perform any duty after the expiry of the flight duty period of twelve and half hours (12.5 hours) except in unforeseen circumstances as provided for in CAP 394, KCARs of 2007.

Cabin crew duty times and flight times shall be reconciled at the end of every flight by the Flight Purser and entered into the voyage report that shall be made available to the Company.

1.26 Duty Period / Duty Time

A continuous period of time during which a Cabin crew is required to carry out any task associated with the business of the company, within the scope of service. This

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includes deadheading, ground training, medicals, standby and ground duties. This is according to CAP 394, KCARs of 2007 (OPERATION OF AIRCRAFT).

The company shall adhere to all the requirements of this agreement plus all the legal requirements in respect to the maximum duty periods, maximum flight duty times, and minimum rest periods and off duty days for the purpose of avoidance of crew fatigue. This is according to CAP 394, KCARs of 2007 (OPERATION OF AIRCRAFT).

1.27 Flight Time/Block Time

The time elapsed from chocks off and the aircraft departs the bay for the sole purpose of take off, to when it comes to rest at its destination (Chocks on.) Flying at night shall be counted at the rate of one and a quarter times the actual flight time. This shall be used for calculating the cumulative flight time over twenty eight (28) consecutive days. The total flying time (day and night) shall be used to determine the one hundred and five (105) hours legal limit. This is according to CAP 394, KCARs of 2007, (OPERATION OF AIRCRAFT).

When a crew member is required to report on duty in advance of the stipulated time for a flight to carry out a task on behalf of the company, then the time spent on the task shall be part of the subsequent Flying Duty Period (FDP).

1.28 Pre Flight Day Off

A twenty four (24) Hour period devoid of duty, given to a Cabin crew the day before departing on a flight that will see the Cabin crew member spend six (6) duty days or more away from base.

Pre flight day off will also apply to layover flights with planned flight duty period of eleven hours and fifteen (11.15) minutes or more.

1.29 Day Off

A twenty four (24) Hour period commencing midnight local time when a Cabin crew member is at base and completely off duty provided the preceding layover duty period ends by 1800 hours GMT or 2100 hours Local Time.

1.30 Post Flight Day Off

A full day devoid of duty, given to a Cabin crew after spending a night outstation. This day does not include the day the Cabin crew lands at base and when duty period ends by 1800 GMT or 2100 Local Time.

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1.31 Emergency Time Off

In the event of death in his/her immediate family or spouses' immediate family, personal time off, catastrophic event, crew will be entitled to compassionate leave.

1.32 Scheduling

All roster requests should be received by Crew Planning at least six (6) weeks before the start date of the next roster. The requests shall be sent to the In-flight management via email.

All rosters shall be published at least two weeks in advance and shall cover a period of 28 days.

The Union shall establish a Scheduling Committee. The committee shall participate in auditing rosters both pre published and achieved. All findings and/or anomalies shall be forwarded to the Manager Crew Scheduling, who shall provide the Scheduling Committee and the Union with corrective actions which shall be held in confidence.

The Scheduling committee and the management shall meet at least once a month to discuss scheduling issues. Urgent issues shall be dealt with as they arise.

All scheduling practices shall adhere to the CAP 394, KCARS of 2007.

1.33 Trackers/Schedulers/Rosterers

Individuals employed by the company to create and furnish the Cabin crew members with their rosters.

They shall be responsible for tracking crew members to ensure flights are adequately crewed according to aircraft qualifications.

They shall ensure that the flight shall depart with no less than the required number of Cabin crew.

They shall be conversant with the CAP 394, KCARS of 2007, Cabin Crew Member Manual and the Cabin Crew Fleet Agreement.

1.34 Personal Crew Schedule \ Rosters \ Planned Duty

A twenty eight (28) day itinerary of duty periods, clearly indicating the start and finish times of each duty period. This is according to CAP 394, Kenya CARs of 2007. This document is provided to the crew not less than two (2) weeks before the start of the rostered twenty eight (28) day period.

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The roster shall also contain days off, code explanations, block and duty times, hotel information, expiries, training dates and any other relevant information.

The Schedule must reflect accurate and up to date records of achieved Duty Period and Flight Duty Period (with night factoring included). This is according to CAP 394, Kenya CARs of 2007 (OPERATION OF AIRCRAFT).

Published rosters shall be available via the internet.

The Company shall schedule not less than eight (8) days off in a twenty eight (28) day roster period. Where, however, it is not possible to schedule eight (8) days off in a twenty eight (28) day roster period, the deficit shall be made good within the next twenty eight (28) day roster period.

A Crew member shall have the right to dispute a schedule that he/she feels is not well planned or fairly balanced or workload is not equitable through the Scheduling Committee.

A Cabin crew shall be allowed to trade / swap flights and /or personal schedules with other Cabin crew on the same seniority level and aircraft qualification as long as it doesn't interfere with normal operation of flights.

The Scheduling Office shall be advised of all swaps through the Inflight Management at least three (3) days before the effective period.

The Company shall not plan a cabin crew member for more than four sectors on any flight duty period on all types of aircrafts.

The Company shall not plan a crew duty period with a flying time in excess of ten hours and fifteen minutes (10.15) on all aircraft types. This limitation is subject to actual flying hours.

1.35 Roster Change

Alterations to flights and duty periods in a crew member's twenty eight (28) day roster. In the event that a roster change is issued, it must be supported by a valid reason.

Planned roster changes for all flights shall be notified and confirmed as soon as they are known but not later than one hour and fifteen minutes (1.15) before pick up time.

Where there is a dispute arising from a roster change, in-flight management in liaison with the union (Scheduling Committee) will agree on the way forward.

In the event of an unforeseen roster change, Crew Scheduling Procedures as described in the Operation Control Manual Chapter 5 reference 5.6.8 (technical and rotational delays) and 5.6.9 (change of cabin crew member duties at the airport) shall

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apply. Any changes and /or amendments to these references shall be made in consultation with the union.

1.36 Away from Base

Shall mean the inclusive period from the time a crew member reports for duty to depart from base to the time the crew member reports off duty after returning back to base.

1.37 Away from Base Standby

Standby duty away from home base. This shall not exceed ten (10) hours.

1.38 Operational Base

Shall mean the Company's main place of work, which is situated in Embakasi, Nairobi in Kenya.

1.39 Outstation

Any station other than Nairobi.

1.40 International Operation

A flight duty period, which involves a flight where a landing is made outside the borders of Kenya.

1.41 Domestic Operation

A flight duty period, which involves the flight landing within the borders of the Republic of Kenya.

1.42 Crew Lounges/Rooms

The Company shall furnish cabin crew members with crew lounges/rooms/Rest rooms with adequate number of reclining chairs/couches, Television sets, reading materials, internet ready computers, light snacks and refreshments at staffs' cost etc, at base station for standby periods (morning and/or afternoon), transit periods etc.

The company shall have the responsibility of maintaining cleanliness, equipment and ensuring replenishing of the snacks and refreshments.

The Company shall also negotiate for the same at outstation layover hotels but not exclusively for Kenya Airways Cabin crew.

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1.43 Suitable Accommodation

A five star hotel with clean, well-furnished and adequate rooms, subject to minimum noise, is well ventilated and has a facility to control the levels of light and temperature.

The Company shall provide accommodation to Cabin Crew while away from base and this shall be commensurate to the employee status subject to availability.

In case of destinations that do not have five star hotel accommodations, a four star hotel accommodation will be sought. All other factors remaining constant.

The rooms shall be on single occupancy basis within a safe and secure environment.

1.44 Selection of Suitable Accommodation

The Union shall be involved in the selection of suitable hotel accommodation for Cabin Crew.

1.45 Operations Manual

Means a manual containing procedures, instructions and guidance for use by operational personnel in execution of their duties which must be updated from time to time. This is according to the current CAP 394, Kenya CARs of 2007.

1.46 Cabin Crew Member Manual

Cabin Crew Member Manual shall include the current Kenya Law, CAP 394, Kenya CARs of 2007 and the Cabin Crew Fleet Agreement.

1.47 Cabin Jump Seat Authority

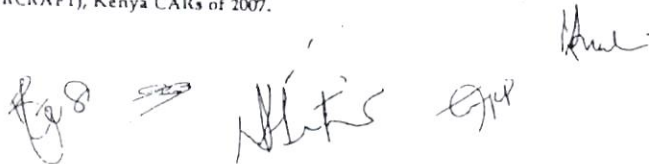
Use of cabin jumpseat by other Company personnel and their families shall need the authorization of the Flight Purser in charge of the flight. In case of conflict, the Pilot in Command shall have the final authority.

1.47 New Equipment and Facilities

The Union shall be informed of strategy decisions that have been confirmed by the board.

1.48 Rating

Shall mean an authorization entered on or associated with a license or certificate and forming part thereof, stating special conditions, privileges and limitations pertaining to such license or certificate. This is according to CAP 394 (OPERATION OF AIRCRAFT), Kenya CARs of 2007.

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When rating, the following shall be factored:

- Aircraft type.
- Standard equipment location
- Standard emergency location and procedures

1.50 Loss of Documents

A person may apply to the authority in the prescribed form for replacement of documents issued under the prescribed regulations if such documents are lost or destroyed. This is according to CAP 394, Kenya CARs of 2007 (PERSONNEL LICENSING)

A Cabin crew who has lost the necessary traveling documents e.g. Passport, Yellow fever Certificates, License e.t.c shall inform the controlling manager and tracking office. He/ she shall be assigned annual leave to secure new documents.

The Cabin crew shall not lose earnings. The Cabin crew shall inform the controlling manager after securing the necessary documents so as to resume flights.

1.51 Reports of Violations

A person who knows of a violation of the Civil Aviation Act, or any rule, regulation, or order issued shall report it to the Safety Office.

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1. GENERAL REGULATIONS

- 1.1 This Fleet Agreement shall apply in relation to any duty carried out at the behest of company by Cabin crew.
- 1.2 When a Cabin crew member is provided with company transport at base or away from base, the Scheduling Committee will be involved in determination of Company requirements for the service.

2. CALCULATION OF MAXIMUM FLYING DUTY PERIOD

Where a flight does not cross more than three time zones, the maximum flying duty period in hours and minutes will be in accordance with the timetable below.

LOCAL TIME OF START	SECTORS			
	1	2	3	4
0600 - 1559	12:30 HRS	12:30 HRS	12:30 HRS	12:15 HRS
1600 - 0559	12:30 HRS	12:30 HRS	12:30 HRS	11:45 HRS

3. LATE FINISHES/EARLY STARTS

Not more than two consecutive duties that occur in any part of the period 0100 to 0659 local time will be undertaken, nor may there be more than four such duties on any seven consecutive days. However, when a crew member is in a suitable accommodation provided by the company that is within fifteen (15) minutes traveling of the reporting point then 0659 will be changed to 0559.


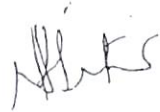


4. EXTENSION OF CREW DUTY PERIOD

(A) SPLIT DUTY

These may be extended to fifteen (15) hours in the case of split duty operations when there are not less than six (6) continuous hours during the duty period when the crew member is free from all duties and adequate rest facilities are provided. The Cabin Crew may not exceed fifteen (15) hours.

(B) UNFORSEEN CIRCUMSTANCES

In the event of unforeseen en route delays away from point of departure, an aircraft commander may, at his sole discretion and after taking note of the circumstances of other crew members, extend a Flight Duty Period beyond that permitted. This is according to CAP 394, Kenya CARs of 2007 (OPERATION OF AIRCRAFT) Regulation 219. After such an extension, a copy of the Pilot in Commands' full

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Report may be accessed by the Union if required; this excludes Confidential Hazard Reports (CHR).

5. REST PERIODS

The minimum rest period, which must be taken before undertaking a flying duty period, shall be shown in the time table shown according to CAP 394, Kenya CARs OF 2007.

REST PERIODS AT HOME BASE

LENGTH OF IMMEDIATELY PRECEDING DUTY PERIOD (HOURS)	MINIMUM SUFFICIENT REST PERIOD LENGTH OF (HOURS)
Exceeding 10 - Not exceeding 11 hours	12 hours
Exceeding 11 - Not exceeding 12 hours	13 hours
Exceeding 12 - Not exceeding 13 hours	14 hours
Exceeding 13 - Not exceeding 14 hours	15 hours
Exceeding 14 - Not exceeding 15 hours	16 hours
Exceeding 15 - Not exceeding 16 hours	17 hours
Exceeding 16 - Not exceeding 17 hours	18 hours
Exceeding 17 - Not exceeding 18 hours	19 hours
Exceeding 18 - Not exceeding 19 hours	20 hours
Exceeding 19 - Not exceeding 20 hours	25 hours
Exceeding 20 - Not exceeding 21 hours	27 hours
Exceeding 21 - Not exceeding 22 hours	29 hours
Exceeding 22 - Not exceeding 23 hours	31 hours
Exceeding 23 hours	33 hours

Where a rest period is taken by a crew member at a place which is not within fifty miles of that crew members' ordinary place of residence, it shall be deemed to be

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sufficient rest period if it includes a period of eight hours falling between 2200 hours and 0800 hours local time as shown below:

MINIMUM REST PERIOD

DISTANCE NOT WITHIN FIFTY MILES OF PLACE OF RESIDENCE

<u>LENGTH OF IMMEDIATELY PRECEDING DUTY PERIOD</u> (HOURS)	<u>MINIMUM LENGTH OF SUFFICIENT REST PERIOD</u> (HOURS)
Exceeding 10 - Not exceeding 11 hours	10 hours
Exceeding 11 - Not exceeding 12 hours	12 hours
Exceeding 12 - Not exceeding 14 hours	13 hours
Exceeding 14 - Not exceeding 17 hours	15 hours
Exceeding 17 - Not exceeding 20 hours	16 hours
Exceeding 20 - Not exceeding 23 hours	17 hours
Exceeding 23 hours	18 hours

The length of the duty periods established in these regulations is adjusted to allow for duty time before and after a flight or series of flights which make up one duty period.

6. DAYS OFF

PART A

When a crew member is away from base for a period of two (2) days or more the following scale of days will apply immediately on his/her return to base.

<u>DUTY DAYS AWAY FROM BASE</u>	<u>DAYS OFF DUTY AT BASE</u>
2 - 4	1
4 (ARRIVALS AFTER MID DAY ON THE 4TH DAY)	2
5 - 6	2
7 - 9	3
10 - 12	4
13 - 15	5

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Crew will be entitled to two(2) days off for additional three days spent away from base.

PART B

REST PERIOD DURING FLIGHT

Cabin crew on duty, whereby the Flying Duty Period is more than nine (9) hours during night flights shall be allowed to rest thirty minutes (30) uninterrupted rest in turns, during flight. This shall be free from all in-flight duty.

MEAL PERIOD DURING FLIGHT AND POST FLIGHT

Cabin crew shall have twenty five (25) minutes devoid of any interruptions during this time to have their meals. This shall apply to flights that are above four (4) hours of continuous flight time.

Cabin Crew shall be provided with meals in the Business Class. The Cabin Crew meal choices shall be exclusive of the passenger meals complement.

7. CUMMULATIVE DUTY AND FLIGHT TIME LIMITATIONS.

7.1). When a crew member is required to carry out a combination of duties, whether they are flying or otherwise the total combined time spent on duty will be used in calculating his/her permissible crew duty period and resultant minimum rest period.

7.2). In accordance with the Kenya Civil Aviation Act, CAP 394, Kenya CARs of 2007 (OPERATION OF AIRCRAFT) the maximum number of duty hours is limited to 160 hours and 105 hours flying hours which include night factors(one and a quarter hours), in any consecutive twenty eight (28) days.

7.3). For the purpose of calculating cumulative duty hours up to a maximum of 160 hours:-

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To count in full:-

- (a). Duty periods and flying duty periods, plus subsequent post-flying duties as rostered or required by the company.
- (b). All the time spent on positioning / deadheading
- (c). All standby duty when taken in uniform at an airport where there is no suitable accommodation provided by the company and the crew member cannot take undisturbed rest.

To count as duty as follows:-

- (a). Medicals for crew member certificate purposes - 6 hours.
- (b). Standby duty at home or in a suitable accommodation provided by the company - 3 hours for every 12 hours standby duty or pro rated accordingly.
- (c). Office duties as per rostered timings.
- (d). Emergency and Ground Training - 9 hours
- (e). Cabin Crew Member Certificate Renewal - 5 hours

8. POSITIONING / DEADHEADING

Positioning or deadheading shall count as a sector. This is also for the purpose of calculating Maximum Flight Duty Period.

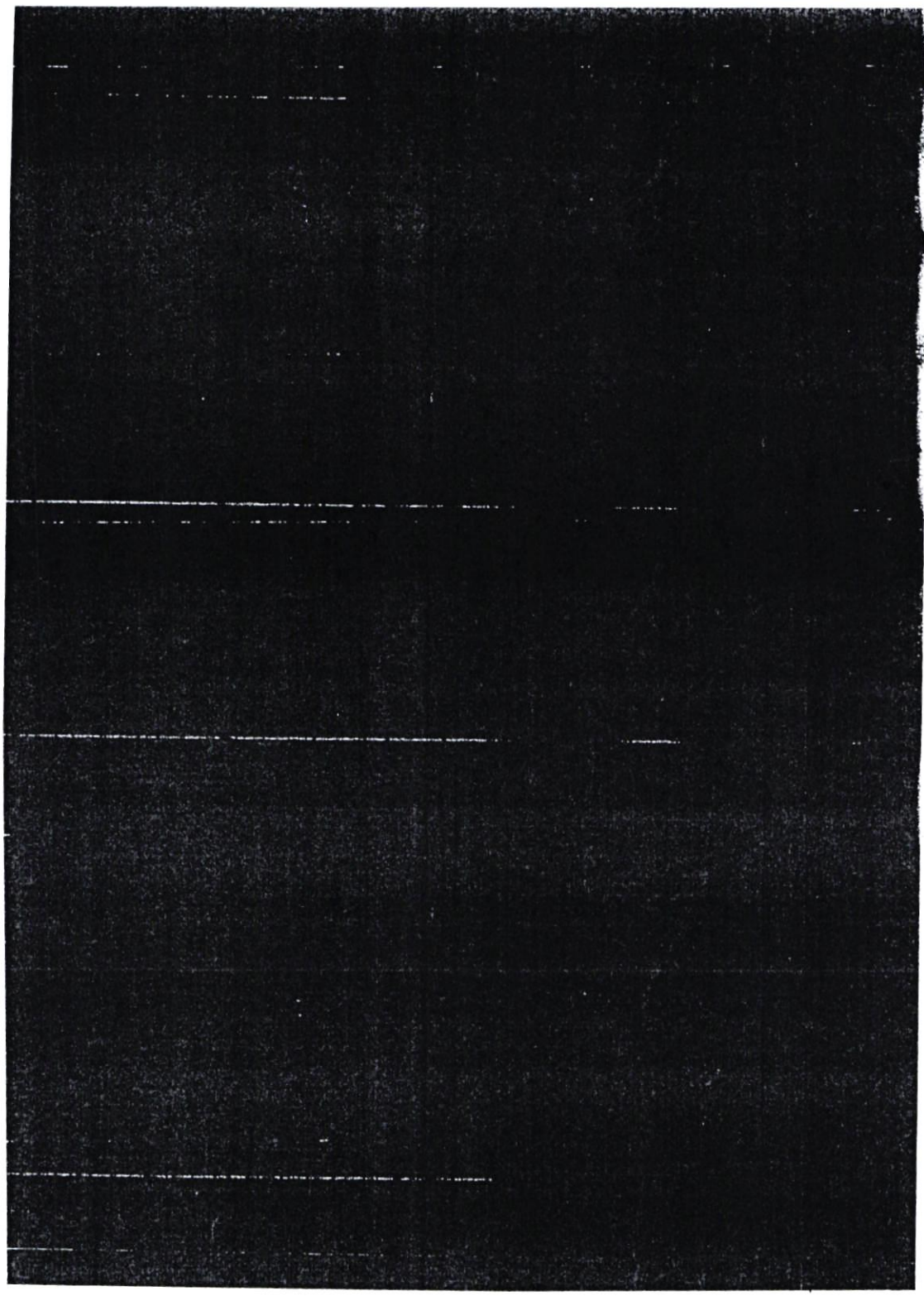
9. RECORDS

The company with regard to all the crew members shall maintain records of achieved and planned rosters. These records shall be accessed by the Union when required.

10. VARIANCE

Any variations to this Cabin crew Fleet Agreement will be by mutual agreement in writing between the Company and the Union.

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Title to the exhibits marked PM3
 referred to in the annexed
 Affidavit of PERPETUA M. PONJI
 declaration
 sworn before me this 9TH
day of AUG at NAIROBI
 Commissioner for

COLLECTIVE BARGAINING AGREEMENT
 BETWEEN
 KENYA AIRWAYS LIMITED
 AND
 AVIATION AND ALLIED WORKERS UNION
 IN MATTERS OF TERMS AND CONDITIONS OF SERVICE FOR THE PERIOD 2010/2012

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1. PREAMBLE

This Memorandum of Agreement on Terms and Conditions of Service is made on the 8th day of August 2011 between Kenya Airways Limited (hereinafter referred to as the Company) and the Aviation and Allied Workers' Union (hereinafter referred to as the Union) whereby the parties meeting together in free heart and voluntary association have determined the Terms and Conditions of Service which shall apply to employees of the Company covered by this Agreement throughout Kenya in occupational grades H1-H9.

OVERRIDING EXISTING AGREEMENTS

Except as otherwise herein expressly provided, this Agreement supersedes all existing Agreements and Contracts previously entered into by the Company on Terms and Conditions of service, in respect of its Unionisable Kenyan employees who are currently covered by Job Grade H1 - H9.

DEFINITIONS:

All definitions contained in the Recognition Agreement and the Interim Agreement between Kenya Airways Ltd and Aviation and Allied Workers Union shall be deemed to be incorporated into this Agreement.

To avoid any doubts in regards to this Agreement and points of reference the following words shall have the meanings mentioned as follows:

Company
Kenya Airways Limited

Union
Aviation and Allied Workers Union (K)

Kenya Civil Aviation Authority
shall be as defined in Kenya Civil Aviation Authority CAP 394

Operator
means a person, organization or enterprise engaged in or offering to engage in an aircraft operation in accordance with CAP 394 (INSTRUMENTS AND EQUIPMENT) KCARS of 2007, Part 1, Regulation 2.

Agreement
means a document between Aviation & Allied Workers Union and Kenya Airways Ltd, including its annexure and parts.

Republic
Republic of Kenya.

City
City of Nairobi, Kenya.

Home Base:
means an employee's main place of work.

Station:
means other than an employee's main place of work.

A

Local time at base
Three hours (03hrs) plus (+) Greenwich Meridian Time. (G.M.T)

Local Night for Cabin Crew
This shall mean a period of 8 hours falling between 2200 hours and 0800 hours local time

Day
A 'day' is a calendar day

Reporting time
The time which an employee is expected to report for duty at base or other place of work

Rest Period
An uninterrupted and defined continuous period no part of which forms duty period of an employee

Day off
A day devoid of any duty.

Crew Member
Shall mean a person assigned by an operator to duty on aircraft during a flight duty period. This is according to CAP 394 (OPERATION OF AIRCRAFT), KCARS of 2007, Part 1, Regulation 2.

Flight Crew Member
A licensed crew member charged with duties essential to the operations of an aircraft during flight duty period as defined in KCARS 2007 – Personnel Licensing and Operation of aircraft Regulations, Part 1 Regulation 2.

Cabin Crew Member
Shall be as defined in CAP 394 (Personnel Licensing) Part 1 Regulation 2.

Crew Resource Management
Shall mean a program designed to improve the safety of flight operations by optimizing the safe, efficient and effective use of human resources, hardware and information through improved crew communication and co-ordination as defined in CAP 394 (OPERATION OF AIRCRAFT), KCARS of 2007, Part 1, Regulation 2.

Medical Practitioner
Medical practitioner shall mean a person registered under the Medical practitioners and Dentist Act Chapter 253 Laws of Kenya or any modification, reenactment or replacement thereof, if he practices in Kenya, or under any applicable legislation in the country where such practitioner practices medicine if not in Kenya.

Medical Board
As per appointment by the Ministry of Health

Salary
Salary shall mean Basic salary, House Allowance and Transport Allowance

 A

STAFF RULES, NOTICES AND STANDING INSTRUCTIONS

Staff Rules and regulations, staff notices and any other standing instructions issued by the Company, applying to the members of the Union, will be made available to the Union. Any amendments thereto and additional Rules and Regulations, staff notices and standing instructions which could lead to an alteration in the terms and conditions of service will not be arbitrarily introduced by the Company and will be discussed with the Union before implementation. Such a discussion shall be foregone only if the said changes are necessitated by change in the existing laws.

SCOPE OF SERVICE

Employees shall perform duties related to their letters of appointment. The Company may from time to time require an employee to serve at any operating base or associated companies, any civil air operator or its subsidiary maintaining required standards of safety, service and maintenance of operations commensurate with those laid down by the company. Salary shall be at the Operator's rate or at the associated Company's rate whichever is higher. The service will as far as possible continue to be governed by the provisions laid down by this agreement.

ENGAGEMENT

Upon successfully passing medical examination to be conducted by a Doctor appointed by the Company, every employee on engagement shall be given a Letter of Appointment prior to commencing duties and such letter shall set forth with the employee's job title, salary scale, and other related matters pertaining to the employee's Terms and Conditions of Service. Every new employee shall have access to the Collective Bargaining Agreement and Staff Rules and Regulations.

PROBATION

Newly recruited employee shall be on probation for an initial period of three months following appointment into the Company. During probation, either party may terminate the services of the other by giving one month's written notice or one month's salary in lieu. The period of probation may be extended if satisfactory progress has not been made, by informing the employee in writing prior to the expiry of the probationary period pointing out areas of weaknesses, but the extension shall not exceed a further period of three months. If no satisfactory progress is made then the services will be terminated, otherwise he/she shall be confirmed immediately.

CONFIRMATION

Successful completion of probationary period, the employee will be confirmed in writing immediately in his appointment and will from then, be on permanent terms.

TERMS OF PAY & ALLOWANCES

The current Basic Salaries, Transport/Commutation Allowance and House Allowance/Owner Occupier shall be increased by 10% for the year July 1st 2010 to June 30th 2011 and a further 10% for the year 1st July 2011 to June 30th 2012. The current Shift allowance shall be increased by 20% for year July 1st 2010 to 30th June 2011 and a further 20% for year July 1st 2011 to 31st August 2011. With effect from 1st

September 2011, all shift employees will be paid a shift allowance of Kes. 5,670.00 per month.

c) Layover allowance

This shall be paid at the following rates with effect from 1st July 2010

- | | | |
|-------|--------------------------|---------|
| (i) | Cabin Crew: | USD 90 |
| (ii) | Senior Flight Attendant: | USD 100 |
| (iii) | Flight Purser: | USD 110 |

There will be 9 guaranteed nights without conditions effective 1st October 2009.

This clause applies until the final rates are discussed and agreed. See attached Appendix.

d) Overtime

If the Company requires an employee to work extra hours above the stipulated working hours, he/she shall be paid for such extra hours worked for that day at the following rates on condition that overtime is approved by the Controlling Manager before it is undertaken.

- (i) For overtime worked during the weekdays from Mondays to Saturdays – 1.5 x the hourly rate
- (ii) For overtime worked on Sundays and Public Holidays - Double the hourly rate

e) Engineer Allowances

This shall be paid at the following rates with effect from 1st October 2009

i) License- Effective 1st July 2010 to 30th June 2011

- 1st License – Kes. 9,900.00
- 2nd License – Kes. 9,900.00
- 3rd License – Kes. 6,188.00

ii) License- Effective 1st July 2011 to 30th June 2012

- 1st License – Kes. 10,890.00
- 2nd License – Kes. 10,890.00
- 3rd License – Kes. 6,806.00

iii) Approvals –Effective 1st July 2010 to 30th June 2011

- 1st approval – Kes. 4,950.00
- 2nd approval – Kes. 4,950.00
- 3rd approval – Kes. 4,950.00

Approvals –Effective 1st July 2011 to 30th June 2012

- 1st approval – Kes. 5,445.00
- 2nd approval – Kes. 5,445.00
- 3rd approval – Kes. 5,445.00

- iv) Flying allowance
Day flight - Kes. 5,000.00
Night flight - Kes. 9,500.00
- v) Layover - USD 110
- f) Productivity for cabin crew
 - i) Above 75 hours per roster - Kes. 900.00 per hour
 - ii) Above 12.5 hours per duty payment - Kes. 3,500.00 per hour
- g) NightStop Allowance for cabin crew
 - i) Flight Purser - 15% of basic salary
 - ii) Senior Flight Attendant - 17% of basic salary
 - iii) Flight Attendant - 19% of basic salary

10. ACTING ALLOWANCE

- a) A staff appointed to act in a higher role shall be issued with a written communication confirming the appointment.
For unforeseen acting appointments of cabin crew, the acting shall be logged in SABRE and it will indicate the flight number and date acted. Further, a quarterly letter shall be made and issued to the cabin crew on the number of times he/she has acted during the period, signed by the Head of In-flight Services & Standards.
- b) For unforeseen appointments for other staff, an email communication shall be issued to the staff pending issuance of a formal letter to the staff
- c) An acting appointment shall be acknowledged in writing by the controlling manager or someone else in authority in the absence of the controlling manager within two working days.
- d) If an employee acts on a higher post for a continuous period of 15 days or more he will be paid an acting allowance of the full difference between his present basic salary and the bottom salary attached to the higher post prorated for the period he/she has acted.
- e) A cabin crew who has acted on a similar role on 8 flights in a 6 month period will be paid an acting allowance prorated for the period.
- f) If the employee's present basic salary is more than the bottom of the higher grade, he/she will be paid an acting allowance calculated at the rate of two year's increments of the higher post per month.
- g) Where the acting appointment is in excess of six (6) months by reasons of absence e.g. training, sickness, etc.; acting allowance shall continue to be paid for the entire period.
- h) An employee acting on a Management position shall be paid 20% of his/her present basic salary.

I. CABIN CREW REGULATIONS

The Cabin Crew Regulations shall be in accordance with the appendix attached to and forming part of this Agreement. This shall be applicable to employees who are Cabin crew. The Cabin Crew Regulations are prepared in line with the CAP 394, Kenya Civil Aviation Regulations of 2007.

12. STAFF PERFORMANCE APPRAISAL

Every employee shall have his/her performance appraised formally at least once a year and on a continuous basis. Formal appraisal will be conducted by the employee's immediate Supervisors. An appraisal form shall be completed by the immediate Supervisor for each employee appraised. Where shortcomings or outstanding performance is noted, this will be communicated to the employee in writing. Employees will be given feedback of the appraisal outcome within three (3) months of the start of the appraisal process. The Company will address performance shortcomings in accordance with the Company's Staff Rules and Regulations as amended from time to time.

13. LICENSE, TRAINING AND COURSES OF INSTRUCTION

Training shall be relevant to the job or Company requirements, and where such opportunities arise, these will be notified to the employees concerned. The Company will also consider sponsoring courses of study relevant to both the employee and Company needs subject to the Company's Training Policy. Where an employee undertakes such training with the approval of the Company, the training shall be regarded as a normal service within the company.

14. PROMOTION

Promotion from one grade to another shall be granted by the Company in accordance with the laid down Company Procedures. Promotion Policy and Procedures shall depend on merit, professional qualifications, performance, competence, experience and seniority assuming all other variables are the same. There will be no discrimination.

- a) An employee granted promotion shall be so informed in writing. Date of appointment and payment shall be effected immediately.
- b) Promotion opportunities within the Company shall be given to suitably qualified employees of the Company by advertising such opportunities through the Staff Vacancy Notices. Any vacant posts should be advertised internally as soon as possible before any external candidates are considered for such posts. It should be established that there is no suitable candidate in the Company before any external advert is placed.
- c) A successful candidate for promotion should be released within one month from the date the staff is informed of his/her promotion. It is imperative that proper handing/taking over process takes place.
- d) Employees of the Company shall not be subject to a probationary period on promotion from one grade to another.

15. SENIORITY AND PROMOTIONS POLICY

Seniority and Promotions policy for the employees who are Cabin crew shall be in accordance with appendix attached to and forming part of this Agreement.

16. MERIT INCREMENT

Merit increments shall be granted to an employee at the discretion of Management based on performance. This shall not alter the annual increment date. The employee granted merit increment shall be informed in writing.

17. ANNUAL INCREMENTS

- a) Every employee shall, unless stopped on disciplinary grounds, be granted annual increment in January or July if his/her appointment or promotion anniversary is between January and June or between July and December respectively.
- b) Where a staff has reached the ceiling of the job grade, annual increments will be given on 'a personal to holder basis'.
- c) Staff on demotion shall continue to earn annual increments of the new grade and on reaching the top of the grade, they will earn annual increments on a personal to holder basis.
- d) Increments between the notches will remain consistent with the current practice as the time of signing of this Collective Bargaining Agreement.
- e) Personal to holder increments will apply for staff who have reached the top of their grade through annual increments and not through Job Evaluation down grade.
- f) Effective date of the 'personal to holder increment' for staff reaching the top of the grade will be 1st July 2008.

18. ANNUAL LEAVE

Upon successful completion of probationary period, and on condition that leave has been earned, each employee shall be entitled to 25 working days annual leave.

For purpose of calculating annual leave, Saturdays, Sundays and Public Holidays shall not be included.

Deviation from the planned leave rosters due to operational exigencies should be discussed with the affected employee and he/she should be given an option to choose alternative leave dates.

19. ANNUAL LEAVE TRAVELLING ALLOWANCE

Any employee proceeding on annual leave will be entitled to leave traveling allowance of Kes. 10,000.00. This allowance will be payable only once in a year.

20. STAFF TRAVEL PRIVILEGES

Employees who have completed one (1) year's service in employment will be eligible for Staff Travel privileges in accordance with Staff Travel Rules and Regulations

21. DUTY TRAVEL

Staff traveling on duty will be booked in accordance with the staff travel rules

22. COMPASSIONATE LEAVE

The company may grant an employee compassionate leave which may be either-

- (i) Paid leave to be deducted from his\ her annual leave.
- or
- (ii) Unpaid leave if he\ she has no leave due upto a maximum of 15 days per year.

Olens *Stuart*

23. STUDY LEAVE

The company may grant an employee study leave which may be either-

- (i) Paid leave to be deducted from his/her annual leave.
- or
- (ii) Unpaid leave if he/she has no leave due upto a maximum of 15 days per year.

24. RELIGIOUS HOLIDAYS

Apart from the gazetted holidays, an employee may be granted paid leave at the discretion of the Company for appropriate religious holidays celebrated by his/her faith.

25. SICK LEAVE

- a) If an employee falls sick and is hospitalized for a continuous period or certified by a medical doctor to be incapable of attending to work, such an employee will be entitled to the following sick leave in any one-calendar year:-

- a. Ninety (90) days on full pay, and thereafter
- b. Ninety (90) days on half salary.

- b) For all other sickness, a maximum of thirty (30) days sick leave with full pay shall be allowed in any one calendar year, and any sickness beyond the thirty days will be without pay.

- c) To qualify for the above, the following condition will apply:-

Where an employee has been absent due to sickness for one or more working days, he/she will be required to produce a medical certificate signed by a Medical Officer certifying that he/she was unfit for duties during the period of absence, and the certificate shall be produced upon returning back to duty. Notification of sickness should be as soon as possible

- e) After the expiry of the total of 180 days referred to in (a) above, annual leave may be offset against the period of sickness or employment terminated. In both cases the union will have the right to appeal to the management for consideration.

26. MEDICAL ARRANGEMENTS

- a) Every employee in the Company shall be entitled to medical benefits for themselves and their eligible members of family in accordance with the Rules governing the Scheme. These Rules shall be placed in the Company intranet.
- b) The cost of the premium will be shared between the Company and employees, but no employee shall be required to contribute more than 2% of his basic salary.

27. POSTING/TRANSFER WITHIN KENYA

If an employee is transferred by the Company from one station to another station within Kenya he will be entitled to:-

- a) A disturbance allowance equivalent to one month's basic salary.
- b) The first 30 days on full-board hotel accommodation at the new station for himself, wife and children. As an alternative to hotel accommodation, the Company will pay the employee KES 52,887.00 to enable him/her to make his/her own accommodation arrangements.
- c) The Company will transport the family and his unaccompanied baggage from the old station to the new residence upto 1,500 kgs.
- d) The employee will be given at least one month' written notice for preparation unless on emergency cases which will require one week's notice.
- e) The employee shall be given seven (7) consecutive days off to enable him/her to make necessary transfer arrangements subject to operational requirements.

28. STAFF PROVIDENT FUND SCHEME

- a) The Company operates a Staff Provident Fund Scheme and each employee is required to become a member of the Scheme after successfully completing his/her probation.
- b) Each employee will be required to contribute 10% of his/her basic salary and the Company 10% of the employee's basic salary towards the Fund.
- c) The Scheme will be run by Trustees composed of Management and Union Representatives.
- d) Benefits of the Scheme will be in accordance with Rules of the Staff Provident Fund Scheme.

29. FUNERAL EXPENSES

- a) When an employee or his/her spouse dies whilst the employee is in the service of the Company, the Company will provide a coffin worth Kes.30,000/= and Kes. 10,000.00 for flowers for each and a coffin of Kes.20,000/= for a child subject to a maximum of 4 children in a lifetime. Only those children who are 19 years and below or up to 24 years if attending full-time recognized educational institutions will qualify. Should the family settle for more expensive coffin, they will pay the difference.

The spouse and children referred to above, shall be those in the Company records.

- b) The Company will provide:-
 - i) One Minibus to carry the remains of the employee and surviving members of the immediate family only from the place of work or death to his final burial place/home.

- ii) One bus to carry staff mourners and Company representative to the funeral.
- iii) Transport for employee's belongings to the final destination using the most convenient and cost effective means.
- c) In cases of termination of employment by death, the normal retirement benefits will apply. In addition, he will qualify for the Insurance Scheme applicable.

30. UNIFORM AND EQUIPMENT

Those required to wear uniforms or protective clothing as provided for in the Occupational Safety and Health Act will be issued by the Company with such items but it will be their responsibility to keep them clean. All such uniforms shall remain the property of the Company.

31. TOOL KITS

The Company shall provide tool kits to employees who use them. This shall remain the property of the company for the duration of employment and shall be returned upon termination of service. The company shall inspect the tool kits every six (6) months. Damaged or worn out tools will be replaced as and when necessary.

32. WARNING

- a) If the employee commits an offence not serious to warrant dismissal/termination, they shall be issued with a first warning letter which will remain valid for twelve (12) months from the date the offence was committed. A Copy of the warning letter to be given to the Branch Secretary if the staff is a union member.
- b) If they commit another offence within the same period, he shall be issued with a second warning letter with a copy to the Branch Secretary if the staff is a union member and this shall also be valid for twelve (12) months.
- c) If they commit another serious offence within this period, he shall be issued with a third and last warning letter with a copy to the Branch Secretary if the staff is a union member and this shall also be valid for twelve (12) months.
- d) Should the employee be proven to have committed another serious offence within this period, then they shall be terminated.
- e) A final warning may be issued for a first offence where the severity of the offence is such that a first warning and second warning is inappropriate.

33. LEAVE FOR TRADE UNION CONFERENCES, MEETINGS, EDUCATIONAL SEMINARS AND COURSES

- a) The company will grant paid leave subject to exigencies of duty for Union officials, delegates or nominees who are Company employees selected by the union to attend to their trade union conferences or meetings.
- b) The names of the Union officials/delegates/nominees to attend the conference or meeting will be submitted to the Company in writing fourteen (14) days prior to the date of such conference or meeting.

- c) During such meetings, conferences or seminars, the Company shall provide 100% rebated tickets economy class on Kenya Airways services to the officials referred to in (a) above subject to availability of seats. The Company will assist in procuring tickets from other carriers.

34. MATERNITY / PATERNITY LEAVE

A female employee shall be entitled to maternity leave in accordance with the Kenyan Labour Law.

A male employee whose wife is registered in Company records shall be entitled to paternity leave in accordance with the Kenyan Labour Law.

35. INSURANCE

GROUP LIFE INSURANCE SCHEME

Every employee will be insured by the Company and in the event of death while in the services of the Company, the benefits shall be paid in accordance with the provisions of the Group Life Insurance Scheme.

GROUP PERSONAL ACCIDENT SCHEME

The Company will provide a twenty-four (24) hour cover against any injury to all its employees. The benefits of this Scheme will be in accordance with the provisions of the Group Personal Accident Scheme.

36. LOANS

The Company shall endeavour to make arrangements with financial institutions for assistance to employees.

37. TRAVEL PERMIT EXPENSES

Any travel permit expenses for an employee to enable him/her to obtain valid travel documents for the performance of such duties such as health certificates, visas and airport taxes shall be borne by the Company.

8. MEAL ALLOWANCE WHILE ON DUTY

Staff on shift will be paid a meal allowance. This will be paid at the following rates with effect from 15th July 2009:

- a) Breakfast – Kes. 250.00 per day
- b) Lunch – Kes. 350.00 per day
- c) Dinner – Kes. 350.00 per day

39. DISCIPLINARY MEASURES

Where charge(s) against an employee is/are proven, the Company may impose one or more of the following measures:-

- a) Verbal warning
- b) Issue the employee with a cautionary letter
- c) Issue the employee with a warning letter
- d) Recovery of the cost of the damaged item from the salary of the employee involved
- e) Defenent, stoppage or withholding of an employee's increment for twelve months.
- f) Suspension.
- g) Demotion in rank.
- h) Termination.
- i) Dismissal.

40. SUSPENSION

- a) Where an employee commits a serious offence warranting investigations, the Company shall immediately suspend the employee on full pay.
- b) Prior to investigation and/or hearing, the Company shall furnish the employee with a copy of the precise charge(s) against him/her. Upon written request (excluding sms communication), the employee shall be granted a postponement of the hearing not in excess of five (5) days, in which to prepare and secure the presence of witnesses. He/she shall have the right to be represented by an employee of his choice or by an authorized representative of the Union.
- c) Within ten (10) days after the close of such a hearing, the Company shall communicate its decision in writing and shall furnish the employee and the Union with a copy thereof.
- d) Where the charge(s) against an employee is/are confirmed, the Company may at its discretion impose one of the disciplinary measures stipulated in Clause 21 of this Agreement and in order of severity. An employee who has been dismissed or whose services have been terminated as a result of investigation and hearing shall have a right of appeal in accordance with the procedures stipulated in the Recognition Agreement.
- e) Pending investigation and hearing under Clause (b) above, an employee charged with a serious disciplinary offence may be suspended on full pay up to a maximum period of 30 days during which time a decision shall be made in accordance with Clause (d) above. Where an employee has been granted a postponement of the hearing under Clause (b) above, the period of suspension shall be extended by the period of such postponement.
- f) If after the investigations no charges are established against the employee, the suspension shall be lifted immediately and the staff reinstated back to the place of work.

- g) Subject to Clause (b) and (e) above, no employee shall be on suspension for more than 30 days. If the case is not finalized by the end of the period, the employee shall be reinstated to his/her place of work and his/her records shall be cleared.
- h) An employee on suspension shall provide his Controlling Officer with a valid contact number/address for reach within the suspension period. It is the employee's responsibility to inform his Controlling Officer of any change of the contact number/address within the suspension period.
- i) Where the offence said to have been committed by the staff is very serious and may lead to severe disciplinary action being taken against the staff if proved after an internal disciplinary hearing, the staff will be suspended from duty pending the finalization of the internal disciplinary process.
- j) If a decision has been reached to terminate or dismiss the employee, the effective date of such termination or dismissal shall be the date when the decision is made.
- k) The authority to suspend shall be vested on the Departmental Director in consultation with the Human Resources Director.

41. CRIMINAL CASES AGAINST STAFF

- (i) Where an employee is arrested for a cognizable offence punishable by imprisonment and is not released within a period of 14 days on bail or on bond or otherwise lawfully set at liberty the Company shall take an administrative action in accordance with the Labour Laws.
- (ii) Where an employee is suspected of having committed a criminal offence against the Company, he shall be suspended for 4 months on half salary to allow investigations to continue. Thereafter, the employee shall remain without pay until the case is finalized. When the investigations are concluded and the employee is found not guilty; he/she shall be reinstated to his former job and be paid the remaining half salary withheld. If found guilty, he/she shall be summarily dismissed.
- (iii) If his case is taken to court by the government, and he/she is not found guilty, he shall be reinstated and if found guilty he shall be dismissed summarily.
- (iv) If an employee is held in custody under any written Law for any offence, such an employee shall lose pay for all the period he/she is held.

42. TERMINATION OF EMPLOYMENT

Upon successful completion of the probationary period, either party may terminate contract of employment by giving two months' written notice or two months' salary in lieu.

43. CERTIFICATE OF SERVICE

The Company shall issue the employee with a certificate of service as provided for in the Employment Act 2007.

44. CAUSES FOR TERMINATION OF EMLPOYMENT

Any of the parties may terminate the employment services on the following grounds:

- a) Failing to report for duty for seven consecutive days without notifying the Company in writing (excluding sms communication).
- b) Failing to check out during initial training.
- c) Resignation.
- d) Professional Negligence.
- e) Failure to obey Company rules.
- f) Failure to obtain relevant documents related to one's job e.g. licenses, certificates, passes without reasonable cause.
- g) Any of the party may terminate employment for lawful cause or any other reason provided for in the Law.

45. ENTITLEMENT ON TERMINATION

An employee whose services have been terminated under clause 23 shall be entitled to;

- a) Salary for all the days worked and any appropriate allowances.
- b) Pro-rata leave.
- c) Provident Fund (subject to Staff Provident Fund Rules).
- d) ESOP shares where applicable in accordance with the ESOP Rules and Regulations.
- e) Vacation of Company Quarters
If the employee is living in a Company house, he/she will be permitted one extra month period of occupation but will pay rent for such period.
- f) An employee terminated while away from his/her initial Station of Employment
If an employee is terminated while away from his/her initial station of employment, he/she shall be provided with air passages on Company services for self, spouse and children and freight entitlement up to a maximum of 1,500 Kgs from duty station to airport nearest to his/her home. The employee must utilize these entitlements within 90 days from the date of termination of services.

46. DISMISSAL

The Company shall summarily dismiss an employee from its service in accordance with the provisions of the CBA, Staff Rules and Regulations and Employment Act 2007.

47. ENTITLEMENT ON DISMISSAL

- An employee who has been dismissed summarily shall be entitled to;
- a) His/her salary and applicable allowances upto the date of dismissal,
 - b) Own and Company's contribution of provident fund in accordance with the prevailing Staff Provident Rules,
 - c) Overtime worked,
 - d) Pro rata leave if any,
 - e) ESOP shares if applicable in accordance with the prevailing ESOP Rules and Regulations.
 - f) Certificate of Service.

(A)

51. TIME KEEPING/CLOCKING

There shall be time keeping and clocking System in the Company.

This shall be in accordance with the existing current Company staff rules and regulations. Duty time shall be in accordance with the applicable reporting times as communicated to staff from time to time through staff manuals, notices or any other Company recognized means of communication.

52. HOURS OF WORK

The normal working hours shall be:

- a) Employees working during office hours will work 45 hours per week provided that for overtime calculations, clause 9 (d) shall apply.
- b) Shift employees will work 180 hours per shift pattern
- c) Cabin crew members working hours will be in accordance with Cap 394 Operation of Aircraft Regulations 214 (3) and Regulation 218(1); that is; 160 hours duty time in any 28 days period and 105 flying hours in any 28 day period. Crew duty starts one and half hours before chocks off and ends 30 minutes after chocks on effective 1st July 2008 and 45 minutes after chocks on effective 1st October 2009.

Parties recognize that air transportation operates throughout a twenty four hour cycle and hours of work shall vary amongst the various cadres of employees.

53. GRIEVANCE HANDLING PROCEDURES

All disputes/grievances between the Union and the Company on matters contained in this Collective Bargaining Agreement shall be handled in accordance with the procedures stipulated in the Recognition Agreement between the two parties and the Kenyan Labour Laws.

54. INTERPRETATION

If there is any disagreement pertaining to any clause in this agreement, the clause in disagreement shall be referred to a negotiating committee for interpretation and their verdict shall be binding to the parties. However, if parties fail to agree, the matter shall be handled in accordance with the Labour Laws.

CHECK OFF SYSTEM

The Company shall operate a Check off System as provided for in the Labour Relations Act of 2007.

SEARCHES

1. Searches shall be conducted in Company leased/owned premises and aircrafts
In outstations, searches shall be done in the Company aircraft or Company premises and not in the hotels.
Such searches shall as far as possible be conducted with utmost regard to decorum and decency.

57. UNION ACTIVITIES

- a) The Union may use company notice boards and other tools of communication to communicate to their members but with approval of Management
- b) The Union shall be allowed to educate staff on Union activities during staff induction forums
- c) The Company will facilitate access to restricted areas to Union officials for access to staff. If there are costs involved, the same to be borne by the Union.

58. DURATION AND EFFECTIVE DATE OF AGREEMENT

Notwithstanding the date in clause 1 and the actual date of signing of this Agreement, it is hereby mutually agreed upon that the terms and conditions for Unionisable Kenya Employees for the duration between 1st July 2010 to 30th June 2012 shall be modified as follows:-

- a) For all monetary clauses except Shift Allowance, the effective date shall be 1st July 2010.
- b) For shift allowance, the effective date of the 20% adjustment shall be 1st July 2010 and 1st July 2011 for the period of July 2011 & August 2011 respectively. With effect from September 2011, shift allowance for all employees will be Kes. 5,670.00 per month.
- c) For all other clauses, the effective date shall be the date this Collective Bargaining Agreement is registered.

During this period, either party may amend or modify the Agreement by giving the other sixty (60) days written notice, and at the same time, giving proposed details of the intended change. Both parties would then enter into negotiations on the proposed terms.

Notwithstanding anything to the contrary contained in this Clause, this Agreement shall continue to be in force until another one is finally agreed upon between the two parties to this Agreement.

BASIC SALARY FROM JULY 2010 TO JUNE 2012

GRADE H5

EFFECTIVE 01.07.10 TO 30.06.11

CURRENT	NEW
21,389	23,528
22,486	24,735
23,582	25,941
24,680	27,148
25,777	28,355
26,873	29,560
27,970	30,767
29,068	31,974
30,165	33,181
31,261	34,387
32,358	35,594
33,456	36,801
34,552	38,007
35,649	39,214
36,746	40,421
37,843	41,628
38,939	42,833
40,037	44,040
41,134	45,247
42,231	46,453
44,425	48,867
46,618	51,280
48,813	53,694
51,006	56,107
53,201	58,521
55,394	60,933
57,588	63,347
59,782	65,760
61,975	68,173
64,170	70,587
66,509	73,159
68,903	75,793
71,383	78,522
73,953	81,349
76,616	84,277
79,374	87,311

EFFECTIVE 01.07.11 TO 30.06.12

CURRENT	NEW
23,528	25,881
24,735	27,208
25,941	28,535
27,148	29,862
28,355	31,190
29,560	32,516
30,767	33,844
31,974	35,172
33,181	36,500
34,387	37,826
35,594	39,153
36,801	40,481
38,007	41,807
39,214	43,135
40,421	44,463
41,628	45,791
42,833	47,117
44,040	48,445
45,247	49,772
46,455	51,100
48,867	53,754
51,280	56,408
53,694	59,063
56,107	61,717
58,521	64,373
60,933	67,027
63,347	69,682
65,760	72,336
68,173	74,990
70,587	77,645
73,159	80,475
75,793	83,373
78,522	86,374
81,349	89,483
84,277	92,705
87,311	96,042

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BASIC SALARY FROM JULY 2010 TO JUNE 2012

GRADE H6

EFFECTIVE 01.07.10 TO 30.06.11

CURRENT	NEW
26,819	29,500
28,280	31,108
29,743	32,718
31,205	34,326
32,668	35,935
34,131	37,545
35,593	39,152
37,056	40,762
38,519	42,371
39,981	43,979
41,444	45,589
42,906	47,197
44,369	48,806
45,832	50,415
47,294	52,023
48,757	53,633
50,220	55,242
51,682	56,850
53,145	58,459
54,607	60,067
56,070	61,677
57,532	63,286
58,995	64,895
60,458	66,504
61,921	68,113
63,384	69,722
64,847	71,331
66,310	72,940
67,773	74,549
69,236	76,158
70,699	77,767
72,162	79,376
73,625	80,985
75,088	82,594
76,551	84,203
78,014	85,812
79,477	87,421
80,940	89,030
82,403	90,639

EFFECTIVE 01.07.11 TO 30.06.12

CURRENT	NEW
29,500	32,450
31,108	34,219
32,718	35,990
34,326	37,758
35,935	39,529
37,545	41,299
39,152	43,068
40,762	44,838
42,371	46,608
43,979	48,377
45,589	50,147
47,197	51,916
48,806	53,687
50,415	55,457
52,023	57,226
53,633	58,996
55,242	60,766
56,850	62,535
58,459	64,305
60,067	66,074
61,677	67,844
63,286	69,613
64,895	71,383
66,504	73,152
68,113	74,922
69,722	76,691
71,331	78,461
72,940	80,230
74,549	82,000
76,158	83,769
77,767	85,539
79,376	87,308
80,985	89,078
82,594	90,847
84,203	92,617
85,812	94,386
87,421	96,156
89,030	97,925
90,639	99,695

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BASIC SALARY FROM JULY 2010 TO JUNE 2012
GRADE H7

EFFECTIVE 01.07.10 TO 30.06.11

CURRENT	NEW
37,220	40,941
38,975	42,872
40,730	44,803
42,486	46,734
44,240	48,664
45,995	50,595
47,751	52,526
49,506	54,457
51,260	56,388
53,016	58,317
54,771	60,248
56,527	62,179
58,281	64,109
60,036	66,040
61,792	67,971
63,547	69,902
65,301	71,831
67,057	73,762
68,812	75,693
70,567	77,624
72,322	79,554
74,224	81,646
76,125	83,737
78,026	85,828
79,928	87,921
81,829	90,012
83,730	92,103
85,435	93,978
87,140	95,854
88,845	97,729
90,550	99,605
92,255	101,480
93,960	103,356

EFFECTIVE 01.07.11 TO 30.06.12

CURRENT	NEW
40,941	45,036
42,872	47,160
44,803	49,284
46,734	51,408
48,664	53,530
50,595	55,654
52,526	57,778
54,457	59,902
56,388	62,025
58,317	64,149
60,248	66,273
62,179	68,397
64,109	70,520
66,040	72,644
67,971	74,768
69,902	76,892
71,831	79,014
73,762	81,138
75,693	83,263
77,624	85,387
79,554	87,509
81,646	89,811
83,737	92,111
85,828	94,411
87,921	96,713
90,012	99,013
92,103	101,313
93,978	103,376
95,854	105,439
97,729	107,502
99,605	109,565
101,480	111,628
103,356	113,691

SD1

BASIC SALARY FROM JULY 2010 TO JUNE 2012
GRADE H8

EFFECTIVE 01.07.10 TO 30.06.11

CURRENT	NEW
49,911	54,902
51,812	56,993
53,713	59,084
55,615	61,177
57,516	63,268
59,417	65,359
61,320	67,451
63,221	69,543
65,121	71,634
67,024	73,726
68,925	75,817
70,826	77,908
72,727	79,999
74,629	82,092
76,530	84,183
78,431	86,274
80,333	88,366
82,234	90,457
84,135	92,548
86,037	94,641
87,938	96,732
90,131	99,145
92,326	101,559
94,519	103,971
96,714	106,385
98,907	108,798
101,102	111,212
103,295	113,625
105,372	115,909
107,449	118,194
109,526	120,479
111,603	122,763
113,680	125,048
115,757	127,333

EFFECTIVE 01.07.11 TO 30.06.12

CURRENT	NEW
54,902	60,393
56,993	62,693
59,084	64,993
61,177	67,295
63,268	69,595
65,359	71,895
67,451	74,197
69,543	76,497
71,634	78,797
73,726	81,099
75,817	83,399
77,908	85,699
79,999	87,999
82,092	90,301
84,183	92,601
86,274	94,901
88,366	97,203
90,457	99,503
92,548	101,803
94,641	104,105
96,732	106,405
99,145	109,059
101,559	111,715
103,971	114,368
106,385	117,024
108,798	119,678
111,212	122,333
113,625	124,987
115,909	127,500
118,194	130,013
120,479	132,527
122,763	135,040
125,048	137,553
127,333	140,066

Mr. [unclear]



BASIC SALARY FROM JULY 2008 TO JUNE 2010 (REVISED)
GRADE H2

EFFECTIVE 01.07.08 TO 30.06.09

EFFECTIVE 01.07.09 TO 30.06.10

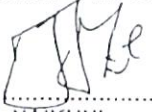
CURRENT	NEW
13,654	15,361
14,809	16,660
15,965	17,961
17,120	19,260
18,278	20,561
19,432	21,861
20,587	23,160
21,743	24,461
22,899	25,761
24,054	27,061
25,210	28,361
26,365	29,661
27,521	30,961
28,677	32,262
29,832	33,561
30,988	34,862
32,144	36,162
33,299	37,461
34,455	38,762
35,610	40,061
37,344	42,012
39,077	43,962
40,811	45,912
42,544	47,862
44,278	49,813
46,454	52,281
	54,822
	57,508
	60,328
	63,282
	66,382

CURRENT	NEW
15,361	17,281
16,660	18,743
17,961	20,206
19,260	21,668
20,561	23,131
21,861	24,594
23,160	26,055
24,461	27,518
25,761	28,982
27,061	30,443
28,361	31,906
29,661	33,368
30,961	34,831
32,262	36,294
33,561	37,756
34,862	39,219
36,162	40,682
37,461	42,144
38,762	43,607
40,061	45,069
42,012	47,254
43,962	49,457
45,912	51,651
47,862	53,845
49,813	56,039
52,281	58,793
54,822	61,674
57,508	64,696
60,328	67,866
63,282	71,192
66,382	74,680

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For and on behalf of the Company

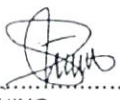


1.....
DR. TITUS T. NAIKUNI
Group Managing Director & CEO

For and on behalf of the Union



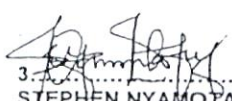
1.....
BONNE NICHOLAS BARASA
General Secretary & CEO



2.....
TOM SHIVO
Ag Group Human Resources Director

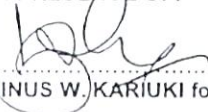


2.....
MORRIS ODENY
Ag Branch Secretary

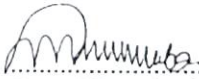


3.....
STEPHEN NYAMOTA
Branch Chairman

IN PRESENCE OF:



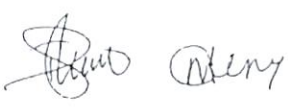
.....
LINUS W. KARIUKI for Federation of Kenya Employers



.....
ISAIAH KUBAI for Central Organization of Trade Unions



Signed at Nairobi this..... Day of..... 2011



BASIC SALARY FROM JULY 2010 TO JUNE 2012
GRADE H9

EFFECTIVE 01.07.10 TO 30.06.11

CURRENT	NEW
65,571	72,128
67,619	74,380
69,666	76,633
71,714	78,886
73,761	81,137
75,808	83,389
77,856	85,642
79,904	87,894
81,952	90,147
84,000	92,399
86,047	94,652
88,095	96,905
90,142	99,156
92,189	101,408
94,237	103,661
96,285	105,913
98,333	108,166
100,381	110,419
102,428	112,671
104,476	114,924
106,523	117,175
109,449	120,394
112,374	123,611
115,298	126,828
118,223	130,046
121,149	133,264
124,074	136,482
126,999	139,699
129,924	142,916
131,563	144,719
133,202	146,522
134,841	148,325
136,480	150,128
138,119	151,931
139,758	153,734
141,397	155,537

EFFECTIVE 01.07.11 TO 30.06.12

CURRENT	NEW
72,128	79,341
74,380	81,818
76,633	84,296
78,886	86,774
81,137	89,250
83,389	91,728
85,642	94,206
87,894	96,684
90,147	99,162
92,399	101,639
94,652	104,117
96,905	106,595
99,156	109,071
101,408	111,549
103,661	114,027
105,913	116,505
108,166	118,983
110,419	121,460
112,671	123,938
114,924	126,416
117,175	128,892
120,394	132,433
123,611	135,972
126,828	139,511
130,046	143,050
133,264	146,591
136,482	150,130
139,699	153,669
142,916	157,208
144,719	159,191
146,522	161,174
148,325	163,158
150,128	165,141
151,931	167,124
153,734	169,107
155,537	171,090

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HOUSE ALLOWANCE IN KES PER MONTH

EFFECTIVE 1ST JULY 2010 TO 30TH JUNE 2011

GRADE	CURRENT	NEW
H1	8,527	9,379
H2	10,640	11,704
H3	12,236	13,460
H4	14,071	15,478
H5	16,182	17,801
H6	17,206	18,927
H7	20,932	23,025
H8	25,325	27,858
H9	29,322	32,254

EFFECTIVE 1ST JULY 2011 TO 30TH JUNE 2012

GRADE	CURRENT	NEW
H1	9,379	10,317
H2	11,704	12,875
H3	13,460	14,806
H4	15,478	17,026
H5	17,801	19,581
H6	18,927	20,819
H7	23,025	25,328
H8	27,858	30,643
H9	32,254	35,480

Ret.



OWNER OCCUPIER IN KES PER MONTH
EFFECTIVE 1ST JULY 2010 TO 30TH JUNE 2011

GRADE	CURRENT	NEW
H1	10,467	11,514
H2	19,437	21,381
H3	19,437	21,381
H4	19,437	21,381
H5	29,183	32,101
H6	29,183	32,101
H7	33,182	36,500
H8	40,465	44,512
H9	40,465	44,512

EFFECTIVE 1ST JULY 2011 TO 30TH JUNE 2012

GRADE	CURRENT	NEW
H1	11,514	12,665
H2	21,381	23,519
H3	21,381	23,519
H4	21,381	23,519
H5	32,101	35,311
H6	32,101	35,311
H7	36,500	40,150
H8	44,512	48,963
H9	44,512	48,963

9/2/11

CAPITAL COST CEILING VALUE OF PROPERTY IN KES
EFFECTIVE 1ST JULY 2010 TO 30TH JUNE 2011

GRADE	CURRENT	NEW
H1	627,970	690,767
H2	1,166,230	1,282,853
H3	1,166,230	1,282,853
H4	1,166,230	1,282,853
H5	1,750,985	1,926,083
H6	1,750,985	1,926,083
H7	1,990,783	2,189,861
H8	2,427,790	2,670,569
H9	2,427,790	2,670,569

EFFECTIVE 1ST JULY 2011 TO 30TH JUNE 2012

GRADE	CURRENT	NEW
H1	690,767	759,844
H2	1,282,853	1,411,139
H3	1,282,853	1,411,139
H4	1,282,853	1,411,139
H5	1,926,083	2,118,691
H6	1,926,083	2,118,691
H7	2,189,861	2,408,847
H8	2,670,569	2,937,626
H9	2,670,569	2,937,626

A P.



SHIFT ALLOWANCE IN KES PER MONTH

EFFECTIVE 1ST JULY 2010 TO 30TH JUNE 2011

GRADE	CURRENT	NEW
H1	2,387	2,865
H2	2,703	3,244
H3	2,703	3,244
H4	2,703	3,244
H5	3,025	3,629
H6	3,025	3,629
H7	3,341	4,009
H8	3,579	4,294
H9	3,579	4,294

EFFECTIVE 1ST JULY 2011 TO 31ST AUGUST 2011

GRADE	CURRENT	NEW
H1	2,865	3,437
H2	3,244	3,893
H3	3,244	3,893
H4	3,244	3,893
H5	3,629	4,355
H6	3,629	4,355
H7	4,009	4,811
H8	4,294	5,153
H9	4,294	5,153

EFFECTIVE 1ST SEPTEMBER 2011 TO 30TH JUNE 2012

GRADE	NEW
H1 TO H9	5,670

F.H.L.



CAR ALLOWANCE IN KES PER MONTH
EFFECTIVE 1ST JULY 2010 TO 30TH JUNE 2011

GRADE	CURRENT	NEW
H1 TO H9	10,655	11,721

EFFECTIVE 1ST JULY 2011 TO 30TH JUNE 2012

GRADE	CURRENT	NEW
H1 TO H9	11,721	12,893

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COMMUTATION ALLOWANCE IN KES PER MONTH

EFFECTIVE 1ST JULY 2010 TO 30TH JUNE 2011

GRADE	CURRENT	NEW
H1 TO H9	4,566	5,023

EFFECTIVE 1ST JULY 2011 TO 30TH JUNE 2012

GRADE	CURRENT	NEW
H1 TO H9	5,023	5,525



MILEAGE ALLOWANCE

EFFECTIVE THE DATE THE CBA FOR THE PERIOD JULY 2011 TO JUNE 2012 WILL BE REGISTERED

TYPES OF USE	CURRENT RATES KES PM	NEW RATES KES PER MONTH
Cars upto 1600cc	23	30
Cars on 1601cc and above	25	32

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CABIN CREW – SENIORITY AND PROMOTION POLICY

- a. The Company will be guided by the Human Resources policy, competencies, skills, knowledge, experience and other particular requirements for the job as per the approved role profile when short listing. In the short listing process, years of service will be given priority for interested applicants subject to satisfying the minimum profile requirements. However appointment to the position will be subject to the interview results.
- b. Unsuccessful applicants will be given formal feedback, which may include, and not limited to, face to face meetings.
- c. In the event that a staff is dissatisfied with the feedback given, he/she will raise the issue for consideration through the agreed grievance handling procedure in the recognition agreement. The staff may raise the issue either directly or through his union at the first instance. In the event that the staff raises the issue through the Union, he/she should give written instructions to the Union to act on his/her behalf.
- d. The Head of Inflight Services will maintain a list of staff in order of their employment dates in In-flight services, and this list will be accessible for audit. A copy will be provided to the Union.
- e. A cabin crew who accepts transfer to perform as an instructor at the company's In flight training center/Emergency School or any other Kenya Airways approved training shall continue to accrue seniority while in that position.
- f. A cabin crew, who is transferred to non-flying duties within the company because of physical incapacity or injury, shall retain and continue to accrue seniority during such period of sickness or injury. Upon return to duty from non-flying duties as described above, a cabin crew shall be permitted to resume the status to which he/she was previously assigned before Transferring to Non-flying or Supervisory Duties.
- g. A cabin crew member who transfers to other duties related to flying but not training related shall be allowed to resume flying duties. The decision to resume flying duties and the rank the staff will rejoin flying duties will be at the sole discretion of management. He/she will retain seniority at the same level of seniority as he/she was before the transfer to the other duties.
- h. Cabin crew who have transferred to other duties within the Company unrelated to flying shall be stricken from the Flight Attendant Seniority list on the date of appointment to the new role. Any such individual who may be re-appointed as a Cabin crew will be placed at the bottom of the Cabin Crew Seniority list.

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CABIN CREW FLEET REGULATIONS

Regulation on flight times, Duty Periods, Rest Periods and time off duty for Cabin Crew.

DEFINITIONS.

1.1 Authority

Shall mean Kenya Civil Aviation Authority. This is according to CAP 394, KCARs of 2007.

1.2 Operator

Means a person, organization or enterprise engaged in or offering in or offering to engage in an aircraft operation. This is according to CAP 394, KCARs of 2007.

1.3 Crew Member

Shall mean a person assigned by an operator to duty on an aircraft during a flight duty period. This is according to CAP 394, KCARs of 2007.

1.4 Cabin Crew Member

Shall mean crew members who perform in the interest of safety to the passengers, duties assigned by the operator or the Pilot in Command of that aircraft. This is according to CAP 394, KCARs of 2007.

1.5 Pilot in Command

Shall mean the pilot designated by the operator, or in the case of general aviation, the owner, as being in command and charged with the safe conduct of a flight. This is according to CAP 394, KCARs of 2007.

1.6 Medical Practitioner/Examiner/Assessor

A person registered under the Medical Practitioners and Dentists Act, Chapter 253, Laws of the Republic of Kenya or any modification, reenactment or replacement thereof, if he practices in Kenya, or under any applicable legislation in the country where such practitioner practices medicine if not in Kenya.

1.7 Human Performance

Shall mean human capabilities and limitations which have an impact on the safety and efficiency of aeronautical operations. This is according to CAP 394, KCARs of 2007.

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1.8 Safety Sensitive Personnel

Shall mean persons who might endanger aviation safety if they perform their duties and functions improperly. This is according to CAP 394, KCARs of 2007.

1.9 Serious Injury

Shall mean an injury which is sustained by a person in an accident. This is according to CAP 394, KCARs of 2007.

1.10 Fitness of Crew Members

A person shall not act as a required member of crew at any time when that person is aware of any decrease in medical fitness which may render him/her unable to safely and properly execute the duties of a crew member.

The operator and the pilot in command shall be responsible for ensuring that a flight is not commenced if any required crew member is incapacitated from performing duties by any cause such as injury, sickness, fatigue and the effects of alcohol or drugs. This is according to CAP 394, KCARs of 2007.

1.11 Duty

Any continuous period during which a crew member is required to carry out a task associated with the business of the company. The duty start time will be indicated on the crew's roster.

1.12 Local Time

Three hours (03 hrs) plus (+) Greenwich Meridian Time. (G.M.T)

1.13 Night

The time between fifteen minutes after sunset and fifteen minutes before sunrise. Sunset and sunrise being determined at surface level. This is according to CAP 394, KCARs of 2007.

1.14 Day

A "day" is a calendar day

1.15 Charter

A flight that is not a regularly scheduled flight which is contracted by a person or group for the transportation of the person(s) or agents or representatives of the

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group. It shall count as duty and shall be considered as such when calculating crew duty times. This is according to CAP 394, KCARs of 2007.

1.16 Ferry

A flight which doesn't transport revenue passengers. It shall count as duty and shall be considered as such when calculating crew duty times. This is according to CAP 394, KCARs of 2007.

1.17 Service Procedures

These are on board service standards and sequence. Before determining the kind of service to be provided, the company shall factor crew complement, number of passengers, equipments and service time. The type of service required shall not compromise the primary duty of Cabin crew which is the safety of passengers.

1.18 Positioning/Deadheading

Cabin crew traveling in a company aircraft or any other carrier and may be associated with a flight duty as a passenger, on a company ticket for performing a task related with the Company's business. It shall count as duty and shall be considered as such when calculating crew duty times. This is according to CAP 394, KCARs of 2007.

1.19 Reporting Time

The time in which a Cabin crew is expected to report for duty, which is one and a half hours (1.5) before take off.

1.20 Rest Period

An uninterrupted and defined continuous period on ground, no part of which forms duty period of a Cabin crew Member. This is according to CAP 394, KCARs of 2007.

1.21 Sector

Time from push back, when the aircraft moves under its own power until it comes to rest after landing, in its designated parking position and the chocks are put on.

1.22 Home Standby duty

A specific period of which a cabin crew member has not been assigned to specific duty, but is available for duty. A home Standby duty period shall be a maximum of twelve (12) hours and shall commence either from 6.00 a.m, 12 noon or 6.00 p.m. The standby period shall count as three (3) hours duty or pro rated accordingly. Each standby duty period shall be followed by a minimum six (6) hours rest period.

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1.23 Airport Standby (morning / afternoon)

It is a duty period commencing at reporting time and ends at sign off time.

Morning standby shall be between 0300 GMT or 0600 Local time and shall end 0859 GMT or 1159 Local time.

Afternoon Standby shall commence 0900 GMT or 1200 Local time and shall end 1459 GMT or 1759 local time.

The company shall amend airport standby start and end times as per operations requirements and communicate to crew at least two weeks before commencement.

Duty time for flight duties assigned from airport standby will commence at the airport standby duty reporting time.

1.24 Split Duty

A flight duty period consisting of two or more sectors, separated by less than the minimum rest period stipulated in this document. The break shall be less than 10 hours and the last hour shall not be flying. This is according to CAP 394, KCARs of 2007.

1.25 Flying Duty Period (FDP)

Any time during which a crew member operates an aircraft as a member of its crew. This period begins at the reporting time of one and a half hours (1.5) and ends forty five (45) minutes after chocks on, on the final sector.

No employee shall be assigned duty (local and regional flights excluding nightstops) for four consecutive days without day(s) off. Cabin crew shall not be assigned more than two consecutive flights departing before ten (10) a.m local or two consecutive night flights.

✓ An employee shall not be assigned or compelled to perform any duty after the expiry of the flight duty period of twelve and half hours (12.5 hours) except in unforeseen circumstances as provided for in CAP 394, KCARs of 2007.

Cabin crew duty times and flight times shall be reconciled at the end of every flight by the Flight Purser and entered into the voyage report that shall be made available to the Company.

1.26 Duty Period / Duty Time

A continuous period of time during which a Cabin crew is required to carry out any task associated with the business of the company, within the scope of service. This

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includes deadheading, ground training, medicals, standby and ground duties. This is according to CAP 394, KCARs of 2007 (OPERATION OF AIRCRAFT).

The company shall adhere to all the requirements of this agreement plus all the legal requirements in respect to the maximum duty periods, maximum flight duty times, and minimum rest periods and off duty days for the purpose of avoidance of crew fatigue. This is according to CAP 394, KCARs of 2007 (OPERATION OF AIRCRAFT).

1.27 Flight Time / Block Time

The time elapsed from chocks off and the aircraft departs the bay for the sole purpose of take off, to when it comes to rest at its destination (Chocks on.) Flying at night shall be counted at the rate of one and a quarter times the actual flight time. This shall be used for calculating the cumulative flight time over twenty eight (28) consecutive days. The total flying time (day and night) shall be used to determine the one hundred and five (105) hours legal limit. This is according to CAP 394, KCARs of 2007, (OPERATION OF AIRCRAFT).

When a crew member is required to report on duty in advance of the stipulated time for a flight to carry out a task on behalf of the company, then the time spent on the task shall be part of the subsequent Flying Duty Period (FDP).

1.28 Pre Flight Day Off

A twenty four (24) Hour period devoid of duty, given to a Cabin crew the day before departing on a flight that will see the Cabin crew member spend six (6) duty days or more away from base.

Pre flight day off will also apply to layover flights with planned flight duty period of eleven hours and fifteen (11.15) minutes or more.

1.29 Day Off

A twenty four (24) Hour period commencing midnight local time when a Cabin crew member is at base and completely off duty provided the preceding layover duty period ends by 1800 hours GMT or 2100 hours Local Time.

1.30 Post Flight Day Off

A full day devoid of duty, given to a Cabin crew after spending a night outstation. This day does not include the day the Cabin crew lands at base and when duty period ends by 1800 GMT or 2100 Local Time.

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1.31 Emergency Time Off

In the event of death in his/her immediate family or spouses' immediate family, personal time off, catastrophic event, crew will be entitled to compassionate leave.

1.32 Scheduling

All roster requests should be received by Crew Planning at least six (6) weeks before the start date of the next roster. The requests shall be sent to the In-flight management via email.

All rosters shall be published at least two weeks in advance and shall cover a period of 28 days.

The Union shall establish a Scheduling Committee. The committee shall participate in auditing rosters both pre published and achieved. All findings and/or anomalies shall be forwarded to the Manager Crew Scheduling, who shall provide the Scheduling Committee and the Union with corrective actions which shall be held in confidence.

The Scheduling committee and the management shall meet at least once a month to discuss scheduling issues. Urgent issues shall be dealt with as they arise.

All scheduling practices shall adhere to the CAP 394, KCARS of 2007.

1.33 Trackers/Schedulers/Rosterers

Individuals employed by the company to create and furnish the Cabin crew members with their rosters.

They shall be responsible for tracking crew members to ensure flights are adequately crewed according to aircraft qualifications.

They shall ensure that the flight shall depart with no less than the required number of Cabin crew.

They shall be conversant with the CAP 394, KCARS of 2007, Cabin Crew Member Manual and the Cabin Crew Fleet Agreement.

1.34 Personal Crew Schedule \ Rosters \ Planned Duty

A twenty eight (28) day itinerary of duty periods, clearly indicating the start and finish times of each duty period. This is according to CAP 394, Kenya CARs of 2007. This document is provided to the crew not less than two (2) weeks before the start of the rostered twenty eight (28) day period.



The roster shall also contain days off, code explanations, block and duty times, hotel information, expiries, training dates and any other relevant information.

The Schedule must reflect accurate and up to date records of achieved Duty Period and Flight Duty Period (with night factoring included). This is according to CAP 394, Kenya CAAs of 2007 (OPERATION OF AIRCRAFT).

Published rosters shall be available via the internet.

The Company shall schedule not less than eight (8) days off in a twenty eight (28) day roster period. Where, however, it is not possible to schedule eight (8) days off in a twenty eight (28) day roster period, the deficit shall be made good within the next twenty eight (28) day roster period.

A Crew member shall have the right to dispute a schedule that he/she feels is not well planned or fairly balanced or workload is not equitable through the Scheduling Committee.

A Cabin crew shall be allowed to trade / swap flights and /or personal schedules with other Cabin crew on the same seniority level and aircraft qualification as long as it doesn't interfere with normal operation of flights.

The Scheduling Office shall be advised of all swaps through the Inflight Management at least three (3) days before the effective period.

The Company shall not plan a cabin crew member for more than four sectors on any flight duty period on all types of aircrafts.

The Company shall not plan a crew duty period with a flying time in excess of ten hours and fifteen minutes (10.15) on all aircraft types. This limitation is to actual flying hours.

1.35 Roster Change

Alterations to flights and duty periods in a crew member's twenty eight (28) day roster. In the event that a roster change is issued, it must be supported by a valid reason.

Planned roster changes for all flights shall be notified and confirmed as soon as they are known but not later than one hour and fifteen minutes (1.15) before pick up time.

Where there is a dispute arising from a roster change, in-flight management in liaison with the union (Scheduling Committee) will agree on the way forward.

In the event of an unforeseen roster change, Crew Scheduling Procedures as described in the Operation Control Manual Chapter 5 reference 5.6.8 (technical and rotational delays) and 5.6.9 (change of cabin crew member duties at the airport) shall

 & 



apply. Any changes and /or amendments to these references shall be made in consultation with the union.

1.36 Away from Base

Shall mean the inclusive period from the time a crew member reports for duty to depart from base to the time the crew member reports off duty after returning back to base.

1.37 Away from Base Standby

Standby duty away from home base. This shall not exceed ten (10) hours.

1.38 Operational Base

Shall mean the Company's main place of work, which is situated in Embakasi, Nairobi in Kenya.

1.39 Outstation

Any station other than Nairobi.

1.40 International Operation

A flight duty period, which involves a flight where a landing is made outside the borders of Kenya.

1.41 Domestic Operation

A flight duty period, which involves the flight landing within the borders of the Republic of Kenya.

1.42 Crew Lounges/Rooms

The Company shall furnish cabin crew members with crew lounges/rooms/Rest rooms with adequate number of reclining chairs/couches, Television sets, reading materials, internet ready computers, light snacks and refreshments at staffs' cost etc. at base station for standby periods (morning and/or afternoon), transit periods etc.

The company shall have the responsibility of maintaining cleanliness, equipment and ensuring replenishing of the snacks and refreshments.

The Company shall also negotiate for the same at outstation layover hotels but not exclusively for Kenya Airways Cabin crew.

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1.43 Suitable Accommodation

A five star hotel with clean, well-furnished and adequate rooms, subject to minimum noise, is well ventilated and has a facility to control the levels of light and temperature.

The Company shall provide accommodation to Cabin Crew while away from base and this shall be commensurate to the employee status subject to availability.

In case of destinations that do not have five star hotel accommodations, a four star hotel accommodation will be sought. All other factors remaining constant.

The rooms shall be on single occupancy basis within a safe and secure environment.

1.44 Selection of Suitable Accommodation

The Union shall be involved in the selection of suitable hotel accommodation for Cabin Crew.

1.45 Operations Manual

Means a manual containing procedures, instructions and guidance for use by operational personnel in execution of their duties which must be updated from time to time. This is according to the current CAP 394, Kenya CARs of 2007.

1.46 Cabin Crew Member Manual

Cabin Crew Member Manual shall include the current Kenya Law, CAP 394, Kenya CARs of 2007 and the Cabin Crew Fleet Agreement.

1.47 Cabin Jump Seat Authority

Use of cabin jumpseat by other Company personnel and their families shall need the authorization of the Flight Purser in charge of the flight. In case of conflict, the Pilot in Command shall have the final authority.

1.47 New Equipment and Facilities

The Union shall be informed of strategy decisions that have been confirmed by the board.

1.48 Rating

Shall mean an authorization entered on or associated with a license or certificate and forming part thereof, stating special conditions, privileges and limitations pertaining to such license or certificate. This is according to CAP 394 (OPERATION OF AIRCRAFT), Kenya CARs of 2007.

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When rating, the following shall be factored:

- Aircraft type.
- Standard equipment location
- Standard emergency location and procedures

1.50 Loss of Documents

A person may apply to the authority in the prescribed form for replacement of documents issued under the prescribed regulations if such documents are lost or destroyed. This is according to CAP 394, Kenya CARs of 2007 (PERSONNEL LICENSING)

A Cabin crew who has lost the necessary traveling documents e.g. Passport, Yellow fever Certificates, License e.t.c shall inform the controlling manager and tracking office. He/ she shall be assigned annual leave to secure new documents.

The Cabin crew shall not lose earnings. The Cabin crew shall inform the controlling manager after securing the necessary documents so as to resume flights.

1.51 Reports of Violations

A person who knows of a violation of the Civil Aviation Act, or any rule, regulation, or order issued shall report it to the Safety Office.

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S. S. 3
M. L. K. S.
J. K.

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K. M. S.

1. GENERAL REGULATIONS

1.1 This Fleet Agreement shall apply in relation to any duty carried out at the behest of company by Cabin crew.

1.2 When a Cabin crew member is provided with company transport at base or away from base, the Scheduling Committee will be involved in determination of Company requirements for the service.

2. CALCULATION OF MAXIMUM FLYING DUTY PERIOD

Where a flight does not cross more than three time zones, the maximum flying duty period in hours and minutes will be in accordance with the timetable below.

LOCAL TIME OF START	SECTORS			
	1	2	3	4
0600 - 1559	12:30 HRS	12:30 HRS	12:30 HRS	12:15 HRS
1600 - 0559	12:30 HRS	12:30 HRS	12:30 HRS	11:45 HRS

3. LATE FINISHES/EARLY STARTS

Not more than two consecutive duties that occur in any part of the period 0100 to 0659 local time will be undertaken, nor may there be more than four such duties on any seven consecutive days. However, when a crew member is in a suitable accommodation provided by the company that is within fifteen (15) minutes traveling of the reporting point then 0659 will be changed to 0559.

4. EXTENSION OF CREW DUTY PERIOD

(A) SPLIT DUTY

These may be extended to fifteen (15) hours in the case of split duty operations when there are not less than six (6) continuous hours during the duty period when the crew member is free from all duties and adequate rest facilities are provided. The Cabin Crew may not exceed fifteen (15) hours.

(B) UNFORSEEN CIRCUMSTANCES

In the event of unforeseen en route delays away from point of departure, an aircraft commander may, at his sole discretion and after taking note of the circumstances of other crew members, extend a Flight Duty Period beyond that permitted. This is according to CAP 394, Kenya CARs of 2007 (OPERATION OF AIRCRAFT) Regulation 219. After such an extension, a copy of the Pilot in Commands' full

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Report may be accessed by the Union if required; this excludes Confidential Hazard Reports (CHR).

5. REST PERIODS

The minimum rest period, which must be taken before undertaking a flying duty period, shall be shown in the time table shown according to CAP 394, Kenya CARs OF 2007.

REST PERIODS AT HOME BASE

LENGTH OF IMMEDIATELY PRECEDING DUTY PERIOD (HOURS)	MINIMUM LENGTH OF SUFFICIENT REST PERIOD (HOURS)
Exceeding 10 - Not exceeding 11 hours	12 hours
Exceeding 11 - Not exceeding 12 hours	13 hours
Exceeding 12 - Not exceeding 13 hours	14 hours
Exceeding 13 - Not exceeding 14 hours	15 hours
Exceeding 14 - Not exceeding 15 hours	16 hours
Exceeding 15 - Not exceeding 16 hours	17 hours
Exceeding 16 - Not exceeding 17 hours	18 hours
Exceeding 17 - Not exceeding 18 hours	19 hours
Exceeding 18 - Not exceeding 19 hours	20 hours
Exceeding 19 - Not exceeding 20 hours	25 hours
Exceeding 20 - Not exceeding 21 hours	27 hours
Exceeding 21 - Not exceeding 22 hours	29 hours
Exceeding 22 - Not exceeding 23 hours	31 hours
Exceeding 23 hours	33 hours

Where a rest period is taken by a crew member at a place which is not within fifty miles of that crew members' ordinary place of residence, it shall be deemed to be

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sufficient rest period if it includes a period of eight hours falling between 2200 hours and 0800 hours local time as shown below:-

MINIMUM REST PERIOD

DISTANCE NOT WITHIN FIFTY MILES OF PLACE OF RESIDENCE

<u>LENGTH OF IMMEDIATELY PRECEDING DUTY PERIOD</u>	<u>MINIMUM LENGTH OF SUFFICIENT REST PERIOD</u>
(HOURS)	(HOURS)
Exceeding 10 - Not exceeding 11 hours	10 hours
Exceeding 11 - Not exceeding 12 hours	12 hours
Exceeding 12 - Not exceeding 14 hours	13 hours
Exceeding 14 - Not exceeding 17 hours	15 hours
Exceeding 17 - Not exceeding 20 hours	16 hours
Exceeding 20 - Not exceeding 23 hours	17 hours
Exceeding 23 hours	18 hours

The length of the duty periods established in these regulations is adjusted to allow for duty time before and after a flight or series of flights which make up one duty period.

6. DAYS OFF

PART A

When a crew member is away from base for a period of two (2) days or more the following scale of days will apply immediately on his/her return to base.

<u>DUTY DAYS AWAY FROM BASE</u>	<u>DAYS OFF DUTY AT BASE</u>
2 - 4	1
4 (ARRIVALS AFTER MID DAY ON THE 4 TH DAY)	2
5 - 6	2
7 - 9	3
10 - 12	4
13 - 15	5

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Crew will be entitled to two(2) days off for additional three days spent away from base.

PART B

REST PERIOD DURING FLIGHT

Cabin crew on duty, whereby the Flying Duty Period is more than nine (9) hours during night flights shall be allowed to rest thirty minutes (30) uninterrupted rest in turns, during flight. This shall be free from all in-flight duty.

MEAL PERIOD DURING FLIGHT AND POST FLIGHT

Cabin crew shall have twenty five (25) minutes devoid of any interruptions during this time to have their meals. This shall apply to flights that are above four (4) hours of continuous flight time.


Cabin Crew shall be provided with meals in the Business Class. The Cabin Crew meal choices shall be exclusive of the passenger meals complement.

7. CUMMULATIVE DUTY AND FLIGHT TIME LIMITATIONS.

7.1). When a crew member is required to carry out a combination of duties, whether they are flying or otherwise the total combined time spent on duty will be used in calculating his/her permissible crew duty period and resultant minimum rest period.

7.2). In accordance with the Kenya Civil Aviation Act, CAP 394, Kenya CARs of 2007 (OPERATION OF AIRCRAFT) the maximum number of duty hours is limited to 160 hours and 105 hours flying hours which include night factors(one and a quarter hours), in any consecutive twenty eight (28) days.

7.3). For the purpose of calculating cumulative duty hours up to a maximum of 160 hours:-

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To count in full:-

- (a). Duty periods and flying duty periods, plus subsequent post-flying duties as rostered or required by the company.
- (b). All the time spent on positioning / deadheading
- (c). All standby duty when taken in uniform at an airport where there is no suitable accommodation provided by the company and the crew member cannot take undisturbed rest.

To count as duty as follows:-

- (a). Medicals for crew member certificate purposes- 6 hours.
- (b). Standby duty at home or in a suitable accommodation provided by the company- 3 hours for every 12 hours standby duty or pro rated accordingly.
- (c). Office duties as per rostered timings.
- (d). Emergency and Ground Training - 9 hours
- (e). Cabin Crew Member Certificate Renewal - 5 hours

8. POSITIONING / DEADHEADING

Positioning or deadheading shall count as a sector. This is also for the purpose of calculating Maximum Flight Duty Period.

9. RECORDS

The company with regard to all the crew members shall maintain records of achieved and planned rosters. These records shall be accessed by the Union when required.

10. VARIANCE

Any variations to this Cabin crew Fleet Agreement will be by mutual agreement in writing between the Company and the Union.





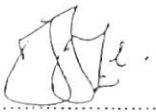
MEMORANDUM OF AGREEMENT BETWEEN AVIATION AND ALLIED WORKERS UNION (K) AND KENYA AIRWAYS LIMITED ON THE COLLECTIVE BARGAINING AGREEMENT 2010/2012 ON THE PENDING ISSUES


Parties have herein agreed that the 2010/2012 Collective Bargaining Agreement be registered pending conclusion on the following clauses:

- 1. Clause 1 - Preamble
- 2. Clause 9 - Allowances - *Pay over, new ground services allowances and new engineers workshop allowances.*
- 3. Clause 49 - Redundancy
- 4. Clause 32 - Warnings
- 5. New Clause: Foreign contract employees
- 6. New Clause: Ground Operation Rules and Regulations

For and on behalf of the Company

For and on behalf of the Union

1. 

1. 

DR. TITUS T. NAIKUNI
Group Managing Director & CEO

BONNE NICHOLAS BARASA
General Secretary & CEO

2. 

2. *Morny*

TOM SHIVO
Ag Group Human Resources Director

MORRIS ODENY
Ag Branch Secretary

3. 
STEPHEN NYAMOTA
Branch Chairman

Dated this *5th* day of August 2011

Morny 

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Signed at Nairobi this..... Day of..... 2011

ISIAH KUBAI for Central Organization of Trade Unions

LINUS W. KARIUKI for Federation of Kenya Employers

IN PRESENCE OF:

1. DR. TITUS T. NAIKUMI
Group Managing Director and CEO

2. TOM SHIVO
Ag Group Human Resources Director

1. BONNE NICHOLAS BARASA
General Secretary & CEO

2. MORRIS ODENY
Ag Branch Secretary

3. STEPHEN NYAMOTA
Branch Chairman

For and on behalf of the Union

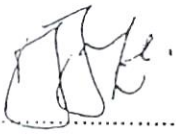
For and on behalf of the Company

MEMORANDUM OF AGREEMENT BETWEEN AVIATION AND ALLIED WORKERS UNION (K) AND KENYA AIRWAYS LIMITED ON THE COLLECTIVE BARGAINING AGREEMENT 2008/2010 ON THE PENDING ISSUE

Parties have herein agreed that the 2008/2010 Collective Bargaining Agreement be registered on the agreed clauses and that the clause on rates of pay and allowances on the layover item be recorded as disagreed to be discussed and agreed.

For and on behalf of the Company


For and on behalf of the Union

1. 

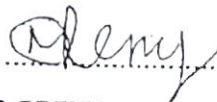
DR. TITUS T. NAIKUNI
Group Managing Director & CEO

1. 

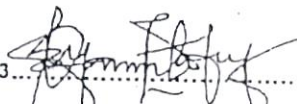
BONNE NICHOLAS BARASA
General Secretary & CEO

2. 

TOM SHIVO
Ag Group Human Resources Director

2. 

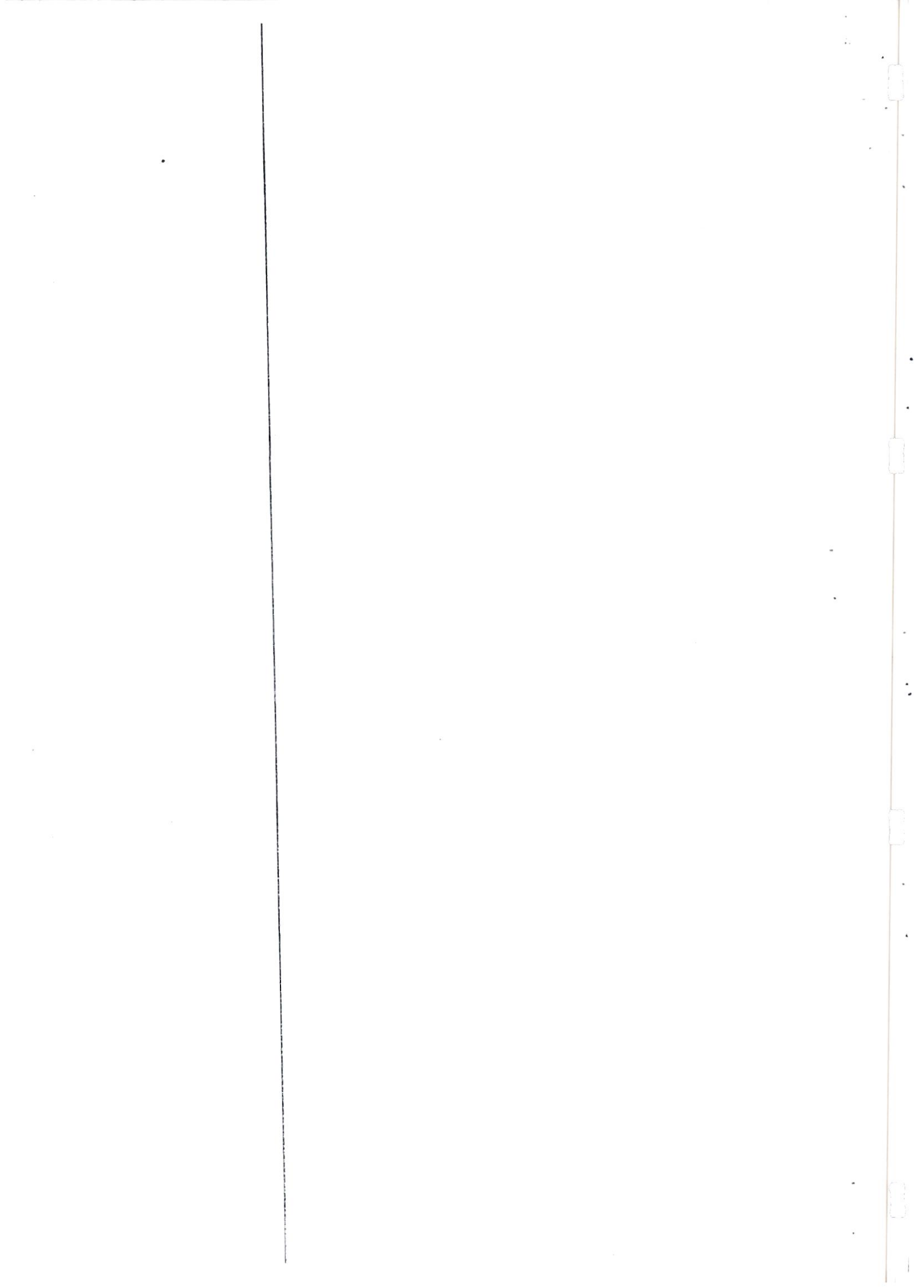
MORRIS ODENY
Ag Branch Secretary

3. 

STEPHEN NYAMOTA
Branch Chairman

Dated this  day of August 2011



Annexure P2

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NAIROBI.

RE: TWO (2) YEARS EMPLOYMENT CONTRACT

We are pleased to inform you that we have offered you a Two (2) Years contract as a member of the CABIN CREW. You will be seconded to KENYA AIRWAYS and/or its subsidiaries. This letter sets forth the terms of the contract which govern your employment as follows:-

1. CONTRACT DURATION

This contract will take effect on 1st August 2012 and expires on 31st July 2014 and may be renewed based on performance track.

2. PAYMENT TERMS:

You will be paid a Consolidated Monthly Gross Salary of Kshs. 45,000.00 (Kshs. Forty Five Thousand only) payable in arrears on the last day of each calendar month. Please note as per legal requirements, the management will deduct from you all the statutory deductions e.g. PAYE, NSSF and NHIF.

You will be eligible to payment of layover allowance of USD 50 per night (achieved) spent outstation as defined by Kenya Airways.

Taxable Duty free sales commission on rates and targets as defined by Kenya Airways

3. LEAVE

a) Annual Leave

You will be entitled to an annual leave of 25 days which will be taken at the discretion of the management.

b) Compassionate Leave

You will be entitled to 15 days Compassionate leave which will be offset against your earned leave days or your future leave days if you do not have any leave days at the time.

c) Maternity Leave

You will be entitled to Maternity leave as follows:-

- i. You shall be entitled to maternity leave in accordance with the Kenyan labour law.
- ii. It will be your responsibility to report pregnancy condition as soon as the same has been certified/confirmed by an authorised medical practitioner. This, however, shall be at the earliest opportunity but not later than the twelfth (12th) week of pregnancy.
- iii. In accordance with Company In-flight and Safety Regulations, you will be required to be declared medically fit by the Company doctor before resuming flying duties after childbirth. This shall not be later than three months after childbirth. You will also be required to meet all other In-flight requirements as stipulated in the cabin crew manual.

Employment: Appointment

Annex. P 3A

d) Sick Leave

You will be entitled to sick leave of seven (7) days with full pay and thereafter to sick leave of seven (7) days with half pay in each period of twelve consecutive months of service, subject to production of a certificate of incapacity to work signed by a duly qualified medical practitioner or a person acting on the practitioner's behalf in charge of a dispensary or medical aid centre. Sick leave will only be recognized where granted by an approved medical practitioner and which must be by the Kenya Airways Company doctor immediately.

4. MEDICAL SCHEME

You will be eligible to Inpatient and Outpatient medical treatment for self only. The cover benefits will be stipulated in a benefits schedule which may be revised from time to time.

5. HOURS OF WORK

As a Cabin Crew, you will be expected to work as per the Published Cabin Crew Duty Roster. You shall observe and abide by the flight duties and standby duties as may be prescribed by the Company from time to time.

6. ASSIGNMENT:

You will be employed as CABIN CREW by Career Directions Ltd and seconded to Kenya Airways.

Your core duties shall be those of a cabin crew member as defined by KCARs and Kenya Airways. You will be required to undertake such duties both in flight and on ground, as may be assigned to you by the Company from time to time, at such timings or places of duty as the Company may direct.

7. FULL TIME EMPLOYEE DEVOTION TO THE COMPANY BUSINESS

You shall (unless prevented by ill-health) devote the whole of your time, attention and ability during business hours to your duties as specified and shall use your best endeavours to promote the welfare and interests of the Company and shall not without the consent of the Company engage or be engaged directly or indirectly in any other business or occupation other than that of your employment.

8. DUTIES, RESPONSIBILITIES AND CODE OF CONDUCT

While employed by the Company you are required: -

- a. To attend punctually at your place of work or at such other place or places as your duties require and diligently and to the best of your skill to perform your duties during your working hours as defined from time to time by the Company and such additional hours as the Company from time to time requires.
- b. To act in accordance with the instructions of and comply with all lawful commands and directions of the Company or its duly authorized officers.
- c. To observe Company Rules and Regulations as amended from time to time and to diligently and faithfully discharge the duties of your post and such other duties as the Company may call upon you to perform from time to time.
- d. To strictly abide by all the provisions of the cabin crew manual. You will be responsible for the safe custody of all documents/manuals supplied to you.

You shall also be responsible for ensuring certification documents are always valid. All crew members are responsible for ensuring that their documents are current and kept up to date.

Annex. P3A

- e. To maintain high level of performance within the specified standards at all times. Your performance will be regularly reviewed and documented including a formal annual performance appraisal report. Unsatisfactory performance will result in the termination of your employment.

9. TRANSPORT

The Company will provide transport to and from work within the approved route distance (within 15KM road distance from the Airport). Details of the route distance are available with the Kenya Airways Manager, Motor Transport. In the interest of your own security and that of the Company drivers who will be assigned to transport you to and from the place of work, you will be required to live within accessible areas in the City. The pick and drop shall be from and to registered residence and/or address as held by the Kenya Airways Manager, Motor Transport.

10. MANDATORY REQUIREMENTS

a) Medical Requirements

- i. You shall keep yourself medically, physically and mentally fit at all times and within the weight limits as prescribed by the Company. You shall appear before the Kenya Airways company medical doctor as and when required by the company and/or authority.
- ii. Fit to fly requirements shall be as per *Kenya Airways standards*

b) Trainings Requirements and Checks

- i. In order to retain your qualification as Cabin Crew, you shall be required to successfully complete the recurrent and/or requalification training and the relevant checks as per the approved Kenya Airways training program. Failure to do this will lead to immediate contract termination.

c) Documents & Certifications Validity

You shall ensure that all your crew member documentation is valid and in your possession at all times.

d) Narcotics

Any employee who is convicted, whether in or outside Kenya, for any offence relating to the growing, processing, manufacture, sale, disposition, possession, transportation, or importation of narcotic drugs, marijuana, or depressant or stimulant drugs or substances, shall be dismissed from the Company.

Cabin crew shall not engage in trading or transportation of narcotics/illegal drugs.

e) Alcohol/Drugs

A cabin crew member shall not undertake cabin crew functions while under the influence of alcohol and/or any psychoactive substance, narcotic drugs, marijuana, or depressant or stimulant drugs or substances, by reason of which human performance is impaired.

A Cabin crew member shall, up to eight hours before or immediately after acting as a crew member, on the request of the Authority or a Kenya Airways appointed representative, submit to a test to indicate the presence of alcohol, psychoactive substances or narcotic drugs in the body, blood and/or urine. Where there is a reasonable basis to believe that a person may not be in compliance with this regulation and upon the request of the Authority, that person shall furnish the Authority or authorize any clinic, doctor, or other person to release to the Authority, the results of each blood test taken for presence of alcohol or narcotic substances up to eight hours before or immediately after acting a Cabin crew member. If a Cabin Crew member refuses to submit to the test; or having submitted to the test, refuses to authorize the release of the test results, the Civil Aviation Authority may suspend or revoke the Cabin Crew Member certificate



INTER OFFICE MEMORANDUM

SNAPSHOT OF MEDICAL BENEFIT

You Will be entitled to Medical cover as outlined below: -

- Inpatient Cover of Kshs 500,000.00 annual limit
- Outpatient cover Kshs 40,000.00 annual Limit
- Maternity of Kshs 150,000.00 for 1st Cesarean Section
- Dental of Kshs 10,000.00 annual limit
- Optical of Kshs 10,000.00 annual limit

A medical card will be processed after submission of dully filled application form, Passport photo and copy of National ID.

Further details on the policy will be provided by our Insurance Agent: -
(Agillient Insurance

Contact Persoin	Moses Kimani
Contact Phone No.	0722990725/0733990725
Contact Email Address o	mkimani@agillient.com.

Yours sincerely,

DAVID CHEGE
GENERAL MANAGER

LUCY MMARI
MANAGING DIRECTOR

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Handwritten text along the right margin, possibly bleed-through from the reverse side of the page.



OBURAMBECHÉ & COMPANY ADVOCATES
Commissioners for Oaths and Notaries Public

This is the exhibit Marked PM 10
referred to in the annexed
Affidavit of PERPETUA MPE NJI
declaration
Sworn before me this 9TH
~~declared~~ AUG at NAIROBI
day of 19th December 2011
Commissioner for Oaths

Our Ref:

O/CC/K/351

Your Ref:

NAIROBI OFFICE:
Bishops Garden Towers,
2nd Floor
Bishop Road
1st Ngong Avenue
P.O. Box 75073-00200
Nairobi-Kenya
Tel: 254-020-2725885/7
2726198/9, 2726200,
To Fax: 254-020-2725701

Otieno Arum & Company Advocates
Travel House, 5th Floor
Mama Ngina Street
P.O Box 75073-00200
NAIROBI

Dear Sirs,

RE: KENYA AIRWAYS AND JamboJet LIMITED


Reference is made to your letter dated 17th November 2011 which has been handed over to us by our Client, the Kenya Airways Limited.

Please do note that Kenya Airways and JamboJet Limited are two distinct corporate entities and Kenya Airways Limited is not in a position to comment on issues touching on JamboJet Limited.

Even if the corporate veil was to be lifted as regards the operation of Kenya Airways Limited and JamboJet, we fail to understand how the preamble of the 'Recognition Agreement' between Kenya Airways and your Client would bestow on your Client the right to question the decision making process of the management of Kenya Airways, particularly when such decisions concern Kenya Airways investment policies in JamboJet.

In our humble opinion, your Client's concerns are at best speculative assumptions and have nothing to do with activities of a trade union.

Yours faithfully,
FOR: -OBURA MBECHÉ & COMPANY

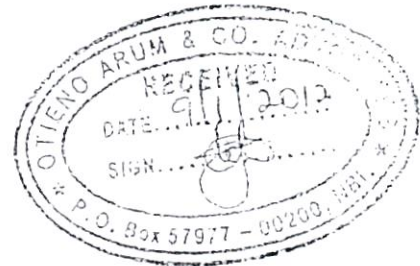

GEORGEY O'RA'O-OBURA

Cc: Client

.. /s

PARTNERS:
Geoff. A. Oruo-Obura, (CAE)
SN Mbeche
PPO Mbeche

Associates:
Caroline C. Serem
Mary Bonyo





Our Ref: IR/AAWU/11/10/2011/PF

12 October 2011

The General Secretary
Aviation & Allied Workers Union (Kenya)
PO Box 19104
00501 NAIROBI

Dear Sir

SUBJECT: STAFF ON CONTRACT


We acknowledge receipt of your letter dated 3 October 2011 on the above subject.

While we are not admitting any breach of the agreements entered into between the parties, this is to confirm that we have looked into the issue of Customer Service Agents and In-flight Attendants on two (2) or more years specific contract terms of employment and determined that business requirements can accommodate them on permanent terms.

We will very soon dispatch letters of appointment to the affected staff and this will be to confirm them into permanent (open ended) contract terms effective 1 November 2011.

Yours faithfully



 Alban Mwendar
Group Human Resources Director



Staff notice number 062/2011

10 November 2011

To: All Kenya Airways People

Dear Colleagues

Subject: Jambo Jet Cabin Crew internship

Kindly note that due to the need to have adequately trained Cabin Crew and Ground Services check-in staff, we have come up with an internship program for Pride Stars who have completed training for both positions. The program is already on-going in Ground Services. We are now introducing the same in Inflight Services division and effective 14th November 2011 we shall receive our first 25 interns into cabin operations. During the internship period they shall not perform any safety related duties until they have completed the required supernumerary flights and have been duly assessed. They will, however, form part of the complement of crew as far as on board service delivery is concerned.

The internship will initially be for a period of 3 months, however, this may be extended to a maximum of 6 months depending on the results of each individual's assessment. During the internship period the interns shall wear the Pride Star trainee uniform. Please accord them the necessary support.

Alban Mwendar
Group Human Resources Director

RE: INFLIGHT ATTENDANT INTERN/TRAINEE

Further to your interview with Kenya Airways for the role of In-flight Attendant, the company is pleased to offer you a internship/training effective 28th November, 2011 on the terms set out in this letter:-

1. **Position**
In-flight Attendant Intern/Trainee
2. **Internship /Training**
You will undergo a total of three (3) months of internship/Training at the Kenya Airways –In-flight services as follows:-
 - (i) Internship for period of (2) Months to commence on 28th November, 2011.
 - (ii) Thereafter, as Supernumerary Crew (SNY) on board domestic and regional flights for period of one month.

This Internship/Training may be terminated at any time should your performance not meet the required standards. These standards will be communicated to you from time to time.

3. **Employment**
Subject to successful completion of your internship/training, you may be appointed to a substantive position of In-flight Attendant within the Kenya Airways Group.
4. **Duties, Responsibilities and Code of Conduct**
While on Internship/Training, you are required:
 - a) To attend punctually at your place of internship/training or at such other place or places as your duties require, and diligently and to the best of your skill to perform your duties during your internship/training as defined from time to time by the Company.
 - b) To act in accordance with the instructions of and comply with all lawful commands and directions of the Company or it's duly authorized officers.
 - c) To promote and safeguard at all times the interests of the Company and its business and not do anything detrimental to those interests and in particular not to do anything that does or is likely to bring the Company to disrepute.
5. **Remuneration**
During your internship/training, you will be paid a consolidated gross monthly amount of **Kshs. 45,000** (Kenya Shillings Forty Five Thousand).
6. **Medical Scheme**
You will be eligible to medical treatment in accordance with the Company's medical scheme rules.



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This is the exhibit Marked PM 10
 referred to in the annexed
 Affidavit of PERPETUA M. M. NJIWA
 declaration sworn before me this 9th
 day of Aug at NAIROBI

CABIN NOTICE

CAB ADMIN : 198/ 2012
 DATE : 03rd February 2012
 AUTHORITY : Head of In-Flight Services & Standards

Commissioner for Civil Aviation

DISTRIBUTION	
Pursers	154
Assistant Flight Pursers	144
Flight Attendant I	510
Flight Attendant II	42
Head of In-Flight Services & Standards	01
In-Flight Performance Managers	05
Standards & Procedures Offices	01
Cabin Managers	06
Director Flight Operations	01
Crew Administration	03
TOTAL	867

Dear Team,

RE: CREW INTERNS- PHASE TWO

Following our earlier communication through Cabin Notice 179/2011 dated 18th Nov 2011; we would like to update you as follows.

The first phase of the Crew Internship on board has been completed; this was when the interns were not allowed to carry out safety duties.

The Crew Interns will now commence the second phase of the internship. The duration of this phase will be six (06) months after which the company will give direction.

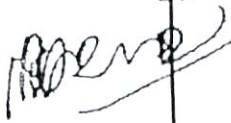
The second phase will comprise the following:

1. Safety related duties.
2. They will form part of the active crew complement.
3. They will be scheduled to operate lay-over flights (Embraer and B737).
4. Their numbers will continue to grow until we complete the 151 have been cleared.
5. The system is set, such that there should NOT be more than two interns per flight.
6. In the event of KCARS minimum operation- only 01 intern.
7. E 170 - 01 intern.

NOTE

While on lay-over flights, the Crew Interns will be entitled to **full-board** and a **set menu** arrangement. All other rules and regulations pertaining to Crew behavior and conduct outstation firmly apply. Any conduct contrary to that should be noted and reported to the In-flight Managers. **Purser and Asst Purser are therefore requested to guide them accordingly.** We count for your usual support and co-operation.

Be guided accordingly,



Nicholas Korir
In-flight Performance Manager

Validity 06 Months

INFLIGHT SERVICES - FLIGHT OPS DEPARTMENT

JAMBO CREW

SIGN-ON - SMILE A MILE / SKYTEAM

NO.	NAME(S)	S/NO	SIGNATURE
1.	NEREAH A. ODERA	J0149	<i>[Signature]</i>
2.	AUREEN N. AUNGA	J0140	<i>[Signature]</i>
3.	FENINA NYAKERARIO MORIASI	J0132	<i>[Signature]</i>
4.	HELEN MUYERA LIKABO	J0145	<i>[Signature]</i>
5.	JACKLINE WANIRA MUMENE	J0143	<i>[Signature]</i>
6.	NAOMI CHEMERIN KIBERA	J0137	<i>[Signature]</i>
7.	LUCY MUTHONI WACHIRA	J0135	<i>[Signature]</i>
8.	RUTH J. KISASOM	J0147	<i>[Signature]</i>
9.	PRISSILLA A. OBUHO	J0128	<i>[Signature]</i>
10.	JOY ALLABA OIUCH	J0040	<i>[Signature]</i>
11.	ATHMAN IBRAHIM SATO	J0136	<i>[Signature]</i>
12.	MAXWELL ODERO DAVAO	J0121	<i>[Signature]</i>

SMILE 012
SKYTEAM 01








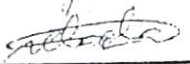

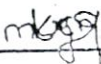

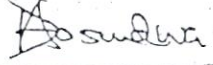
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SKYTEAM 1

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SKYTEAM 1

INFLIGHT SERVICES - FLIGHT OPS DEPARTMENT

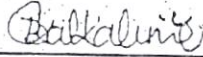

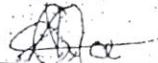
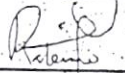
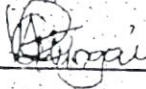
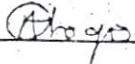
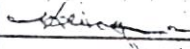



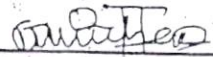
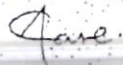
JAMBO CREW

SIGN-ON-PROCEDURE FOR REPORTING SICK

NO.	NAME(S)	S/NO	SIGNATURE
1.	ETIDIA NJERI MUMNGI	J0086	
2.	Nancy Chepkoech	J0083	
3.	TAN Melito	J0030	
4.	SANDRA J. AKUOR	J0029	
5.	Diana A. Angira	J0050	
6.	VINCENT M. KYONGO	J0085	
7.	ARTON E. OPLUMBI	J0091	
8.	JACQUELINE A. CHACHA	J0070	
9.	PHILIP M. KILAU	J0084	
10.	EPHANTUS KENNEDY MUGO	J0056	
11.	EMMAH ACHIENG NGERE	J0057	
12.	DANA AKELLO OSUNBWA	J0071	

INFLIGHT SERVICES – FLIGHT OPS DEPARTMENT

JAMBO CREW	SIGN-ON – SMILE A MILE / SKYTEAM
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NO.	NAME(S)	S/NO	SIGNATURE
1.	DIANA KADZO KALUME	JO141	
2.	MARDN WANTONYI	JO150	
3.	ALICE OCHOLLA	JO142	
4.	CTRIZIGI RATEMO	JO148	
5.	LINSA MUNGAI	JO144	
6.	ANTHONY CHEGE WAMBUI	JO146	
7.	MAUDEEN VIRESWA LUMBASIO	JO130	
8.	Cynthia N. Kihara	JO129	
9.	ROY L. NDETO	JO134	
10.	ANTHONY KAMAU	JO151	
11.	GILBERT K. METTO	JO138	
12.	CLARE MWANGI	JO139	

SKYTEAM
SMILE 1

SKYTEAM
SMILE 1

SKYTEAM
SMILE 1

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SMILE 1

SKYTEAM
SMILE 1

SMILE SKYTEAM

SMILE 2
SMILE 1

SMILE 1 SKYTEAM

FLIGHT OPERATIONS DEPARTMENT

PROCEDURE FOR REPORTING SICK AT BASE - SIGN ON	ATTENDANCE RECORD
---	-------------------

DATE: 24-11-11

CREW ADMINISTRATION

NO.	NAME(S)	RANK	S/NO	SIGNATURE
01 01	DANIEL K. KIYAI	FLIGHT ATTENDANT	J0027	
02	CRAIG D. OBHIAMBO 0713175385	FLIGHT ATTENDANT	J0069	
03	EVARLYNE NG'ISIREY 0723039781	FLIGHT ATTENDANT	J0065	
04	LORREN G. METTO 0712-340820	FLIGHT ATTENDANT	J0048	
05	CAROLYNE C. CHIRCHIR 0727515612	FLIGHT ATT	J0046	
06	NAOMI MORAA HAMBETA 0722150149	FLIGHT ATT	J0032	
07	TRYPHOCA A. WENDO	FLIGHT ATT	J0028	
08	ANNA S. SHUNSU	FLIGHT ATT	J0021	
09	ANTHONY K. MAIBEI 0722118236	FLIGHT ATT	J0035	
10	ISABEL W. EVANS 0726065528	FLIGHT ATT	J0099	
11	IRENE N. MAJIA 0721539813	FLIGHT ATT	J0015	

TEL CONTACT

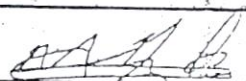
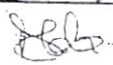

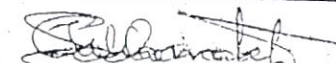
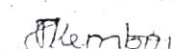
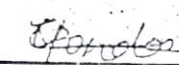


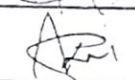

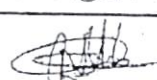
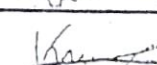
0725 802320

0720069322

0721539813

INFLIGHT SERVICES - FLIGHT OPS DEPARTMENT

JAMBO CREW	SIGN-ON-PROCEDURE FOR REPORTING SICK
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NO.	NAME(S)	S/NO	SIGNATURE
1.	Mohammed Naji	0050096	
2.	TUKIKO OLANG	10692	
3.	BETH MOUTA MUAIRA	J0073	
4.	Guxmakh Juliana Sadi	J0075	
5.	JOAN CHERET KEMBOI	J0066	
6.	JERUSHA -V- OPUNDO	J0074	
7.	ALICE CHERONO	J0067	
8.	OSCAR Kipkemboi	J0076	
9.	Stephen Ndungu	J0078	
10.	ERIC MULOO	J0094	
11.	RODGERS N. TUMBO	00007	
12.	KOECH NELSON -S	J0014	



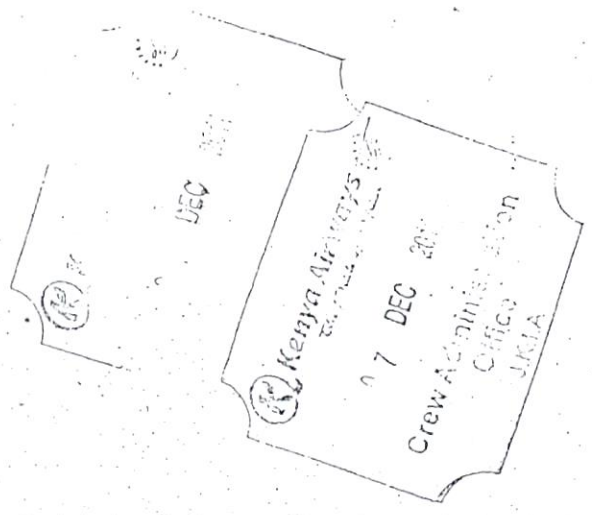
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Lura	Aletsi	J0121
Roline	Hkirote	J0123
Lorena	Obergele	J0114
Emily	Karnera	J0107
Janet	Chache	J0113
Elizabeth	Hjeri	J0117
Mtvera	Mespa	J0101
Annet	Muthengi	J0118
Morah	Iningy	J0120
Brenda	Hkirote	J0103
Zipporah	Mbury	J0112
Hellen	Andrew	J0116

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SN
 PEZ OBIGA J0033
 SUS N AHAMBO J0034
 IS W GITAU J0023
 Tomas Ogeke J0022
 Jid Kiyu J0027

SLGN
 (R) → TEL CONTACT
 → 0750 877112
 (S) → 0712 768655
 (P) → 0729 743725
 (A) → 0726 444416
 (B) → 0729 805400



REVISIONS
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BY
REASON

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Soar with a career in the air travel industry!



KENYA AIRWAYS AVIATION REGIONAL TRAINING PROGRAM

Course Name	Admission Requirement	Duration
• Certificate in Airline Cabin Crew	Minimum O-level mean grade: C plain or equivalent. Minimum physical height of 5.4ft (ladies) and 5.6ft (gentlemen) Minimum age: 21 years.	3 months including practicals
• Certificate in Airline Passenger Services	Minimum O-level mean grade: C plain or equivalent.	6 months including 3 months practical exposure
• IATA Foundation Course	Minimum O - Level grade C plain or equivalent	6 months (Including practical exposure)
• IATA Consultant Course	Minimum O - Level grade C plain or equivalent IATA Foundation Diploma.	6 months (Including practical exposure)

Call 020 264 2803 or 0734 102803 or 0711 022803,
Email: learning.development@kenya-airways.com or drop by the Pride Centre,
Embakasi Road, off Airport North Road, Nairobi for more information.

Application closure date 14th Sep 2012.



Annex. P 3 B

Annex. P 3 B

Annex. ~~A#~~ 3C

career
directions ltd.



Annex. 3C

INTER OFFICE MEMORANDUM

SNAPSHOT OF MEDICAL BENEFIT

You Will be entitled to Medical cover as outlined below: -

- Inpatient Cover of Kshs 500,000.00 annual limit
- Outpatient cover Kshs 40,000.00 annual Limit
- Maternity of Kshs 150,000.00 for 1st Cesarean Section
- Dental of Kshs 10,000.00 annual limit
- Optical of Kshs 10,000.00 annual limit

A medical card will be processed after submission of dully filled application form, Passport photo and copy of National ID.

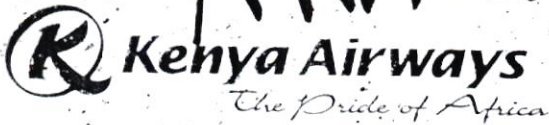
Further details on the policy will be provided by our Insurance Agent: -
(Agillient Insurance

Contact Person	Moses Kimani
Contact Phone No.	0722990725/0733990725
Contact Email Address o	mkimani@agillient.com.

Yours sincerely,

DAVID CHEGE
GENERAL MANAGER

LUCY MMARI
MANAGING DIRECTOR



Annex. P 4

Our Ref: HRR&R/0008057/PF

CONFIDENTIAL

8th August 2012

Gloria Shirley Muga

S/N: 0008057

Flight Operations

RE: ASSESSMENTS

Dear Gloria,

Reference is made to the staff notice number 035/2012 of 1st August 2012 on the subject of the Kenya Airways Staff Rationalization Exercise. The company is currently in the process of establishing the exact number of staff who will be affected in the rationalization exercise, and has therefore put in place a programme that will guarantee objectivity and fairness in identifying staff who will be deployed into the new structure.

One of such processes is an assessment programme, aimed at matching individual profiles with those identified for various roles in the organisation.

As skills fit is one of the criteria defined for the whole selection / retention process, you are hereby invited to participate in an assessment which will take place at Pride Centre - OCC2 between 1000 hours to 1100 hours on Monday 13th August, 2012

You do not need to carry anything for this assessment, neither is any formal preparation required for the test. For those who would normally use reading glasses on their day to day work, it will be recommended that you carry along your glasses, as part of the exercises will involve reading of test materials. The assessments may include an on-line computer based review as would be applicable.

Among other criteria, the outcome of these assessments will be used as part of the basis for deployment into the structure.

Please note that attendance to these assessments is **COMPULSORY**, and that **PUNCTUALITY** must be observed

Yours sincerely,

Tom Shivo
Head of Human Resources Relationships

Copy to: Personal File



Kenya Airways

The Pride of Africa



Annex. P-5

AB

Annex. P-5

Staff notice number 040/2012

13 August 2012

To: All Kenya Airways People

SUBJECT: STAFF RATIONALISATION ASSESSMENT PROGRAM

Further to the staff notice number 038/2012 regarding the staff rationalisation assessment program, this is to advise that the assessments will stand suspended until further notice.

Alban Mwendar
Group Human Resources Director

Annex-4 P 6 A



PM 11

RE: INFLIGHT ATTENDANT INTERN/TRAINEE

Further to your interview with Kenya Airways for the role of In-flight Attendant, the company is pleased to offer you a internship/training effective 28th November, 2011 on the terms set out in this letter:-

1. **Position**
In-flight Attendant Intern/Trainee
2. **Internship /Training**
You will undergo a total of three (3) months of Internship/Training at the Kenya Airways –In-flight services as follows:-
 - (i) Internship for period of (2) Months to commence on 28th November, 2011.
 - (ii) Thereafter, as Supernumerary Crew (SNY) on board domestic and regional flights for period of one month.

This Internship/Training may be terminated at any time should your performance not meet the required standards. These standards will be communicated to you from time to time.
3. **Employment**
Subject to successful completion of your internship/training, you may be appointed to a substantive position of In-flight Attendant within the Kenya Airways Group.
4. **Duties, Responsibilities and Code of Conduct**
While on Internship/Training, you are required:
 - a) To attend punctually at your place of internship/training or at such other place or places as your duties require, and diligently and to the best of your skill to perform your duties during your internship/training as defined from time to time by the Company.
 - b) To act in accordance with the instructions of and comply with all lawful commands and directions of the Company or it's duly authorized officers.
 - c) To promote and safeguard at all times the interests of the Company and its business and not do anything detrimental to those interests and in particular not to do anything that does or is likely to bring the Company to disrepute.
5. **Remuneration**
During your internship/training, you will be paid a consolidated gross monthly amount of Kshs. 45,000 (Kenya Shillings Forty Five Thousand).
6. **Medical Scheme**
You will be eligible to medical treatment in accordance with the Company's medical scheme rules.

Annex. D 7A

Telegrams: "INTESTATE", Nairobi
Telephone: Nairobi 227461
Please address all communication
to:



DEPARTMENT OF
THE REGISTRAR- GENERAL
P.O. BOX 30031 - 00100
NAIROBI.

Our Ref: CR12. C. 112809
Your Ref://-

18th September 2012

Andrew Loketo Kariu
Advocate
P.O.Box 74324 - 00200
Nairobi

Dear Sir/(s)

THE COMPANIES ACT (Cap. 486)

RE: INSIGHT MANAGEMENT CONSULTANTS LIMITED

I refer to your letter dated 17th September 2012

According to the records relating to the above company held by this Registry as at 18th September 2012 the names of the directors/shareholders of the above company with their particulars are as follows:

Names	Address	Nationality	Shares
Francis Macharia	P.O.Box 2781 Nairobi	Kenyan	2
Jane Wanjiku Ndungu	P.O.Box 2781 Nairobi	Kenyan	1
		Total	3

The nominal share capital of the company is **Kshs. 100,000** divided into 1000 ordinary shares of **Kshs 100** each.

Yours faithfully,

ASSISTANT REGISTRAR OF COMPANIES

Annex. P 6B

00J0001	Mwangi	Evelyne Nyaguthii	MOBILE 1: +254725414911, NEXT OF KIN: +254734603215
00J0002	Ayimba	Margaret	MOBILE 1: 0720672112, NEXT OF KIN: 0733270600
00J0003	Hassan	Rayis Mohammed	NEXT OF KIN: 0723329875, MOBILE 1: 0738591352
00J0004	Lagat	Nancy Jepchumba	MOBILE 1: 0721891152, NEXT OF KIN: 0731018330/0722702848
00J0005	Khaminwa	Antoinette Fleur llamoga	NEXT OF KIN: 0723697289, MOBILE 1: 0725513079
00J0006	Ogara	Ruth Akinyi	NEXT OF KIN: 0722753269, MOBILE 1: 0723516048
00J0007	Tumbo	Rodgers Ndetto	MOBILE 1: 0720016828, NEXT OF KIN: 0722732440/0202437907
00J0008	Oloorkerin	Felista Yiamol	MOBILE 2: 0722779683, MOBILE 1: 0722930452,
00J0009	Mwangi	Isaac Maina	MOBILE 1: 0724108618, NEXT OF KIN: 0736641857/0723680807
00J0010	Akumu	Isabella Were	HOME: 0713488517
00J0011	Murage	Virginia Nyambura	NEXT OF KIN: 0722887468, MOBILE 1: 0733217531
00J0012	Muthoni	Emmah Mukuhl	HOME: 0724440716, NEXT OF KIN: 0728080049
00J0013	Aola	Hezbon Otieno	MOBILE 1: 0704376315,
00J0014	Koech	Nelson Sitonik	HOME: 0722375560
00J0015	Muia	Irene Nyamal	MOBILE 1: 0721539813, NEXT OF KIN: 0722267278
00J0016	Njung'e	Grace Njeri	MOBILE 1: 0725117598, NEXT OF KIN: 0733253939
00J0017	Rabuko	Gloria Moraa	MOBILE 1: 0711205064, NEXT OF KIN: 0725718285/0721995808
00J0018	Ongerl	Edward Kiyondi	NEXT OF KIN: 0721780084, MOBILE 1: 0722670701
00J0019	Wangui	Mercy Wanjiru	NEXT OF KIN: 0724473419, MOBILE 1: 0726565410
00J0020	Musiga	Gladys Dado	MOBILE 1: 0720058930, NEXT OF KIN: 0725691355
00J0021	Shlundu	Anna Shibuko	MOBILE 1: 0725802320, NEXT OF KIN: 0731385982/0728000846
00J0022	Ogeke	Thomas Ondoro	MOBILE 1: 0726444416, NEXT OF KIN: 0729651900
00J0023	Gitau	Peris Waruguru	NEXT OF KIN: 0723330338/0734417135, MOBILE 1: 0729743725
00J0024	Njaramba	Peris Njoki	MOBILE 1: 0725464610, NEXT OF KIN: 0733419455
00J0025	Mutwiri	Stella Karimi	NEXT OF KIN: 0722939779, MOBILE 1: 0723788773
00J0026	Sane	Angela Milanol	MOBILE 1: 0722850478, NEXT OF KIN: 0722943256
00J0027	Kiyal	Daniel Kiplagat	MOBILE 2: 051-343319, MOBILE 1: 0729805400
00J0028	Wendo	Tryphosa Achieng	NEXT OF KIN: 0721363207, MOBILE 1: 0722652282
00J0029	Awuor	Sandra Josephine	NEXT OF KIN: 0722643408, MOBILE 1: 0734150012
00J0030	Sitelu	Ian Melita	NEXT OF KIN: 0722483576, MOBILE 1: 0725351329
00J0031	Odwa	Brian Oluoch	MOBILE 1: 0721736697, NEXT OF KIN: 0729579945
00J0032	Mabeya	Naomi Moraa	NEXT OF KIN: 0720917511, MOBILE 1: 0722150149
00J0033	Obiga	Perez Awuor	MOBILE 1: 0750877112
00J0034	Atambo	Dorris Nyanchama	MOBILE 1: 0712768655, NEXT OF KIN: 0721322392
00J0035	Naibel	Anthony Kipruto	MOBILE 1: 0722118236, NEXT OF KIN: 0734605011/0722461454
00J0036	Kimuru	Phoebe Warau	MOBILE 1: 0712395448, NEXT OF KIN: 0717111983
00J0037	Naibel	Philis Chelagat	MOBILE 1: 0727723745, NEXT OF KIN: 0727723745

Handwritten signatures and marks at the top of the page.

00J0038	Okeyo	Jevance Oguda	MOBILE 1: 0712443998, NEXT OF KIN: 0721260312
00J0039	Murema	Melvin Maboni	MOBILE 1: 0724722397, NEXT OF KIN: 0724722397
00J0040	Oluoch	Joy Allaba	NEXT OF KIN: 0722854118, HOME: 0727093460
00J0041	Atibu	Faiza Andika	MOBILE 1: 0722789669, NEXT OF KIN: 0735094450
00J0042	Landich	Emmanuel Kiptoo	MOBILE 1: 0711729865, NEXT OF KIN: 0721991121
00J0043	Wandera	Lydia Catherine Nabwire	MOBILE 1: +254735084149, HOME: 0722743711/0734285742,
00J0044	Wakio	Grace Wanjiru	NEXT OF KIN: 0722319210, MOBILE 1: 0724580833
00J0045	Nyambane	Mornah Kwamboka	MOBILE 1: 0726020453, NEXT OF KIN: 0727881588
00J0046	Chirchir	Carolyne Chellmo	MOBILE 1: 0751031123/0727515612
00J0047	Kabwi	Doreen Kanorio	NEXT OF KIN: 0725446952/0734464606, MOBILE 2: 0728692944
00J0048	Metto	Loreen Chepleting	MOBILE 1: 0712340820, NEXT OF KIN: 0727267590
00J0049	Kang'alikya	Denis Mwendwa	MOBILE 1: 0711884293, NEXT OF KIN: 0722278935
00J0050	Angira	Diana Akoth	NEXT OF KIN: 0724686995/0722897605, MOBILE 1: 0726542450
00J0051	Muthee	Teddy Mutuma	MOBILE 1: +254713455414, NEXT OF KIN: 0722280352
00J0052	Wekesa	Anthony Wafula	NEXT OF KIN: 0723324632, MOBILE 1: 0750543310
00J0053	Khaemba	John Kirui	MOBILE 2: 0707010828, MOBILE 1: 0728878363
00J0054	Seron	Vincent Kiplangat	MOBILE 1: 0714364512, NEXT OF KIN: 0722496104
00J0055	Kaari	Evan Ngugi	NEXT OF KIN: 0721310995, MOBILE 1: 0723591775
00J0056	Mugo	Ephantus Kennedy	HOME: 0723660037
00J0057	Ngere	Emmah Achieng	MOBILE 1: 0720731490, NEXT OF KIN: 0720731490
00J0058	Japheth	Kenneth Kimanthi	NEXT OF KIN: 0720962549, MOBILE 1: 0721722144
00J0059	Chelal	Rebecca Chepkorir	MOBILE 1: 0714961724, NEXT OF KIN: 0721309078
00J0060	Kyalo	Susan Muili	MOBILE 1: 0711854606, MOBILE 2: 0711854606,
00J0061	Ndung'u	Christabel Wambui	MOBILE 1: 0714822036, NEXT OF KIN: 0720923533
00J0062	Ngoko	Christine Wamburu	HOME: 0722803714
00J0063	Ndungu	Elizabeth Gathoni	MOBILE 1: 0711277770, NEXT OF KIN: 0721965455
00J0064	Odhiambo	Craig Onyango	MOBILE 1: 0713175385, NEXT OF KIN: 0713175385
00J0065	Ng'isirey	Evarlyne	MOBILE 1: 0723039781, NEXT OF KIN: 0723375552
00J0066	Kembol	Joan Chebet	MOBILE 1: 0713151469, NEXT OF KIN: 0723281973
00J0067	Cherono	Alice	MOBILE 1: 0723759051, NEXT OF KIN: 0723759051
00J0068	Kairu	Linnet Mumbi	HOME: 0716387897
00J0069	Kirau	Miriam Mumbi	MOBILE 1: 0721522605, NEXT OF KIN: 0724083327
00J0070	Chacha	Jacqueline Adasa	NEXT OF KIN: +254723348944, MOBILE 1: 0734721710
00J0071	Osundwa	Diana Akello	MOBILE 1: 0713847542, NEXT OF KIN: 0722348140
00J0072	Papai	Mary Assumpta	NEXT OF KIN: 0721540027, MOBILE 1: 0722328439
00J0073	Mwaura	Beth Nduta	HOME: 0716672119
00J0074	Opondo	Jerusha Viviani	HOME: 0726719340
00J0075	Gurmakh	Juliana Sadi	HOME: 0725716756

Annex - PG B

00J0076	Kipkēmboi	Oscar	NEXT OF KIN: 0721428995, MOBILE 1: 0727975266
00J0077	Wangari	Consolata	MOBILE 1: +254715300532, NEXT OF KIN: +254723735719
00J0078	Ndungu	Stephen Wachira	MOBILE 1: 0710983340, NEXT OF KIN: 0723477868
00J0079	Nyakundi	Edina Nyabate	NEXT OF KIN: 0720639442, MOBILE 1: 0720639443
00J0080	Konchellah	Moses Komentai	HOME: 0710940810, NEXT OF KIN: 0712730401
00J0081	Kaisha	Maureen Faiza	HOME: +254722769674, NEXT OF KIN: +254722788346
00J0082	Mong'are	Judith Kwamboka	HOME: 0726852118, NEXT OF KIN: 0727597646
00J0083	Chepkoech	Mercy	MOBILE 1: 0722722604, NEXT OF KIN: 0725868894
00J0084	Roy	Mary Lucy Bella	NEXT OF KIN: 0721301733, MOBILE 1: 0727747180
00J0085	Kyengo	Vincent Mutevu	HOME: 0726176595, NEXT OF KIN: 0729418514
00J0086	Mwangi	Ejidia Njeri	NEXT OF KIN: 0720804889, MOBILE 1: 0721629085
00J0087	Wamaitha	Ann Hellen Njonjo	MOBILE 1: 0723559261, MOBILE 2: 0723559261
00J0088	Waweru	Neema Wanjiku	MOBILE 1: 0723916399, HOME: 0738570278
00J0089	Sisimwo	Vera Chemelil	NEXT OF KIN: 0723140179, MOBILE 1: 0726084589
00J0090	Ngigi	Joyce Njoki	NEXT OF KIN: 0724598188, MOBILE 1: 0727829085
00J0091	Opumbi	Arton Esitambale	MOBILE 1: 0727466293, NEXT OF KIN: 0734699336
00J0092	Olang'	Tukiko Dulo	NEXT OF KIN: 0720664184, MOBILE 1: 0738433345
00J0093	Mwangangi	Brigid Mutindi	NEXT OF KIN: 0721280891, MOBILE 1: 0723291895
00J0094	Mutinda	Eric Muloo	MOBILE 1: 0722278852, NEXT OF KIN: 0722821348
00J0095	Kaloki	Abedy Makau	NEXT OF KIN: 0723999999, MOBILE 1: 0728427770
00J0096	Naji	Mohamed	NEXT OF KIN: 0722746577, MOBILE 1: 0734611320
00J0097	Makheti	Claire Namulanda	MOBILE 1: 0727384584, NEXT OF KIN: 0729850506
00J0098	Kahwal	Livia Muringi	MOBILE 1: 0711567178, NEXT OF KIN: 0722832607
00J0099	Evans	Isabel Wandia	MOBILE 1: 0726065528, NEXT OF KIN: 0726583111
00J0100	Kimaiyo	Lucy Jepkemoi	NEXT OF KIN: 0720239979, MOBILE 1: 0729424566
00J0101	Mesa	Patverra Nyaboke	HOME: +254711677331, NEXT OF KIN: +254722378023
00J0102	Apiyo	Fred Ojwang	HOME: 0726050462, NEXT OF KIN: 0727964769
00J0103	Kimaita	Brenda Nkirete	HOME: 0723054643, NEXT OF KIN: 0723755502
00J0104	Boro	Simon Ngugi	NEXT OF KIN: 0719510457, MOBILE 1: 0722390048
00J0105	Mulinge	Steven Mwatu	HOME: 0721347385, NEXT OF KIN: 0722250340
00J0106	Thirima	David Gichogo	HOME: 0721301423
00J0107	Karimere	Emily Waithera	HOME: +254702284923, NEXT OF KIN: 0722762432
00J0108	Ugwē	Christine Anyango	HOME: +254728016357, MOBILE 1: 0723002850,
00J0109	Kagwanja	Elizabeth Wanjiku	HOME: +254722360969
00J0110	Chepkonga	Vivian Jerotich	NEXT OF KIN: 0721236710, HOME: 0729307147
00J0111	Kanyuagwa	Eva Wanjiru	HOME: +254725470016, NEXT OF KIN: 0722824503
00J0112	Mburu	Zipporah Nduta	NEXT OF KIN: +254712503685, HOME: +254724628559
00J0113	Chache	Janet Kerubo	HOME: +254722424306, NEXT OF KIN: +254729294414

00J0114	Obengele	Florence Salome Juma	HOME: +254720457856, NEXT OF KIN: +254722447421
00J0115	Otieno	Alphonca Ochieng	HOME: +254728977942, NEXT OF KIN: 0724976213/0727860503
00J0116	Andrew	Hellen Njeri	NEXT OF KIN: 0722728240/0736577153, HOME: 0734006914
00J0117	Njeru	Elizabeth Njeri	NEXT OF KIN: 0722740362, HOME: 0729365319
00J0118	Muthengi	Annet Wanjiku	HOME: +254715559593, NEXT OF KIN: 0714360257
00J0119	Otete	Wycliffe Nyakweba	HOME: 0729258849, MOBILE 1: 0729258849
00J0120	Irungu	Norah Muthoni	HOME: +254714514536, NEXT OF KIN: 0722610405
00J0121	Alietsi	Laura Nanzala	NEXT OF KIN: +25405430813 HOME: +254724066730
00J0122	Anami	Nimrod Rombo	HOME: +254737137580, NEXT OF KIN: 0726278458
00J0123	Rutere	Caroline Nkirote	NEXT OF KIN: 0722899396, HOME: 0723543793
00J0125	Amiani	Jacob Luvala	HOME: 0716015588, NEXT OF KIN: 0720983574
00J0126	Mung'oya	Irene Wanjiku	HOME: 0712501417, NEXT OF KIN: 0723812488
00J0127	Oduor	Rosebella Juma	MOBILE 1: +254712058904, NEXT OF KIN: +254722790541
00J0128	Obudho	Prissilla Atieno	NEXT OF KIN: 0722952960, HOME: 0723911513
00J0129	Kihara	Cynthia Nduta	MOBILE 1: 0720391445, NEXT OF KIN: 0720832686
00J0130	Lumbasyo	Maureen Viregwa	MOBILE 1: 0715818640/0738239953,
00J0131	Odero	Maxwell Oduor	MOBILE 1: 0700243813, NEXT OF KIN: 0720578755
00J0132	Moriasi	Penina Nyakerario	HOME: 0713678488, NEXT OF KIN: 0722750851
00J0133	Bosire	Cyrus Mochache	NEXT OF KIN: 0724896988, MOBILE 1: 0724929304
00J0134	Ndeto	Roy Luyai	HOME: 0710854277
00J0135	Wachira	Lucy Muthoni	MOBILE 1: 0728560991, NEXT OF KIN: 0736230056/0728095604
00J0136	Said	Athman Ibrahim	MOBILE 1: 0722608222, NEXT OF KIN: 0728859120
00J0137	Kibera	Naomi Chemerin	MOBILE 1: 0712817833, NEXT OF KIN: 0712817833
00J0138	Metto	Gilbert Kimutai	NEXT OF KIN: 0722768711/0733768711, HOME: 0729091993
00J0139	Mwangi	Clare Wangui	NEXT OF KIN: 0722395072/0202046648, HOME: 0738196352
00J0140	Aunga	Doreen Nyarinda	NEXT OF KIN: 0721670069, HOME: 0753349712
00J0141	Kalume	Diana Kadzo	HOME: 0720898356
00J0142	Ochola	Alice Akinyi	HOME: 0714769210, NEXT OF KIN: 0724320833/0722204606
00J0143	Munene	Jackline Wawira	HOME: 0721746931
00J0144	Mungai	Linda Gacambi	NEXT OF KIN: 0722937266, HOME: 0728694814
00J0145	Likabo	Hellen Muyera	HOME: 0704432400, NEXT OF KIN: 0713234928
00J0146	Wambui	Anthony Chege	NEXT OF KIN: 0722792021, HOME: 0723393660
00J0147	Kisasam	Ruth Jepkurui	HOME: 0727372332
00J0148	Ogega	Cyrus Ratemo	HOME: 0721425427, NEXT OF KIN: 0736900358/0723425970
00J0149	Odera	Nereah Aluoch	NEXT OF KIN: 0722615094/0722744541, HOME: 0726358539
00J0150	Wanyonyi	Aaron	HOME: 0722260458, NEXT OF KIN: 0722659342
00J0151	Kamau	Anthony Muhia	HOME: 0720747724
C004833	Pornsaparera	Chutinaton	NEXT OF KIN: +66820774418, MOBILE 1: +66899590281

Annex. P 7B

Telegrams: "INTESTATE", Nairobi
Telephone: Nairobi 227461
Please address all communication
to:



DEPARTMENT OF
THE REGISTRAR- GENERAL
P.O.BOX 30031 - 00100
NAIROBI.

Our Ref: CR12. C. 55944
Your Ref://

18th September 2012

K.H Rawal
Advocate
P.O.Box 30240
Nairobi

Dear Sir/(s)

THE COMPANIES ACT (Cap. 486)

RE: EUROCRAFT AGENCIES LIMITED

I refer to your letter dated 17th September 2012

According to the records relating to the above company held by this Registry as at 18th September 2012 the names of the directors/shareholders of the above company with their particulars are as follows:

Names	Address	Nationality	Shares
Bonaventure Andrew Omuse	P.O.Box 47586 Nairobi	Kenyan	1
Philip J.M. Masinde	P.O.Box 49207 Nairobi	Kenyan	1
Clement Wandera Kurinya	P.O. Box 30879 Nairobi	Kenyan	1
George Mukwaka	P.O.Box 71296 Nairobi	Kenyan	1
Jane Njeri Maina	P.O.Box 42995 Nairobi	Kenyan	1
Barry Michael Tomlinson	p.o.Box 47787 Nairobi	Kenyan	1
		Total	6

The nominal share capital of the company is **Kshs. 100,000** divided into 1000 ordinary shares of **Kshs 100** each.

Yours faithfully,

ASSISTANT REGISTRAR OF COMPANIES

Annex. P7C

Telegrams: "INTESTATE", Nairobi
Telephone: Nairobi 227461
Please address all communication
to:



DEPARTMENT OF
THE REGISTRAR- GENERAL
P.O. BOX 30031 - 00100
NAIROBI.

Our Ref: CR12. C. 12926
Your Ref://

19th September 2012

The Directors
Trade Winds Agencies Limited
P.O.Box 57588 - 00200
Nairobi

Dear Sir/(s)

THE COMPANIES ACT (Cap. 486)

RE: TRADE WINDS AGENCIES LIMITED


I refer to your letter dated 18th September 2012

According to the records relating to the above company held by this Registry as at 19th September 2012 the names of the directors/shareholders of the above company with their particulars are as follows;

Names	Address	Nationality	Shares
Samwel Kihara Githaiga	P.O.Box 75143 Nairobi	Kenyan	Nil
John Muoki Ngui	P.O.Box 75143 Nairobi	Kenyan	Nil
Justus Kigera Muthigani	P.O.Box 57588 Nairobi	Kenyan	30,000
Charles Maina Muthigani	P.O.Box 57588 Nairobi	Kenyan	17,500
Edwin Mukiria Muriuki	P.O.Box 57588 Nairobi	Kenyan	50,000
		Total	97,500

The nominal share capital of the company is Kshs. 1,000,000 divided into 10,000 ordinary shares of Kshs 100 each.

Yours faithfully,


ASSISTANT REGISTRAR OF COMPANIES

Annex. P 8 A

KENYA NATIONAL BUREAU OF STATISTICS



Reference No. KNBS/63/01

P.O. BOX 30266
00100 Nairobi GPO, Kenya
Telephone: Nairobi 317586/8, 317612/22,
317623, 317651
Fax: 254-020-315977
Email: directorgeneral@knbs.or.ke
info@knbs.or.ke
Website: www.knbs.or.ke

January 23, 2012

Chief Accountant
Kenya Airways
P.O. Box 19002
NAIROBI

RE: GROSS INVESTMENT/GROSS DOMESTIC PRODUCT

Kenya National Bureau of Statistics is in the process of compiling Gross Fixed Capital Formation and Gross Domestic Product for the Kenyan economy for the year 2011. In connection with this, kindly provide us with information on your enterprise on; additions to your fixed assets, expenditure incurred and revenue earned for the years 2010 and 2011 as detailed in the questionnaires attached. If actual figures are not available, please provide us with provisional or estimated ones.

It is important that you supply the requested data by 5th March, 2012. The information will be used for the preparation of the Economic Survey 2012 edition.

Thank you for your continued support.

Zachary Mwangi
FOR: DIRECTOR GENERAL

Annex. ~~P 8 B~~ P 8 A

GROSS FIXED CAPITAL FORMATION QUESTIONNAIRE, 2010 AND 2011

TYPE OF EXPENDITURE INCURRED, REVENUE EARNED AND ASSETS (in KSh)

EXPENDITURE	2010	2011
1. Personal emoluments		
a) Salaries and Wages	6,068,000,000	6,732,000,000
b) Fees and Allowances to B/Members	73,000,000	78,000,000
c) Medical Allowances	207,000,000	215,000,000
d) House Allowances - fixed pay will Allowance	1,510,000,000	1,617,000,000
e) Passage and Leave Expenses	561,000,000	540,000,000
f) Gratuity and Pension	462,000,000	550,000,000
g) Travelling and Accommodation	464,000,000	445,000,000
h) Other type of Expenses		
(i) NSSF Employer's contribution	900,000	900,000
(ii) Others - Corp Party levy, reseller part etc	394,000,000	475,000,000
TOTAL	9,748,000,000	10,649,000,000
2. Other Goods and Services		
a) Insurances + Licenses	426,000,000	551,000,000
b) Transport operating Expenses	44,376,000,000	53,419,000,000
c) External travelling		
d) Postal and Telegrams	14,000,000	9,000,000
e) Telephone Expenses	189,000,000	187,000,000
f) Electricity and Water Conservation	117,000,000	114,000,000
g) Training Expenses	500,000,000	626,000,000
h) Seminars	12,000,000	42,000,000
i) Repairs and Maintenance	53,000,000	46,000,000
j) Stationery and Printing	91,000,000	87,000,000
k) Show expenses	20,000,000	23,000,000
l) Rent and Rates	461,000,000	541,000,000
m) Misc. and Other charges		
n) Fees and Commission	348,000,000	306,000,000
o) Contingencies		
p) Management seedlings		
q) Nurseries & Demonstrations		
r) Advertisement	665,000,000	607,000,000
s) Maintenance of stations Welfare	32,000,000	38,000,000
t) Donations	23,000,000	28,000,000
u) Entertainment Allowance	13,000,000	11,000,000
v) Other type of expenses (Specify)		
(i) Clearance of good - HIRE OF AIRCRAFT	592,000,000	592,000,000
(ii) General Expenses OTHERS including	(1,681,000,000)	1,060,000,000
(iii) Administration fuel & aviation of fuel derivatives		
TOTAL		
3. Interest paid and Bank Charges	1,597,000,000	1,483,000,000
4. Depreciation & Amortisation	4,580,000,000	5,143,000,000
TOTAL EXPENDITURE i.e. (1+2+3+4)	68,072,000,000	80,834,000,000

Annex DSA

Cont'd: GROSS FIXED CAPITAL FORMATION QUESTIONNAIRE

REVENUE	2010	2011
a) Sale of goods and services		
(i)		
(ii)		
(iii)		
(iv)		
b) Transfers from Government		
c) Grants		
d) Any other receipts (specify)		
(i) FREIGHT & MAIL	62,838,000,000	75,351,000,000
(ii) HANDLING	54,341,000,000	6,522,000,000
(iii) OTHERS	1,312,000,000	7,492,000,000
TOTAL REVENUE	70,743,000,000	85,836,000,000
ASSETS		
Residential Buildings		
Non-Residential Buildings and Land	3,266,000,000	3,555,000,000
Other Constructions works		
Transport Equipments	4,486,000,000	4,496,000,000
Plant, Machinery and Equipments	2,150,000,000	2,295,000,000
Land Improvement		
Others (specify) - Software, projects	2,108,000,000	1,882,000,000
TOTAL ASSETS	52,394,000,000	51,828,000,000

NOTES

Fixed assets are tangible or intangible assets that are used repeatedly or continuously in production process(es) for more than one year.

Addition to fixed assets - the value of the acquisitions less disposals of fixed assets during the accounting period.

Residential Building- consists of buildings which are primarily used for dwelling. when a building partly consists of dwelling and partly offices and/or other non-residential structures the floor area is used as a criterion of classification. If more than 50% of the total floor area is covered by dwelling it should be classified as residential and the vice versa. Hotels and hostels are classified as non-residential buildings.

Non-Residential Building- a building is regarded to be non-residential if over 50% of its floor area is used for non dwelling purposes. Included are offices, classrooms, town halls, workshops, hospitals, hotels, hostels etc.

Other Constructions- includes construction of new and improvement of existing roads, bridges, drainages, parks, cemeteries, conservancy works etc

Transport Equipment- includes, aircrafts, railway rolling stock and locomotives, boats, ships etc.

Plant, Machinery and equipments- includes water turbines, computers, office machinery, caterpillars, milking machinery, agricultural machinery, office furniture, textile machinery, construction and mining machinery etc

Purchase of land- this includes the cost of land alone and not the cost of the buildings, roads etc thereon.

Land Improvement- includes cost of improvement undertaken on farms and plantation development.



Annex
Kenya Airways
The Pride of Africa



P & B

(4)

Our Ref: IR/AAWU/18/08/2011/BF

18th August 2011

The Permanent Secretary

Ministry of Labour & Human Resource Development

P.O.B ox 40326

NAIROBI

Dear Sir,

RE: REGISTRATION OF COLLECTIVE BARGAINING AGREEMENTS BETWEEN KENYA AIRWAYS LIMITED AND AVIATION AND ALLIED WORKERS UNION

Enclosed herewith, please find 7 (seven) copies of the signed Collective Bargaining Agreements for the period 1st July 2008 to 30th June 2010 and 1st July 2010 to 30th June 2012 between Kenya Airways Limited and Aviation and Allied Workers Union for registration.

We have also attached 7 (seven) copies of the duly completed CBA Registration schedules for each Collective Bargaining Agreements for your necessary action.

Yours faithfully

For: KENYA AIRWAYS LIMITED

Lucy Muhiu

For: **GROUP HUMAN RESOURCES DIRECTOR**

Cc General Secretary

Aviation and Allied Workers Union

P.O. Box 19104 - 00501

Nairobi



SCHEDULE COLLECTIVE AGREEMENT BETWEEN

1. EMPLOYER

- i) Name: Kenya Airways
- ii) Address: P.O.BOX 19002 - 00501, Nairobi
- iii) Industry of Business: Air Transportation

2. TRADE UNION

- i) Name: Aviation & Allied Workers Union
- ii) Address: P.O.BOX 19104 - 00501 Nairobi
- 3. Effective Date: 1st July, 2010
- 4. Expiry Date: 30th June 2012
- 5. Date of previous agreement: 1st July 2008 to 30th June 2010.

Occupation (Give brief job description)	Present No. of workers	Total Monthly Wage Bill (Sh.00) pm		Working Hours			
		Present	Proposed if Agreement becomes effective	Weekly		Man-hours worked per month	
				Current	Proposed	Current	Proposed
1	2	3	4	5	6	7	8
Job Grade H1	0	n/a	n/a	n/a	n/a	n/a	n/a
Job Grade H2 – e.g. Loading agents/cabin groomers	170	8,870,655	10,644,786	45	45	180	180
Job Grade H3 – e.g. Equipment Operators, Drivers	52	3,548,222	4,257,866	45	45	180	180
Job Grade H4 – E.g. Upholsterers, Packers,	176	10,002,837	12,000,340	45	45	180	180

Annex. P & B

telephone operator								
Job Grade H5 – e.g. Technicians, materials officers	173	13,483,048	16,179,657	45	45	180	180	
Job Grade H6	175	14,012,082	16,014,490	45 for all staff except cabin crew who do 26.25 flying hours or 40 hours total duty period	45 hours for all staff except cabin crew who do 26.25 or 40 hours total duty period	180 for all staff except cabin crew who do more than 105 flying hours or 160 hours total duty period	180 for all staff except cabin crew who do more than 105 flying hours or 160 hours total duty period	
Job Grade H7 – e.g. Accounts assistant, Security agent, Admn Assistants	1073	37,423,997	44,908,796	45	45	180	180	
Job Grade H8 – Senior flight attendants, Team leaders	474	58,020,164	69,624,196	45 for all staff except cabin crew who do 26.25 flying hours or 40 hours total duty period	45 for all staff except cabin crew who do 26.25 flying hours or 40 hours total duty period	180 for all staff except cabin crew who do more than 105 flying hours or 160 hours total duty period	180 for all staff except cabin crew who do more than 105 flying hours or 160 hours total duty period	

Annex. P 8 B

Job Grade H9 – others e.g. Team leaders, aircraft dispatch coordinators, Pursers	597	85,507,745	102,609,294	45 for all staff except cabin crew who do 26.25 flying hours or 40 hours total duty period	45 for all staff except cabin crew who do 26.25 flying hours or 40 hours total duty period	hours or 160 hours total duty period 180 for all staff except cabin crew who do more than 105 flying hours or 160 hours total duty period	
TOTAL	2890	231,195,750	276,239,425	45 for staff other than cabin crew and 26.25 or 40 for cabin crew	45 for staff other than cabin crew and 26.25 or 40 for cabin crew	180 for staff other than cabin crew and 105/160 hours for cabin crew	180 for staff other than cabin crew and 105/160 hours for cabin crew

Annex P88B

WAGES AND SALARIES

Annex. P 8B

Occupation (Give brief description)	Basic Monthly Wage Rate		Average Wages (Sh./P.M.)		Proposed Wage Increase		Housing Allowance/Owner occupier respectively per month		Overtime Payment Rates	
	Last Agreement (Sh)	Proposed Agreement (Sh)	Last Agreement (Sh)	Proposed (Sh)	Amount Per Month (Sh)	% Increase of Basic Monthly Rate	Last Agreement	Proposed (Sh)	Monday to Saturday	Sundays and Public Holidays
H1	12,217	13,573	-	-	1,356	25	8,152/10,007	10,317/12,665	1.5 x the hourly rate	2 x the hourly rate
H2	17,281	20,910	26,059	62,616	3,629	25	10,172/18,583	12,875/23,519	1.5 x the hourly rate	2 x the hourly rate
H3	19,645	23,770	35,277	81,882	4,125	25	11,698/18,583	14,806/23,519	1.5 x the hourly rate	2 x the hourly rate
H4	20,344	24,616	34,836	68,183	4,272	25	13,453/18,583	17,026/23,519	1.5 x the hourly rate	2 x the hourly rate
H5	21,389	25,881	29,803	93,524	4,492	25	15,741/27,900	19,581/35,311	1.5 x the hourly rate	2 x the hourly rate
H6	26,819	32,450	32,507	91,511	5,631	25	16,450/27,900	20,819/35,311	1.5 x the hourly rate	2 x the hourly rate

4

H7	37,220	45,036	47,894	41,853	7,816	25	20,012/31,724	25,328/40,150	rate	1.5 x the hourly rate	2 x the hourly rate
H8	49,911	60,393	56,953	146,886	10,482	25	24,212/38,686	30,643/48,963	1.5 x the hourly rate	2 x the hourly rate	
H9	65,571	79,341	72,605	171,874	13,770	25	28,033/38,686	35,480/48,963	1.5 x the hourly rate	2 x the hourly rate	

Annex. P & B

SIDE (FRINGE) BENEFITS

Grades	Layover Allowance		Meal allowance		Shift allowance	
	Current Amount USD per night	Proposed Amount USD per night	Current Amount Kes.	Proposed Amount Kes.	Current Per p.m	Proposed per p.m
H6- Cabin crew	70	90	N/A	N/A		
H8 - Cabin crew	75	100	N/A	N/A		
H9 - Cabin crew	85	110	N/A	N/A		
Accompanying engineers	N/A	110	N/A	N/A		
Shift staff	N/A	N/A	N/A	N/A		
			Breakfast - Kes. 250 per day Lunch - Kes. 350 per day Dinner - Kes. 350 per day	Breakfast - Kes. 250 per day Lunch - Kes. 350 per day Dinner - Kes. 350 per day		
H1						
H2-H4					2,387	2,865
H5-H6					2,703	3,244
H7					3,025	3,244
					3,341	4,009

Give total increase in labour costs per year for all employees covered by the new agreement including fringe benefits.
KSHS: 665,374,633.00 (27% increase from the current cost).

To what extent and in what occupations is the proposed increase likely to lead to reduced employment.
The new salaries and allowances agreed will lead to increase in labour costs. Emphasis will be put on increasing productivity in a bid to control headcount. However, the Company will still have to employ more staff in view of its fleet and route expansion strategy.

To what extent is the new agreement likely to affect prices of goods and services.
Not to a large extent since the Kenya Airways staff form only a small portion of the labour market.

To what extent is the new agreement likely to affect the competitiveness of your trade or industry in relation to other local or outside enterprises.

It is anticipated that the Airline will remain competitive despite the comparatively high level of remuneration in relation to other local/regional Airlines as it is largely operating in International routes.

Annex. P 8 B

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BUSINESS DAILY

Wednesday
September 26, 2012

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CORPORATE NEWS

Top Kenya Airways executives' pay goes up by 24 per cent

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RATING



Kenya Airways managing director, Mr Titus Naikuni. /Fredrick Onyango

By Michael Omondi

Posted Sunday, September 2, 2012 at 18:33

IN SUMMARY

The executive pay increase comes in a year when Kenya Airways profit dropped 51.4 per cent to Sh1.7 billion as its costs raced ahead of its revenues, which saw the carrier cut dividends by 46.7 per cent

Its share at the Nairobi Securities Exchange (NSE) has shed 58.7 per cent in the past year to the current price of Sh13, making it the worst performing stock on the bourse over the 12 months.

Top executives of Kenya Airways have seen their pay rise by 24 per cent in a year that also saw the airline report drops in profit and share prices.

Share This Story

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Details in the national carrier's annual report show that the annual pay of executive directors rose from Sh66 million to Sh82 million in the year ended March 2012.

KQ's annual report lists its executive directors as Titus Naikuni (CEO) and Alex Mbugua (group finance director)—and this means they shared a monthly package of Sh6.83 million, up from last

year's Sh5.5 million.

The executive pay increase comes in a year when Kenya Airways profit dropped 51.4 per cent to Sh1.7 billion as its costs raced ahead of its revenues, which saw the carrier cut dividends by 46.7 per cent

KQ, Emirates, Qatar

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MPs blame govt over KQ layoffs <URL: /-539546/1517214/-30sl5p/-index.html>

The queens of real estate in Kenya <URL: /The+brick+and+mortar+divas/-1248928/1512678/-4yhst7z/-index.html>

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Tax revenue grows 12.9pc in first two months <URL: /Tax+revenue+grows+12+9pc+in+first+two+months/-539552/1516146/-1wrg4z/-index.html>

Kibaki mourns his longtime political ally, business partner <URL: /Corporate+News/Kibaki+mourns+his+longtime+political+ally+and+business+par/-539550/1511428/-1vca9z/-index.html>

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Lessons from Indian lunch deliverymen <URL:

Annex. P9

Kenya Airways executives' pay goes up by 24 per cent - Corpora... <http://www.businessdailyafrica.com/Corporate+News/Top+Kenya>

Its share at the Nairobi Securities Exchange (NSE) has shed 58.7 per cent in the past year to the current price of Sh13, making it the worst performing stock on the bourse over the 12 months.

The *Business Daily* failed to get a comment from KQ as Mr Mbugua's mobile phone went unanswered. He also failed to respond to a text message on the matter. Analysts link the rise in executive pay to the airline's bid to reward and retain its top talent and the fact that the raise came at the start of the financial year when the airline had just reported stellar results.

The airline's net profit rose to Sh3.5 billion in the year to March 2011 from Sh2 billion, reflecting a 75 per cent increase.

"The double-digit raise for KQ executives is a reflection of the stellar performance it reported the previous year," said an analyst at Kestrel Capital, adding that competition for executive talent could also be a factor.

This year has seen KQ battle a host of internal and external challenges that played a hand in the halving of its profits.

Expensive labour and oil prices saw its direct costs jump 44 per cent to Sh77 billion with total expenses rising 32.5 per cent to Sh106.5 billion, which climbed faster compared to sales. Its revenues increased 25.6 per cent to Sh107.8 billion.

The national carrier has placed cost cutting on top of its agenda in light of the flat passenger numbers in a bid to return to growth in a turbulent aviation market.

Its employees had moved to court to stop a planned layoff of about 650 workers, but on Thursday, the Industrial Court lifted an injunction that had stopped the carrier from sending them home.

The airline's wage bill has doubled in the past five years from Sh6 billion in 2007 to Sh13.4 billion in 2012.

Collectively, its management wage bill increased to Sh236 million in 2012 from

last year's Sh204 million.

Currently, top companies are developing good business ideas that are being copied with speed, forcing employers to constantly be on the lookout for innovators.

Annex. PLOA

YAHOO! MAIL
Classic

retrenchment

Tuesday, September 25, 2012 7:55 AM

From: "anne kananda" <a.kananda79@gmail.com>

To: jchacha2002@yahoo.com

I was declared redundant by my employer kenya airways on the 4th of sept 2012.

It hit me very hard as i was expecting my first baby.I was 7months pregnant at the time.This didnt however stand in the way of my being fired.

On the 8th of sept four days later as i was resting in my house something unexpected happened.i started experiencing some discomfort and i called my doctor who i saw during my antenatal visits at the kq town clinic.she directed me to her clinic which is located in upperhill.

My partner drove me there and upoun the doctor examining me she had me admitted at nairobi hosp as a matter of urgency.

My shock and dismay was that upoun arrival at the hospital i no longer had a medical cover.we had to put put down a cash deposit of 55000ksh in order for me to be admitted.

The doctor put me on bed rest to see if the situation would improveand by thus doing enable me to carry the baby to term.By mon the 10th i had to be rushed to theatre for an emergency c section or risk loosing the baby.she was thus delivred early and put in an incubator.

My precious baby is now two weeks old and is far from being discharged as her birth weight is low and she needs to put on weight before they can let hercome home.it is quite a dismay because the longer she stays the higher the hospital bill but what can i do her health is topmost on my mind.

I am quite disturbed alot of the time as am only human and i cnt help but worry about the financial implications of all this and in turn it affects my ability to provide nourishment for her.

theatre for an emergency csection or risk loosing my baby.she was therefore delivred early and

Annex: P 10 B

YAHOO! MAIL
Classic**Fwd: Miscarriage**

Tuesday, September 25, 2012 6:49 AM

From: "Judith Murugi" <murugijudith@gmail.com>
To: "Ruth Tibwitta" <rtibwitta@gmail.com>
Cc: "jchacha2002" <jchacha2002@yahoo.com>, "Jackson Akenga" <jakakenga@gmail.com>, "Sam Abilah" <samwelabilah@gmail.com>

----- Forwarded message -----

From: **judy njeri** <juvinjesh@yahoo.com>
Date: Tue, Sep 25, 2012 at 4:37 PM
Subject: Miscarriage
To: murugijudith@gmail.com

judy kinuthia,c2976 i came from mumbai on the 3rd of sept 2012 at 2030hrs i got a call from Kq saying to go for a meeting at Kq pride center. The call to me sounded very suspicious with all that was goin on in Kq ie. Company rationalisation. I was not at ease n the following morning 4th sept, i woke up feeling unwell. Since i was 12wks pregnant i decided to call in sick n try goin to hospital to make sure my baby and i were not in danger. When i called in sick i was told that i have to go whether sick or not. I had to choose between my baby or my job.i chose my baby knowing there could be serious repercussions later by 3pm while in hospital and waiting for my lab results i was called by a colleague saying that everyone who went 4 the meeting was declared redundant. I started developing more problems and was told to go for ultra sound. The doctors told me that i was bleeding and my pregnancy could not be saved. I asked why and they said they could not

figure out why even after running more tests,they stil could find a reason why.i told them i was very fatigue and that day i had recieved bad news.the Gyna said that could be a reason thats why it was un detected. I BELIEF THE REASON OF MY MISCARRIAGE WAS DUE TO STRESS RELATED COMPLICATIONS

Annex. P 12

We acknowledge that this is a difficult exercise for all concerned, but the best option available in the present business circumstances. May I once more assure you that Senior Management will do all we can to make sure that the exercise is humanely done.



Titus T Naikuni
Group Managing Director & CEO

SIN 0008020
ANNEX - P 11

REF: REPORT ON THE BACK INJURY OF 4TH MAY 2010

As per our conversation last month, I would like to state as follows. On 4th May 2010, I was rostered to operate Flt. KQ 578 to N'doula. I was picked for the flight slightly late by about 30 minutes. On arrival at the airport, I went straight to the check in and sign on for the flight. After that I went straight to the aircraft 5Y-KQE where I found Cpt. Wataku, FO. Wasswa, FP. Tabitha Rarieth, FA Stella Bhoyo. I was informed by the Purser of my position (2LR) and also requested to help with the hand over at the rear since the other crew were running late because of late pick up and traffic. I went straight to back and started with equipment checks then cleaning and then security checks. I reported to the Purser and went back to receive the meal and bar hand over. After receiving the meals, I reached for the duty free trolley and pulled it out. I then went for the bar trolley which was somehow tough in coming out. I applied a little more effort but it still refused to come out. I applied more effort and at this point I extremely sharp pain at the lower back all the way to the head and some black out. I tried to move but could not feel my lower limbs. At this point FA Muchene had arrived and was asking me to go for briefing at the front.

I told him what was happening and he immediately informed the Purser who in turn informed the Captain and called for a Doctor. FA Muchene was left attending to me. The Doctor came after about roughly 25 minutes and attended to me. He said that I could not proceed with the Flight and requested for a high loader. He also requested for an ambulance, as I had to be taken to the hospital for further medical checkup. All this time, my limbs were still numb. On arrival in Aga Khan Hospital, I was admitted and was there for three days. I started feeling my limbs the following day (5.5.2010) at around 9 am. I was discharged on 6th may 2010 and put on follow-up and physiotherapy for about 11 sessions after which I was cleared to go back to flying. The pain was there and kept on visiting KQ clinics for follow-up. Most of the time I was put on painkillers and allowed to go back for flights. This trend continued until around May 2011 when the pain disappeared all over a sudden. On 8th July 2011, I was working on something at home when I injured my finger and went to the town clinic for check up. I was treated and given 3 days sick off. On Monday 11th July I went to the JKIA clinic since the finger was now better and I could now work. While there I was treated by CO Edward and was cleared and given the fit to fly note to take to my manager. As I stood up to go, I felt some extreme sharp pain at the same place that had been injured earlier. CO Edward recalled the note and instead referred me to Menelik Hospital to see Prof. Gakuu. I went straight to Menelik where I was attended to by Dr. Timothy. After listening to me, He sent me to Nairobi MRI centre for an MRI scan. I returned it the same day and Was informed that I had degenerated discs (L4/L5 and L5/S1). I was given one week sick off and putt on physiotherapy.

I continued on sick off and light duties interchangeably until September when I was sent for another MRI scan, which revealed that the status quo remained. Late December the Doctor put me on complete sick off indefinitely and declared my situation a permanent disability. He took me through the available options and the possible outcomes for each option for managing my situation. After careful consideration and consultation with my family I ruled out surgery as it had more serious negative outcomes. The Doctor had also strongly advised against it considering my age. At this time, Dr. Munyi requested the Doctor for a report on my progress. The same was done dated 4th Jan 2012 and I gave it to Dr. Munyi. In his report, the Doctor had given a report on my progress and made His recommendations

12 JULIA

which He said and I quote " In view of the above scenario he is not improving on medications and physiotherapy. The pains and numbness persist. He can benefit from a neurosurgeon opinion. However, he is not keen on surgery. In the meantime, he is to continue with medications and light duties, avoid bending and lifting heavy objects. In the long run he will benefit by early retirement on medical grounds". When I gave the letter To Dr. Munyi, I asked her whether I needed to see another Doctor for another opinion and she said there was no need as Prof. Gakuu was a very senior Doctor. However, we all agreed that I should see another Doctor and I was referred to Dr. Timothy Byakika. I saw him and he was of the same opinion but I needed to get a final opinion from a neurosurgeon. I was referred to Dr. C K Musau. I saw him on 24th March 2012 and I am to see him again on 15th May 2012.

In the meantime, Prof. Gakuu wrote another later/report dated 13th March 2012 which I delivered to Dr Munyi. In this later he stated that and I quote "He has been here today and still complaining of low back pains even on doing light duties. This is NOT responding to medications and physiotherapy. He is NOT keen on surgery. Kindly consider retiring him on medical grounds since he is unable to work. Kindly assist in the interest of his health." I believe this will help answer most of the questions that you or any other manager may have regarding my situation.

Attached please find the medical documents and copy of the Voyage report for the particular flight that I was operating on the unfortunate day.

Regards,

JULIUS CHACHA MWITA.

S/N.0008020.

ANNEX



P 11

PROF. L. N. GAKUU

MB. CH.B, M.MED.(SURGERY)
CONSULTANT ORTHOPAEDIC & TRAUMA SURGEON

MENELIK ROAD, OFF NGONG ROAD, KILIMANI
NAIROBI

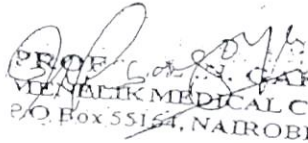
15/10/2011

TO WHOM IT MAY CONCERN

RE: JULIUS CHACHA

This is to certify that this patient has been undergoing treatment here since referred on 11/07/2011. He has lumbar spine pain and is advised to avoid:

- 1) Drills exercise
- 2) Sitting for long hours
- 3) Lifting loads upward of 5kg. Until advised otherwise


PROF. L. N. GAKUU
MENELIK MEDICAL CENTRE
P.O. Box 55164, NAIROBI

PROF. L. N. GAKUU
ORTHOPAEDIC AND TRAUMA SURGEON



The Aga Khan Hospital
P.O. Box

Age: 27 Years Gender: M
Ward: _____ CP / PP: _____
Doctor: Khanalga

Sur: _____
Oth: _____
Reg: _____
Age: _____
Doct: _____
Ward: _____
Doctor: _____ GP/PP: _____

Department of Surgery
CLINICAL SUMMARY AT DISCHARGE - SURGEON

Date of Admission <u>4/5/10</u>	Date of Discharge <u>6/5/10</u>	Attending Consultant(s) (Print Name) <u>Dr. Khanalga</u>
------------------------------------	------------------------------------	---

Final Diagnosis: Severe low back pain

Other Diagnosis: N/A

Presenting Complaint: Acute low back pain x1/F

History & Examination: Sudden onset of low back pain, sharp in nature and radiating to his lower limbs especially on (R). Associated weakness and numbness of his lower limbs (especially on (R))

Investigation, Management and Clinical Progress: Noted to have a slow guarded gait and marked ↓ in range of movement of spine. Has muscle spasm with SLR of 33 on (R) and 70 on (L) - Had Full TD on (R) and (L) on (L) - Had ↓ sensation of L4 dermatome. Put on conservative management and has done well so far

Date of Surgery: N/A Anesthesia (Regional / General)

OPERATIVE PROCEDURE: _____

Histopathology Reports: N/A

Wound at the time of discharge: _____

Discharge Medication: Given to Patient Attendant: Relationship to Patient _____

Sr. #	Name of Medicine	Dose	Timing	Duration	Sr. #	Name of Medicine	Dose	Timing	Duration
1.	Diclofenac	50mg	PO TDS	1	6.				
2.	Myolexin	15	PO TDS	1/2	7.				
3.	Levetiracetam	1.5mg	PO BIC	1/2	8.				
4.					9.				
5.					10.				

Instructions on Discharge: Post review in Dr. Khanalga's clinic on 1/5/2
Do physiotherapy as an out-patient

Version 02	Authority	Revision 1	Page 1 of 2
015/06/05	Head of In-Flight	Rev date 01/03/06	

TO BE COMPLETED AND SUBMITTED AFTER EVERY FLIGHT

DATE OF ISSUE/FLIGHT NO. KQ 578 A/C TYPE & REG. 57-100H

CAPTAIN. MATIAH N

ADDITIONAL

SAFETY

APPEARANCE

DUTY

F/O. MATSWA ENCIC

VOYAGE REPORT FORM

Kenya Airways



NO 166882

SECTORS

NBD TO BGF

BGF TO BIA

TO

PRE FLIGHT:

Cabin/ Toilets clean/Neaty dressed/ on time?

Satisfactory

Quality of meals/ Catering on time?

Standard

E/A

E/A

E/A

E/A

E/A

E/A

E/A

E/A

E/A

E/A

E/A

E/A

E/P

4R

4RA

4LA

4L

3R

3L

2RA

2LA

2R

2L

1LA

1R

1L

Y/C

J/C

TOTAL PAX

30

04

34

MB

ME

ME

ME

ME

ME

U IN ME EE O

Handwritten signature

10



VOYAGE REPORT FORM

NO.....

Boarding clearance/Time given if late give reason: DEPARTED ON TIME

BLANKET COUNT

Received	JC	Y/C
Returned	16	129
Losses	16	129
	NIL	NIL

DUTY FREE SALES

Amount.....Discrepancies.. NIL REPORTED

POST FLIGHT

Cabin/galley defects have they been entered correctly in the technical log?.....

Cabin Tech Log NO:Defects.. NIL NOTED

REPORT

This should include operational irregularities, accidents to pax/crew, opportunities to improve, and comments

F/A MWJIA JULIUS CHACHA, SNAPPED HIS BACK BEFORE TAKE OFF, KP DOCTOR ATTENDED TO HIM AND WAS TAKEN TO THE HOSPITAL, DUE TO TIME LIMITATION AND WE DECIDED TO OPERATE THE FLIGHT WITH FOUR CABIN CREW TO AVOID DELA

Purser's Name: RARIETA

S/No: 2058

Signature: [Signature]

Version 02	Authority	Revision 1	Page 2 of 2
015/06/05	Head of In-Flight	Rev date 01/03/06	

ANNEX P11

PART II
MEDICAL REPORT
(for use by the medical practitioner)

Name of employee JULIUS CHACHA NAWITA
Date admitted to hospital 04/05/200
Discharge date 06/05/200 at Aqa Kitovu (HSP)
In-patient No 070212
Attendance as out-patient from 06/05/200 to PRESENT
Out-patient No 35052

Occupational disease INJURY AT WORK P.I.D. L4/L5 & L5/S1
is there permanent incapacity? YES
If yes please give: *YONG
a) Details and nature of permanent incapacity. He has persistent low Back Pain & numbness both leg Right worse than left

b) Percentage of permanent incapacity to be indicated in both words and figures. FORTY FIVE (45%)

per cent.

Temporary incapacity: (Likely duration of absence from work, from date of acquiring disease/or diagnosis etc.) SEVEN (7) MONTHS
weeks/ months*

Is a further examination required before final assessment of permanent incapacity can be given? NO If yes:
a) which ones

by whom? Prof. K. N. GAKU
Name of Medical Practitioner
Address: P.O. Box 10000, Nairobi
Date: 04/01/2012
Mental Health Centre
Mental Health Centre
Mental Health Centre

Note: - It is requested that this part be completed by the medical practitioner in duplicate, the form then being dispatched as under

- 1. One copy to the employer
- 2. One copy to the Occupational Safety and Health Officer in charge of the district in which the accident occurred

PART III

(For use by Occupational Safety and Health Officer)

Compensation *is / is not being claimed on behalf of the employee/dependants of the deceased employee.

District and Accident Register No

Station Date

Occupational Safety and Health Officer

REPUBLIC OF KENYA
 DIRECTORATE OF OCCUPATIONAL SAFETY AND HEALTH SERVICES
 NOTICE BY EMPLOYER OF AN OCCUPATIONAL ACCIDENT/DISEASE OF AN EMPLOYEE
 PART I

1. Employer/Occupier Particulars:-
 ii. Name of Employer/Occupier... KENYA AIRWAYS LTD
 iii. WBA registration No. OSHA Registration No.
 iv. Full Address P. O. Box... 19002 JKIA Physical Location... EMBAKASI
 v. E-Mail address Tel... 6422 000
 vi. Nature of Work... FLIGHT ATTENDANT
 vii. Name and address of Insurance Company which has insured employee against accident

2. The Injured/sick employee's particulars :-
 i. Name... JULIUS CHACHA MWITA
 ii. Sex... MALE
 iii. Age... 29
 iv. Occupation... FLIGHT ATTENDANT
 v. Full Address... P.O. BOX 103422 - 00101 NAIROBI
 vi. E-Mail address... jchacha2002@yahoo.com Tel: 0735 615 089
 vii. Identity Card No. *(Incase of fatal injury, Death Certificate No.)... 22849033
 viii. Home District: KURIA Division: KETTANCHAL Location: BUKIRA EAST Sub-location: NYANKOIRE

3. Occupational Accident
 i. Date of Accident... 4 May 2010 Time: Approx: 1830hrs Fatal/Non fatal
 ii. Has the worker resumed working Yes/No... BOTH YES & NO Date of resumption first JULY 2010 - REVEN BR
 iii. Place where accident took place... RAMP INSIDE AIRCRAFT
 iv. What is the injured worker's Occupation... FLIGHT ATTENDANT
 v. What duties was the employee undertaking at the time of the accident? HAND OVER (RECEIVING CATERING)
 vi. Length of service with the present employer... 5 YEARS
 vii. What work is the worker employed to undertake... FLIGHT ATTENDANT
 viii. Cause of Injury... Pulling a trolley to check seals then sudden sharp pain
 ix. Type of Injury... LOW BACK PAIN - DISC PROTRUSION RESULTING IN NUMBNESS
 x. Part of Body Injured... SPINAL (DISCS)

4. Occupational Disease
 Detail about the Occupational disease affecting the employee
 i. Date of diagnosis of the occupational disease
 ii. Name of medical practitioner who made the diagnosis
 iii. Date the employer was notified of the disease by the employee or medical practitioners
 iv. Describe the Cause of the occupational disease

5. Total Monthly earning at the date of the Accident/disease:-
 Salary/wage Sh.
 Allowances paid regularly (including house, medical etc) Sh.
 Overtime payment or/and other special remuneration for work done whether by way
 of bonus otherwise if of constant character and for work habitually performed Sh.
 Total earning per month Sh.
 Total earnings paid to the employee during the period of incapacity Sh.

Name of Employer or person notifying on behalf of Employer Signature
 Designation Date

ANNEX



P 11

MENELIK MEDICAL CENTRE

MENELIK ROAD, OFF NGONG ROAD, KILIMANI
NAIROBI

04/01/2012

DR. J MUNYI
HEAD OF MEDICAL
KENYA AIRWAYS

REF: MR. JULIUS CHACHA MWIFA

Thanks for your letter requesting summary of the treatment.

I noted he is a cabin crew who was injured at work on 05/05/2010.

He was on duty on 05/05/2010 inside the plane preparing to depart when he bent to pull on trolley.

He felt sudden back pain very severe and could not stand or walk.

He was transferred by ambulance to Agakhan Hospital as inpatient. He was treated by analgesics and physiotherapy about eleven sessions.

His main complaint on admission was severe low back pain, inability to walk, numbness right leg.

He was then discharged on medications.

He was referred here on 11/07/2011 MRI showed discs lesions on L4/L5 and L5/S1.

He was treated conservatively by medications, physiotherapy and ground duties.

He has improved and repeat MRI of 13/12/2011 still shows status quo of the 2 Discs.

THE PROGRESS

In view of above scenario he is not improving on medications and physiotherapy.

6
L N GAKU
The pains and numbness persist. He can benefit from a neurosurgeon opinion. However he is not keen on surgery. In the meantime he is to continue with medications and light duties, avoid bending and lifting heavy objects.

In the long run he will benefit by early retirement on medical grounds.

PROF L N GAKU
MD
ORTHOPAEDIC AND TRAUMA SURGEON

ORTHOPAEDIC AND TRAUMA SURGEON

ANNEX P11

Julius Chacha Mwita,
P.O. Box 103422-00101,
Nairobi- Kenya.

Mr. Tom Shivo,
Head of HR Relationship Management and Reward,
P.O. Box 19002-00101,
Nairobi- Kenya.

Dear Shivo,

RE: DI/8020/PF (GROUNDING DUE TO BACK INJURY)

I received a call from my Line Manager requesting me to go to collect my letter in her office the following day. In your letter, you acknowledge that I have been on ground for long. However, you deliberately refused to acknowledge the fact that I was injured while in the cause of duty on the 4 May 2010 while preparing to depart for Flt. KQ 578, which was captured, on the report No. 166882. The injury has been reoccurring until the doctor advised for a retirement on Medical Grounds. There has been no Communication from the Company regarding the doctors' recommendations.

Taking away my guaranteed nights is not only a breach of the CBA but also illegal since I was injured in the line of duty of which the Company should take full responsibility. According to the CBA, article 9 c states very clearly, "There will be 9 guaranteed nights without conditions effective 1st October 2009." Whatever you are doing, is putting conditions to this clause which is illegal and against good industrial relations. My purpose for writing this letter is to ask you to reverse that decision. I will be waiting for your response within 4 days from today failure to which, I will instruct my Lawyer and the Union to help me seek Legal redress from the Industrial Court.

Your response shall be highly appreciated.

Yours Faithfully,



Julius Chacha Mwita

S/N-0008020

CC. Donald Owang-Personal Lawyer

AAWU-Kenya

AAWU- Cabin Crew Branch



Naomi Mwangi
24/7/12



PROF. L. N. GAKUU

MB. CH.B, M.MED.(SURGERY)
CONSULTANT ORTHOPAEDIC & TRAUMA SURGEON

MENELIK ROAD, OFF NGONG ROAD, KILIMANI
NAIROBI

13/03/2012

DR. J. MUNYI
HEAD OF MEDICAL
KENYA AIRWAYS

REF: MR. JULIUS CHACHA MWITA

He has been seen here today and still complaining of low back pains even on doing light duties.

This is NOT responding to medications and physiotherapy.

He is NOT keen on surgery.

Kindly consider retiring him on medical grounds since he is unable to work.

Kindly assist in the interest of his health.

PROF. L. N. GAKUU
MB, ChB, M.Med(Surg) Univ. Orth/Trauma (UK), Trau
CONSULTANT ORTHOPAEDIC & TRAUMA S
Menelik Medical Centre
P.O. BOX 55164 - 00200, NAIROBI
Tel: 3875934/6, 3875324/25. Mobile 0722 208370. Fax: 3875323. Email: menelik.medical@gmail.com

PROF LN GAKUU

ORTHOPAEDIC AND TRAUMA SURGEON



Kenya Airways
The Pride of Africa



Annex. P 12

M E M O

To: All KQ People

DD/074/S.5

From: Titus Naikuni

6th September 2012

VER / RETRENCHMENT PROGRAMME

I thought it wise that I should give you an update of where we stand on the above mentioned program.

The people whose VER applications had been accepted as well as those identified for redundancy have been released. The total number is 599 and nearly all have picked their letters and are in the process of clearing. There are about 50 or so who are still to pick their letters and we do hope they will do so by tomorrow.

For those of you who were not affected by this exercise I would like to encourage you to be calm and confident enough and deliver the best in terms of service to our customers either directly or indirectly. We need to forget what has happened and move on to give our best. The reason we got to where we are is because of poor performance of our business as a result of economic pressures and some self-inflicted bad practices amongst some of us. Lower revenue as a result of lost business has meant that the business could not continue to support the high cost base including labour costs. It is incumbent upon us who have remained to put our best foot forward and recover our Pride.

We must:

- i. be aggressive on our selling
- ii. check in our customers with speed and smiles
- iii. make sure our planes are maintained correctly and on time
- iv. handle bags efficiently and with honesty
- v. report on time to operate flights
- vi. depart flights on time etc etc

As you can see everyone of us has a part to play for our survival. **DISCIPLINE AT WORK IS VERY KEY.**

Annex. P 12

TO WHOM IT MAY CONCERN

I Ruth N. Kioko of I.D no. 21732480, wish to hereby confirm that I was called from an unknown line on Tuesday 11th September 2012 after 1300HRS, by a man identifying himself as one Siaya. He informed me that I needed to urgently see Mr. Tom Shivo or two other persons, whose names I cannot recall. I informed him that I would not be able to make it immediately. After a few Queries by the caller, whom I would say was trying to convince me to show up at the office even at the time of call, if it were possible, he told me to go for the meeting the following day at 8.00a.m. I agreed. I however could not make it to the office then as I was taken ill in the night-I made my way the next day i.e Thursday- 13th September 2012. I did not meet Mr. Tom Shivo but asked at the reception desk who else I could see as I was informed the reason I was there was due rationalization. I asked to see anyone else and was referred to Ms. Eglia Too. She came to see me and confirmed that I had been retrenched and my letter was in the post office. I asked what the basis of my retrenchment was since I had not been called during the week people were being called for their letters. She told me that someone had forgotten to call me and another colleague by the name Ms. Doris Nguli. I felt that this could not be true because the CEO vide his letter/memo dated 6th September 2012 stated that all who had been affected had already been informed and those who hadn't picked their letters had theirs sent by mail. I was never among this list. Further proof, is that, I could still access my Company mail, as at the date and time of writing this report. (Today 25th September 2012 at about 2050hrs)

This to me is a pure afterthought based on my activism on matters addressing Unionisable members and further the actions I was undertaking as a union official. I should not be discriminated against due to my union participations.

This is my simple plea and confirmation that the criteria used to retrench me was based on victimization and discrimination.



Ruth N. Kioko

Office of the Group Managing Director
 and Chief Executive Officer

TO ALL KQ PEOPLE

CEO'S NEWSLETTER

SAFETY

Industrial safety incidents continue to be experienced in the whole organization. We have however seen a reduction of the incidents from figures of above 25 per month to 19 per month in the months of September and October. Ground Services and Technical have registered a remarkable performance but there is still a lot to be done to achieve zero incidents.

For flight safety the improvement has stagnated around an average of 65 incidents per month in the months of September and October. I challenge the flight operations department to bring these incidents to below 40 which was achieved in May 2011.

Let us all keep safety at the top of our agenda in everything we do.

BUSINESS

Our half year results were better than prior year but poorer than budget as you can see from the table below:-

Kenya Airways Group Income Statement

Actual Date	Act	Act	Budget	Variance	Variance %
KSh's Mill	Sep-10	Sep-11	Sep-11	Bud	Bud
Total Revenue	41,214	54,932	54,466	465	0.9%
DOCs	(25,909)	(39,521)	(36,009)	(3,512)	(9.8%)
Gross Profit	15,305	15,411	18,458	(3,047)	(16.5%)
Fleet Ownership	(4,646)	(4,934)	(4,773)	(161)	(3.4%)
Net Contribution	10,659	10,477	13,684	(3,207)	(23.4%)
Overhead - Employee	(4,161)	(5,029)	(5,141)	112	2.2%
Overhead - Others	(4,118)	(4,429)	(4,639)	210	4.5%
Overheads	(8,279)	(9,458)	(9,780)	322	3.3%
Operating Profit	2,380	1,019	3,904	(2,885)	(73.9%)
Operating Margin %	5.8%	1.9%	7.2%		(5.3%)
Net finance rev/(cost)	(297)	100	(519)	619	119.3%
Precision prof/(loss)	40	252	72	180	250.0%
Realised losses/gain Fuel Derivative	(51)	1,454	986	468	47.5%
Fair Value losses/gains Fuel Derivative	(20)	-	-	-	0.0%
Profit before Tax	2,051	2,825	4,443	(1,618)	(36.4%)
Tax	(615)	(791)	(1,333)	542	40.6%
Profit after Tax	1,436	2,034	3,110	(1,076)	(34.6%)
Profit after Tax Mgn %	3.5%	3.7%	5.7%		(2.0%)

Annex

~~25~~ 28
P13

Technical reliability of our aircraft has been one of the major contributors to poor on time performance as well as a number of issues, like lack of fuelling facilities, on the ramp. The operations team need to sit down and strategies on how to recover the lost glory. This is starting to loose us customers.

We have also seen an upsurge of 'sick' cabin crew cases which happens at almost crew reporting time. This is a very suspicious trend which must immediately stop or else management will have to resort to other ways of tackling the malingers. We cannot afford to be delaying or cancelling flights because of a few rotten eggs' in our midst.

Recruitment of pilots continues to go on with a total of 41 Ab-ination cadets commissioned for training in South Africa. Another 20 have successfully completed the interview process and are to leave for training in Dec 2011.

The shortage of Captains continues to affect our growth and even sustaining existing routes. Cancellation of flights is happening every day. In an effort to address this problem, management and KALPA have agreed to employ 5 ex-KQ Captains who are currently working overseas. Discussions are also on going on how to recruit expatriate Captains on a temporary basis. These expatriates will be linked to the training of our first officers with a plan to get them out as Kenyan pilots achieve captainship status. This will have to be also agreed with the immigration department as well as KCAA. We do need to follow this route or else we will not achieve our growth strategy and risk collapsing going forward. Our competitors to the North who were facing a similar problem have pursued this strategy and have now overtaken us in terms of growth.

INADS

Inadmissible passenger numbers through our system have grown to unacceptable numbers resulting in us paying colossal sums as fines. Between July and October 2011 we have paid fines of Ksh 7.2m. The table below shows a breakdown per shift:-

MONTHS 2011	SHIFT A	SHIFT B	SHIFT C	SHIFT D	TOTAL	GRAND TTL
DMO	CAROLINE TAMBO	DENNIS MONARO	OLE MEPUKORI	ROSEMARY NZOMO		
JULY	11	21	15	14	61	
AUG	11	15	17	37	80	
SEP	9	13	25	2	49	
TOTAL	31	49	57	53	190	190

Annex. P13

~~Annex. P13~~

Our budget assumed that we would have six 767s in operation but unfortunately we have been operating with five due to unavailability of suitable aircraft in the market and this impacted our revenues negatively.

Our Cargo team continue to excel despite space limitations.

Looking at the performance as at the month of October 2011 the results are as follows:-

Area	Pax Revenue-YTD Act v Budget %
	Oct-11
Europe	5.0
Middle East	2.6
Far East	14.0
Northern Africa	8.9
East Africa	5.7
Sothern Africa	8.9
Central Africa	10.6
West Africa	3.8
Domestic	19.6
All routes	0.2

Area	Cargo Revenue-YTD Act v Budget %
	Oct-11
Europe	28.0
Middle East	5.6
Far East	95.9
Northern Africa	40.0
East Africa	45.3
Sothern Africa	17.1
Central Africa	32.4
West Africa	51.3
Domestic	63.6
All routes	19.5

On a year to date basis, Northern Africa, East Africa, Central Africa, West Africa and Domestic passenger revenues were all below budget.

Congratulations to the teams from Europe, Middle East, Far East and Southern Africa, for exceeding your Passenger Revenue year to date budgets.

Our cargo, Domestic, East Africa, Northern Africa and the Middle East did not achieve their budget on a year to date basis while Europe, Far East, Southern Africa, Central Africa and West Africa exceeded their budgets.

Annex P~~23~~ 123

Can the individual Area Managers make sure they recover the lost ground.

In terms of our direct operations expenses, we were 13.1% below budget while overheads were 7.2% above budget both on a year to date basis. We need to continue managing our expenses going forward.

Expense Description	Direct Operating Expenses
	YTD Act v Budget %
	Oct-11
Fuel	19.6
Maintenance	5.8
Landing	10.3
Handling	9.9
Navigation	10.8
Catering	2.1
Pax Cost	12.3
Others	11.0
Total	13.1

Expense Description	Overheads
	YTD Act v Budget %
	Oct-11
MD	28.4
COO	7.9
Flight Ops	0.4
Technical	7.2
HR	13.8
IS	4.5
Finance	20.2
Commercial	25.3
Ground Ops	2.7
Others (Contingency, Depr, Mawingu)	8.0
Total	7.2

OPERATIONS

Our ontime performance for the half year at 66% was awful and has continued to deteriorate during the month of October to even a lower number than this.

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I do not believe that this is happening without the knowledge of some people in KQ!!!!!! Yves from now henceforth I would like to see an end to this and if it happens I also want to see severe disciplinary action being taken against the responsible staff. The DMOs should take direct responsibility for this important area.

EXPANSION

We continue to pursue our expansion plans according to our 10year strategy. We have already ordered 3 x 777-300 ER which will each have a capacity of 400 passengers and these will be joining the fleet in 2013/14 and 2014/15 financial years.

We have also signed up for ten Embraer 190 which will start arriving in 2012/13. The dreamliners are due for delivery end 2013. A demo flight of this aircraft will be in NRB from 14th to 16th December 2011 and most of you will have the opportunity to view it at the hangar on a date to be announced.

The rights issue process is still ongoing with Alex Mbugua and I doing a lot of road-shows locally and overseas to try and sell the company to existing shareholders so that they can take their rights. GOK and KLM have already confirmed that they will take their share which totals 49% of the Company. This is a very good starting point.

TITUS ANSWERS

Q1: On time Performance

Ndungu Charles: I am particularly concerned about on time performance. I have had experiences where customers known to I call to express reservations about delay (s) and of course with unkind words. Though my work in KQ has no direct interface with operations, I would like to see an improvement, more so on communication in case of delay.

Secondly, what is Management doing to address staff morale? I have noted an increasing disquiet among staff on small issues involving their pay and in some cases resulting to almost picketing.

A: Regarding on time performance, a communication project is underway to look at: (a) improve communication amongst stakeholders at JKIA about disruptions and (b) improve communication about, downgrades delays, upgrades and cancellations sent to other stakeholders from OCC. These two projects are both being sponsored by Yves Guibert-Ground Services Director.

Annex. P13

We have in the last few months implemented the long outstanding job evaluation project, which was aimed at addressing the job grading disparities in the organization structures. With this exercise, all employees have now been placed on the right job grade, with the right compensation programme for their respective grades. The unfortunate thing with Job Evaluation is that not all staff are satisfied by the outcome. Similarly we have also implemented the Collective Bargaining Agreements, and the annual salary adjustments. While this has been done, we have engaged a consultant to run a salary survey to benchmark Kenya Airways jobs in the market. All employees have had regular communication on the steps being taken on all these programmes mentioned above.

Q2: Excess Baggage Revenues

Ukullo Daniel: I feel we are not effectively collecting excess baggage revenue from our clients some of whom carry upto 500KGS from out station to West Africa, it could do our revenue figures good.

For example: Check at Pax Masunda Gibson who did not pay out of original station, and if so how much because some stations are putting wrong weights on such bags. Please this is just one pax I have not confirmed that he did not pay but wondering if we are getting this value of our space.

A: According to DXB pax never travelled. Pax Masunda Gibson checked in on KQ311/15Sep with 2 pieces 43Kgs (SEQ 043). Some pax name appear on the offloaded list on KQ311/13Sep (SEQ022). I have checked the records and found a log entry and also recall the incident on KQ311/13Sep. Pax came for early check-in with MCO plus cash payment. However, since we apply the piece weight concept strictly, pax MCO was recovering only very few pieces of baggage, and he was short of funds for the excess. Pax got in touch with Joan from HRE to try and sort the issue of MCO being accepted for number of pieces, whereby he was losing out on the kilos.

At night pax claimed that he was still short of funds and offloaded himself from the flight. The bags never left DXB on 13Sept.

Q3: Flying Blue

Oriku Obeds: Why did we have to close the Flying Blue Service Centre in town? Was this meant to cost-cut?

In your expert opinion do you concur that the decision has had an adverse effect on our frequent fliers? A check with customer relations will clearly give the picture as it is on the ground.

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[REDACTED]

Annex. P13

A: Obeds, we have observed that there was a decline of 17% in tickets issuance by the Flying Blue contact centre during the first year of the move. Customer complaints directly related to the move were also captured, some customers did not find the move favorable. From July this year we have observed an upward trend in the ticket issuance and the OTI;s are beginning to reduce.

Q4: Baggage

Wamala Faridah: Isn't there a way KQ can weed out those petty thieves who keep tampering with passenger bags? It is really costing the company sales and repute. There should be zero tolerance policy introduced whereby if caught and proven then sorry its time up for you.

A: We are committed to zero tolerance to pilferage. Since January 2011, a total of 15 staff from both KQ and contracted services have had their services terminated due to involvement in pilferage, 11 have been arraigned in court and 9 third party service providers have been blacklisted from KQ operations. We have made pilferage a WCO project and are eliciting the support of all staff and stakeholders in the war against pilferage. Through this initiative we are able to address pilferage in a wholesome way. We are constantly assessing and evaluating the weaknesses in our system that allows pilferage to occur. We have brought pilferage on cargo and theft of whole baggage to almost zero. With the input of every single staff and all other stakeholders, we should be able to eradicate this menace. We are sending a clear message out there that no one involve in pilferage will be spared.

Q5: KQ Flags

Were Godfrey: Our flags outside International Arrivals are in very bad condition i.e. torn/faded and does not give a very good image of the company. I would also suggest that they are re-designed.

A: The flags have now been removed and replaced with new flags


Titus T Naikuni

24/4/11

Annex ~~13~~ 14
Kenya Airways
The Pride of Africa
SKYTEAM
Annex. 14

MEMO

To: All KQ People
From: Titus T Naikuni

03 August 2011

A number of you must have seen a Press Release and a press conference given today by some of the AAWU officials.

Most of the statements given in both are not a true representation of facts and I would like to summarize the true position regarding two key issues mentioned by the Union:-

1. CBA NEGOTIATIONS

The main issue is the deadlock we have reached in the wage negotiations. Management and the Board of Kenya Airways have given a proposal that we believe is affordable and also allows us to continue growing the airline steadily while also giving a return to our shareholders. What the Union have put on the table we feel is unaffordable and unrealistic. When we reached a deadlock the matter was referred to a Conciliator appointed by the Ministry of Labour. Having not come to agreement, the matter was therefore referred to the Industrial Court. The union and management have been ordered to present their Memoranda to the Court by 14th and 24th August 2011 respectively and the case is scheduled for mention on 31st August 2011. In the meantime doors are still open for both parties to come to an agreement while the due process is also allowed to continue.

2. REDUNDANCIES

At no time in the recent months have management contemplated declaring any redundancies in the company. We are in fact buying recruiting to match our continued expansion. The letter of 6th June that the union refers to was in fact to discuss restructuring (different from redundancy) the shift process in ground services amongst other things to address some challenges. The matter was shelved after management discovered the proposed restructuring was not going to fully support the operations hence the withdrawal.

Restructuring is a normal exercise we have continued to do within the organization to suit business changes posed by the environment we operate in which keeps changing. One thing, management tries as best as it can is to make sure there is enough consultation between the appropriate parties hence the letter of 6th June to the union.

I would like to reassure staff that there is no redundancy being looked at or replacement of check-in staff under the current business environment.

May I urge all in KQ to carry on working peacefully as we continue to work to resolve the CBA issue amicably. We all need to delight our customers and maintain discipline at work.


Titus T Naikuni



Annex. P15

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DM/6842/PF

6th June 2011

Reginald Asibwa
S/N 6842
Through Director Flight Operations

Dear Reginald,

Re: Termination of Employment through Redundancy

As you are aware, the Company has reviewed the structure in the Flight Operations Engineering Section resulting in the creation of a new role of Assistant Flight Operations Engineer - Navigation and phasing out of your current role of Aeronautical Information Services Officer (AISO). Consequently all staff affected were given an opportunity to be interviewed for the new role.

You attended an interview of Assistant Navigation Services Officer role and we regret to advise that you were not successful. In view of the foregoing, we advise that there is no immediate position available for which the Company can consider you. Therefore, you have been displaced and regrettably this is to give you three (3) months notice of termination of your employment contract effective 9th June 2011. The Company has however decided that you be paid salary in lieu of service of the notice.

In accordance with your existing terms and conditions of Service and the Labour Laws, you are entitled to the following:

1. Three months pay in lieu of notice
2. Severance pay at the rate of 18 days pay for each completed year of service in the Company
3. Payment in lieu of your earned leave days as at 9th June 2011.
4. Your own and Company's contribution of the Provident Fund in accordance with the Staff Provident Fund Rules.
5. A discretionary ex-gratia payment of one month's pay

The above amounts will be paid once you have completed the clearance process and returned all Company property that may be in your possession. Note that the amounts will be paid net of tax.

The amounts will be paid to you through a cheque drawn in your name. You will be required to sign a final discharge upon collection of the cheque.

Finally, we thank you for your service to the Company and wish you the very best in your future endeavours.

Yours faithfully,

Tom Shivo
Ag. Group Human Resources Director

By way of receipt and understanding of the contents of this letter, kindly sign and return the attached duplicate copy of this letter to the office of the undersigned.

Signed..... Reginald Asibwa in the presence of

Name Signature Date.....

Standard Street, Bruce House, 13th Floor,
P.O. Box 45707 - 00100 GPO, Nairobi, Kenya.
Tel: +254 20 2248461, 2248467, 2228081
Fax: +254 20 2249754
Email: miller@milleradvocates.com
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ADVOCATES

- Cecil G. Miller
- Kennedy Ochieng'
- Samuel Maina
- Pauline Kamunya-McAsila
- Eric Michira
- James Sijenyi
- Kidi Maluku
- Janete Wonge
- Ediel Ouma
- Anne Kaguri
- Rose Onsare

MILLER & COMPANY
Advocates, Commissioners For Oaths & Notaries

Annex P15
Date: 12th August 2011.

Our Ref: CGM/2620/2011/JS
Your Ref: T.B.A.

The Group Managing Director
& Chief Executive Officer
Kenya Airways Limited
P O Box 19002-00501
Nairobi.

Dear Sir,

Re: Alleged Termination of Employment for Reginald Asibwa and Bernard Wanjare on the 6th day of June 2011

We refer to the above matter in which we have been instructed by our clients **Reginald Asibwa and Bernard Wanjare** to address you as follows:

That our clients worked for your company in various positions including Navigations Officers until they were illegally declared Redundant on the 6th day of June 2011.

Further, when our clients were declared Redundant your company paid them minimum amounts in total disregard to the laid down requirements under the Employment Act. This was done despite the fact that there was no existing Common Bargaining Agreement which was to be used in determining or formulating the procedure to be followed by your company in declaring any employee Redundant.

Our clients were therefore illegally forced out of their employment in a hurry without preparing them for the eventuality in total disregard to the normal practice where they are to be trained and counseled on how to deal with their new status.


We are instructed that indeed, it has subsequently been in equivocally admitted by your company that there exists "bad and unethical habits.... In recruitment process where individuals interfere with intentions of the recruitment of staff...." which in the instant case rendered our clients victims of the unethical process where they were illegally rendered Redundant and consequently their employment unlawfully terminated.

We have therefore been instructed to demand from you as we hereby do that you do the immediate admission of liability upon which the issue of liability can be gone into. TAKE THAT if we don't hear from you within **(7) seven days** upon receipt of this demand letter our clients will take appropriate steps to recover the said damages incurred by them at your company's peril as to risk of costs and any other incidentals.

Kindly be advised.

Yours faithfully,

For: **Miller & Company Advocates**


James Sijenyi Advocate

MOMBASA OFFICE: milleradvocates.com

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P.O. Box 90088 - 80100, Mombasa, Kenya.
Tel: +254 41 2319483/4/5
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Email: miller@milleradvocates.com
Website: www.milleradvocates.com

VAT No. 013236
PIN No. ACC

2 May 2011

Reginald Asibwa

Staff number: 6842

Dear Reginald

SUBJECT: FLOE STRUCTURE CHANGE


The FLOE Department has undertaken critical steps in building internal capacity and capability of electronic-enabled initiatives where all Kenya Airways ACARS/EFB – legacy systems and data mining integration(s) for different sections will be defined.

With these initiatives, there have been changes in the organisation structure as attached.

With these structure changes, we advise that you will be interviewed for the position of **Assistant FLOE Navigation Officer** on **16 May 2011** at **2 pm**, in the HR Office, Block A, Room 309. Placement of the successful candidates will be made immediately the results of the interviews are approved.

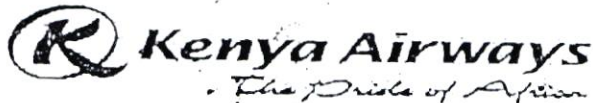
For those individuals who may be displaced from the new FLOE structure, discussions will be held with the respective individuals on the next steps. The whole process is scheduled to end within one week after the interview date.

Yours sincerely



Tom Shivo
Acting Group Human Resources Director

Annex. P15



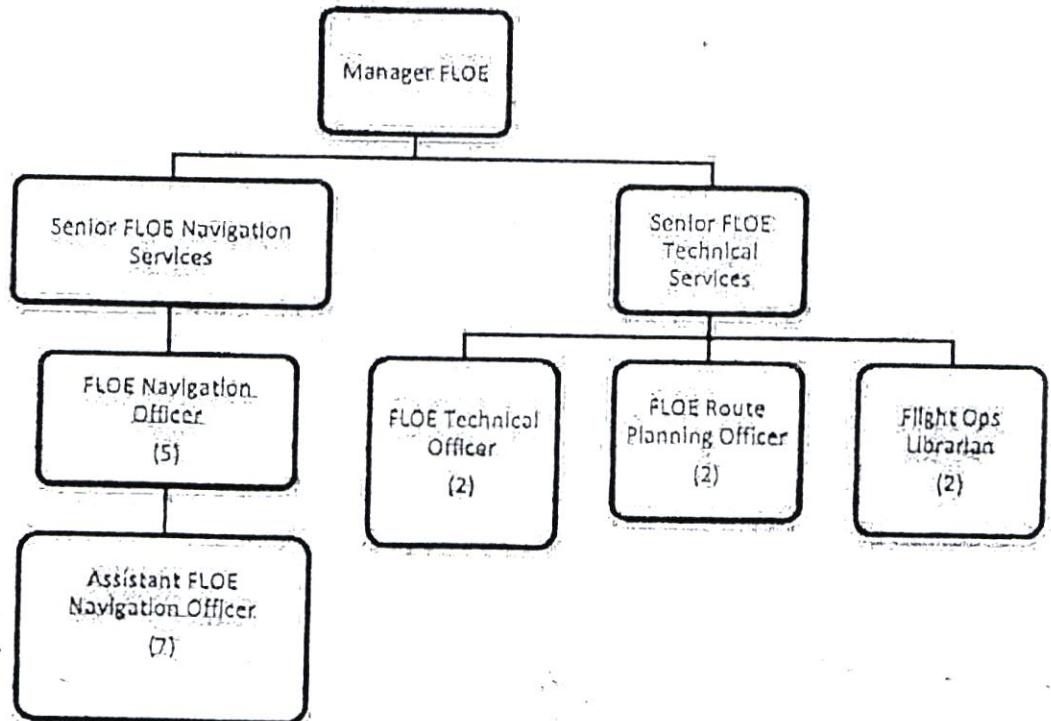
MEMO
To: FLOE staff
From: Paul Mwangi
Date: May 10, 2011
Subject: FLOE Structure

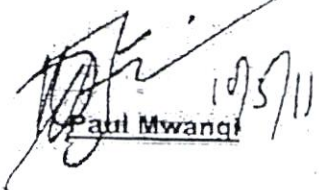
In order to strategically build internal capacity in FLOE's capability to support Crew and OCC, the current F structure has been revised.

The new structure and revised job roles will support the ongoing airline growth, and efficiency in F processes. The structure will also support the ongoing Electronic- Enabling Initiatives, automation of documentation in the ongoing Electronic Flight Bag (EFB) Project, customization of ACARS utilization to Kenya Airways current and future requirements, integration of Flight Operations legacy systems ACARS/EFB, and laying the foundation of Kenya Airways 787 infrastructure.

Given this new development and change in some job profiles competency based interviews will be held week to fit the affected FLOE staff to the new roles. Individual letters will be sent to all FLOE Staff advising them of the same.

Attached, is the new FLOE Structure.




Paul Mwangi

Annex. D 16

KENYA AIRWAYS: EMBRAER DELIVERY FINANCING STRUCTURE

This memo describes the structure of the delivery financing of ten Embraer E190 aircraft (the "Aircraft") for Kenya Airways Limited ("KQ").

A. Incorporation of Borrower:

- a) A bankruptcy remote orphan SPC borrower is incorporated in the Cayman Islands (Samburu Limited, the "Borrower") under a Declaration of Trust pursuant to which Walkers SPV Limited holds the shares in the Borrower on trust for the benefit of those to whom the Borrower is indebted, and thereafter for the benefit of a charitable trust in the Cayman Islands.
- b) A Corporate Services Agreement is entered into pursuant to which Walkers SPV Limited will provide certain administrative services to the Borrower. The cost of such administrative and management services is to be borne by KQ.

(See step 1 in the structure chart.)

B. Loan Agreements:

- a) The Senior Loan Agreement is entered into pursuant to which the Senior Lenders will advance to the Borrower a facility to enable the Borrower to fund a portion of the Net Purchase Price due to the Manufacturer under the Purchase Agreement. The Senior Loan Agreement funds 80% of the Net Purchase Price.
- b) The Junior Loan Agreement is entered into pursuant to which the Junior Lenders will advance to the Borrower a facility to enable the Borrower to fund the remainder of the Net Purchase Price due to the Manufacturer under the Purchase Agreement. The Junior Loan Agreement funds the remaining 20% of the Net Purchase Agreement and the junior financing arrangements are full subordinated to the senior financing arrangements.

(See step 2 in the structure chart.)

C. Transfer of title to an Aircraft:

- a) Under the PDP financing, KQ has the right to acquire title to the Aircraft pursuant to the Forward Purchase Agreement (see PDP structure note). Under the terms of the Forward Purchase Agreement KQ is permitted to direct the Manufacturer to transfer title to the Aircraft on each delivery date to its nominee or transferee. Pursuant to the Direction to Transfer Title, in relation to each delivery of an Aircraft, KQ directs the Manufacturer to transfer title to the Borrower.

- 7) A Lessee Security Assignment pursuant to which KQ as Lessee assigns its rights in and to the Insurances to the Security Agent (on behalf of the Finance Parties).
- g) An Airframe Warranties Agreement confirming that all rights with respect to the warranty on the aircraft (excluding engines) will transfer to the Lenders in an enforcement scenario.
- h) An Engine Warranties Agreement confirming that all rights with respect to the warranty on the aircraft engines will transfer to the Lenders in an enforcement scenario.
- i) An Account Charge, pursuant to which the Borrower in its capacity as Lessor charges the Account into which lease rentals are made by KQ as Lessee, to the Security Agent (on behalf of the Finance Parties).

(See steps 6 – 9 of the structure chart.)

An Intercreditor Agreement will be entered into between the Lenders, the Borrower and KQ, which sets out, amongst other things the order of priority between the Junior Lenders and Senior Lenders, the order of application of payments and the subordination of the Junior Finance Parties to the Senior Finance Parties.

(See step 10 of the structure chart.)

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CASH FLOWS

1 On the Closing Date

- 1.1 PDP Lenders pay the first drawdown to Borrower (under the PDP Facility Agreement).
- 1.2 Borrower pays the Transfer Price to KQ (under the Purchase Agreement Assignment).

2 On each PDP Payment Date

- 2.1 PDP Lenders pay a drawdown to Borrower equal to the PDP amount then due to Manufacturer (under the PDP Facility Agreement).
- 2.2 Borrower pays the PDP amount due on that date to Manufacturer funded by amounts received by it under 2.2 (under the Transferred Purchase Agreement).

NB: Borrower will direct KQ and PDP Lenders to remit 2.1 directly to Manufacturer.

3 On each Interest Payment Date

- 3.1 KQ pays an instalment of Delivery Consideration to Borrower equal to the interest instalment due on that date (under the Forward Purchase Agreement).
- 3.2 Borrower pays the interest instalment due on that date to PDP Lenders (under the PDP Facility Agreement).

NB: Borrower will direct KQ to remit 3.1 directly to PDP Lenders.

4 On the Delivery Date

- 4.1 The owner of the Aircraft under its long-term financing (the "Samburu Limited") pays the purchase price of the Aircraft to KQ (pursuant to the Delivery Facility).
- 4.2 KQ uses 4.1 to pay the final instalment of Delivery Consideration to Borrower (under the Forward Purchase Agreement).
- 4.3 Borrower uses 4.2 to pay the Purchase Price Balance to Manufacturer (under the Transferred Purchase Agreement) and to repay the PDP Loan to PDP Lenders (under the PDP Facility Agreement).

NB: Payments on Delivery Date paid on a net basis under a netting letter between KQ, Manufacturer, Borrower, Samburu Limited, PDP Lenders and the long-term financier.

Annex. P 16

KENYA AIRWAYS EMBRAER PRE-DELIVERY PAYMENT FINANCING STRUCTURE

This memo describes the structure for the financing for Kenya Airways ("KQ") of pre-delivery payments ("PDPs") to the manufacturer (the "Manufacturer") under the Purchase Agreement (the "Purchase Agreement").

A: Incorporation of the Borrower:

A bankruptcy remote orphan SPC is incorporated in the Cayman Islands (Amboseli Limited the "Borrower"). The shares in the Borrower are held on trust, pursuant to the Declaration of Trust by Walkers SPV as trustee for the benefit of persons to whom the Borrower is indebted, and thereafter for a charitable institution in the Cayman Islands.

The maintenance, administrative and services costs of the Borrower are met by KQ pursuant to the terms of the Corporate Services Agreement between Borrower, Walkers SPV (as trustee and administrator) and KQ.

(See step 1 in the structure chart.)

B: Assignment of Purchase Agreement:

KQ transfers the Purchase Agreement to the Borrower. The transfer is effected under an assignment and assumption agreement (an "Purchase Agreement Assignment"), to which the Manufacturer consents pursuant to the Consent and Agreement. As a result of the transfer, the Borrower assumes the obligation to make the remaining PDPs to the Manufacturer and to pay the balance of the purchase price for each Aircraft to the Manufacturer and acquires the right to take title to the Aircraft from the Manufacturer upon their delivery. KQ remains a co-obligor with the Borrower under the transferred Purchase Agreement and all obligations of KQ as "purchaser" under the Purchase Agreement remain unaffected by the transfer.

(See steps 2 and 3 in the structure chart.)

C: Loan Agreement:

The Borrower enters into a PDP loan facility with the PDP lenders (the "Lenders"). Drawings under the PDP loan facility in respect of each Aircraft are paid by the Facility Agent in the following manner:

- a) on the closing date (the "Closing Date"), in relation to the first drawdown, to the Borrower to assist it to finance the consideration (the "Transfer Price") payable by it to KQ for its acquisition of the Purchase Agreement under the Purchase Agreement Assignment (equal to the amount of the PDPs previously paid to the Manufacturer by KQ); and

ITMnex. p 16

- a) KQ provides a Guarantee to the Manufacturer of the obligations of the Borrower under the transferred Purchase Agreement.
 - b) KQ provides a Guarantee to the Lenders of the obligations of the Borrower to the Lenders under the PDP loan facility.
 - c) A first priority Security Assignment of all the Borrower's rights in the transferred Purchase Agreement.
 - d) A first priority Share Charge over the Borrower's shares.
 - e) KQ receives a fully subordinated second ranking Share Charge over the Borrower's shares to secure its interest in the Purchase Agreement (a) arising from its payment of amounts due from it under the Forward Purchase Agreement and (b) under its guarantee to the Lenders
- (See steps 6 – 10 in the structure chart.)

The PDP Lender, the Borrower and KQ enter into a Security Trust Deed, pursuant to which, inter alia, the order and ranking of the share charges is agreed and the subordination of the KQs rights under the second priority share charge is set out.

(See step 11 in the structure chart.)

Office of the Group Managing Director
and Chief Executive Officer


MEMO

From: Titus Naikuni
To: All KQ People
Date: 10 August 2011

RECRUITMENT

I have recently noticed a 'creeping in' into KQ of the old bad and unethical habit of people who are entrusted with handling the recruitment processes (shortlisting, interviewing, etc) manipulating their final outcome. There are also individuals who interfere, with intentions of influencing, the recruitment of staff with entities that provide services to us as contractors or consultants. May I remind each one in the company that this is a very serious offence and people should desist from it with immediate effect or else suffer appropriate consequences.

I have time and again reminded you that one of our Success Factors is to be "**Ethically Honest**". I will NEVER tire in leading this organization to be a shining example in terms of Ethics.


Titus T Naikuni

Annex. P17B

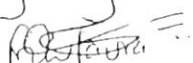
PERSONAL STATEMENT

I am Timothy Ngure Mwaura, a young, ambitious and focused man whose main ambition is to be a pilot. I am currently pursuing a degree in bachelor of science in mechatronics engineering at Jomo Kenyatta University of Agriculture and Technology but also hope to pursue aviation should an opportunity arise because it has always been my dream.

On 12/11/2008, I saw an advertisement on the Daily Nation newspaper that read as follows, "we urgently require pilot trainees. For more details contact 0721435582". It was situated at the back pages of the newspaper and did not contain the name Kenya Airways. I became overwhelmingly interested and called the number. The recipient told me to visit Uniafric house along Koinange street, 2nd floor room 206 for more information. He told me to carry my curriculum vitae, KCSE results slip and my certificates.

On 17/11/2008, I went to the office directed and handed all my hardcopies to the man who had called me. He introduced himself as Steve Francis, the manager and coordinator of an institute located on the same floor [2nd floor] called TRAVAIR TRAINING INSTITUTE which offers cabin crew courses, business courses, among others. He told me to wait for the feedback [I gave him my cell phone number]. Two days later, I received an sms from Steve Francis saying that I had been shortlisted for the first stage of the intake and that I should visit his office as soon as I can.

On 21/11/2008, I again went to his office and he told me that Kenya Airways was offering a recruitment called ab initio pilot trainees intake. He showed me a copy of the gazette advertisement by the Kenya Airways regarding the recruitment [it occupied almost a full page, unlike their advertisement which had only two sentences. He told that those who would be shortlisted [by KQ] would go to South Africa to pursue the course and the company would cater for all their expenses ranging from the tuition fees, accommodation, among others. In addition, each student would be offered a salary of Kshs. 150,000 while under training and those


Timothy Ngure Mwaura


Annex. P17B

who would complete the course successfully would automatically become KQ pilots with a starting salary of about Kshs.600,000.He told me that for a person to study aviation on self sponsored program,it would cost about Kshs6 million.He told me they were working with the employees of KQ who are involved in the recruitment and that the chief pilot Captain Noel Malinda had seen my kcse results slip and was very pleased with it.All I needed to do inorder to get through and be shortlisted was to deposit a total amount of Kshs1 million in the school's [TRAVAIR] account number which is CO-OPERATIVE BANK,MOI AVENUE,ACCOUNT NUMBER 01136120143700[but first I was to deposit shs600,000 then the rest shs400,000 later when he tells me to].I told him I first needed to consult my parents then contact him.

I told my parents all what had happened and they totally disagreed on the issue of depositing the money.I called him and told him that my parents were not willing to be "in that deal".He told me money was the key issue and there was nothing he could do to help me.I then decided to call Captain Waweru,a KQ pilot[who is a friend] and told him the whole story.On 02/12/2008,I met Captain Waweru and Dr.Mugachia at his office[doctor's] in Runda Evergreen where we discussed the matter.They told me they had informed the CEO,Mr.Naikuni about the matter and was willing to know all the culprits involved in this scandal.He would deposit the money required to gather enough evidence.I called Steve(in the evening) and told him that a cousin of mine was willing to pay up the money for me.He was very pleased with that and told me to visit his office the following day.Doctor Mugachia had given Mr.Naikuni my contacts and he later called me through his cell phone number which is 0733205275.He just wanted to hear from the horse's mouth and I told him all what had happened and he said he was very dedicated to the matter and he would inform the KQ,s security department about this for detailed investigations.

On 03/12/2008,I visited Steve's office in the unafric house.He asked me when the money would be deposited and I told

Timothy Ngure Mwarura


Annex. P17B

him two weeks from then. He gave me a questionnaire of the questions expected to be asked on the interview. He also told me to apply online for the recruitment via the KQ website which is www.kenya-airways.com, then send following contents to Eglá Too's and Paul Mwangi's emails (egla.too@kenya-airways.com and paul.mwangi@kenya-airways.com respectively) "See my copies attached". I left the office and applied online as directed. [Mr. Naikuni did not deposit any money then or later].

On 19/12/2008, I visited the KQ headquarters where I met Martin Kampala, Swaleh Slim and Mr. Owino who all belong to the company's security department. I told them all what had happened and recorded a statement.

On 30/12/2008, Kampala and I visited the CID provincial headquarters in Nairobi (near integrity centre) and met Mr. Mwachai, told him the story and I recorded a statement. He allocated us two officers who we were to work with, sergeant Murunga and inspector Winnie Umanzi.

On 2/01/2009, inspector Umanzi and I went to the uniafric office and met Steve. Inspector Umanzi pretended to be my cousin's wife who wanted to know exactly what it was all about then deposit the money. Steve told us that he was hired by the senior KQ employees involved in the shortlisting and interview processes. He named them as follows Capt Noel Malinda [chief pilot], Capt Paul Mwangi [head of flight operations] and Eglá Too [HR manager]. He told us that in every one million shillings deposited, he was given shs. 300,000 while the rest was shared amongst the three. The conversation was recorded by a recorder which was in my pocket. We went back to the CID provincial headquarters where I recorded a further statement. The police told me to leave the rest of the investigation to them.

On 5/01/2009, I met Mr. Naikuni at his office and told him all what had happened by then.

Timothy Ngure Mwangi


Annex. P.17B

TRAVAIR BANK ACCOUNT DETAILS

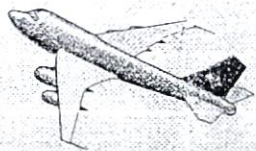
Tuition fee is payable to any branch of Co-operative Bank to the following Account details;

ACCOUNT NAME: TRAVAIR INSTITUTE OF PROFESSIONAL STUDIES
BANK NAME: CO-OPERATIVE BANK OF KENYA
BRANCH: MOI AVENUE
CURRENT ACCOUNT NO.: 011 361 201 437 00

For more enquiries contact:

*The Administrator,
Travair Institute of Professional Studies
Uniafric House, 2nd Floor, Suite 206, Koinange Street
Opposite Consolidated Bank
P.O. Box 25786 - 00100 GPO Nairobi
Tel: 020 - 310 953
Cell phone: 0722 - 774 350 / 0722 - 803 585 / 0734 - 788 418
Email: tipstravia@yahoo.com*

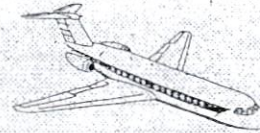
"INSTITUTE OF EMPOWERMENT"



"INSTITUTE OF EMPOWERMENT"

TRAVAIR INSTITUTE OF PROFESSIONAL

STUDIES (T.I.P.S.)



(A) AIRLINE CABIN CREW COURSE (IATA)

MODULES

- Introduction to the cabin crew profession
- Landing the job
- Cabin crew Healthy Living/Lifestyle
- Introduction to the Aviation Industry
- Introduction to Aircraft and Aviation Familiarisation
- Crew member coordination and communication
- Airline customer service
- Managing passenger interactions
- Safety and emergency procedures
- Medical Emergencies & Medical Training
- Introduction to Dangerous Goods
- Aviation Security
- Introduction to Airline Catering & Food Service
- Time Zone & Time Management

Duration	6 months	
Fee per month	Kshs. 5,500/=	
Fee per Term	Kshs. 15,000/=	(Paid termly)
Exam - Internal	Kshs. 3,000/=	
Full course	Kshs. 31,500/=	(exams excluded) Administration fee and Student I.D. fee inclusive

"INSTITUTE OF EMPOWERMENT"

Amuli

Annex. J 17B 3A

GATHENJI & COMPANY

ADVOCATES, COMMISSIONERS FOR OATHS AND NOTARY PUBLIC

G/W/255/2009

CLIENT COPY

20th March 2009

Group C.E.O
Kenya Airways
NAIROBI

CONFIDENTIAL

Attn: Mr. Titus Naikuni

Dear Sir

RE: CAPTAIN PATRICK MWANGI - S/N 7168

We act for the above client who has consulted us with respect to his working environment with Kenya Airways.

In our professional capacity, we have advised him to communicate the issues concerning the matter of his working environment confidentially to you as the issues raised therein may be controversial to the company, the staff concerned and the customers of Kenya Airways.

In brief the said issues touches on credibility and integrity of the training, recruitment and personnel relationship within the organization. We enclose a copy of his letter dated 19th March 2009 and the supporting documents.

We would be pleased if you could avail us an appointment when our client can expand on the contents of his said letter.

We take this early opportunity to offer our support in any discussion that would rectify the situation identified by our client.

Yours faithfully



GATHENJI & CO. ADVOCATES

MG/jw

Mbuthi Gathenji, L.L.B (Hons) Bar. Advocate of the High Court of Kenya.
suite C1, elgon court, ralph bunche rd, upper hill, box 76122 nairobi 0508, kenya
phone 2730115 / 2730117. 0733874824 fax 2738241 e-mail disputemc@clubinternetk.com
City Dropping zone. DOPRO office, 4th floor, college house, university way, nairobi.

VAT no.11735

Annex. P 17B

CAPT. PATRICK WAWERU
MWANGI
S/N 7168

19th MARCH 2009

THE GROUP CEO
KENYA AIRWAYS
P.O BOX, 19002
NAIROBI

Dear Sir,

RE: CONFIDENTIAL LETTER TO THE GROUP CEO KENYA AIRWAYS

Sir I'm writing to bring to your attention pertinent issues that I feel need your personal intervention. I've really agonized so much looking for a proper avenue and time to meet you without creating a situation where I'm misunderstood but mean well and the interests of the company are protected.

Titus it's my sincere hope to be part of a solution other than being part of the problems that bedevil our society. When we last had personal discussion with you in your office in JANUARY 2008 I expressed my desire to put every effort to create and protect the good reputation of KENYA AIRWAYS. The following are areas I feel should be addressed.

1. RECRUITMENT IN FLIGHT OPERATIONS -

This is one area where very serious attention should be paid to. For sometime word has been spreading that people pay to join KENYA AIRWAYS as either direct entry FIRST OFFICERS or through the AB INITIO entry program. A case in point has been brought to your attention and I can tell you openly that I had to gather courage and have you notified that one particular AB INITIO recruitment process advertised in 2008 should be investigated. Some external Aviation Training Institute was being used by some of our Flight Operations Department Managers and Human Resource Department Managers to extort money from prospective candidates where a parallel advertisement is done in the Nation Newspapers where interested candidates were asked to apply through the Institute as well as KENYA AIRWAYS through it's website and forward copies of the application to the managers involved through their KQ E-mails. The candidates are required to deposit 1 MILLION (1,000,000.00) shillings into an account in a certain bank. This money would be used to facilitate their entry and guarantee that they are hired. The manager of the Institute has the audacity of explaining to the prospective candidates managers involved in the scam to win their confidence and trust and how the money is distributed.

Please refer to the attached documents.

This is a gross violation of the trust bestowed on these managers by KENYA AIRWAYS and we all have the responsibility as honest employees to bring this to an end and protect the integrity of the Department, and probably stop criminal activities, from unscrupulous individuals.

Annex. P 17 B

PILOT TRAINING

In the past I've been lucky to be among pilots trained by external companies like BOEING TRAINING PROGRAM in SEATTLE USA and ANSET AIRWAYS in MELBOURNE Australia where I can comfortably let you know that this went a long way in exposing us to good pilot training processes in their training programs. Ground Instructors are available to guide trainee pilots and proper training classes are held. In the current internal KENYA AIRWAYS training program, trainees attend VACBI classes on their own and this is especially serious for new pilots joining the Airline for the first time as a lot of guidance is required to orientate them properly in Airline Operations. There is supposedly a pool of pilot ground instructors who are rarely used if ever. It may have come to your attention that our initial entry FIRST OFFICERS go through a difficult time during their initial training as they mainly have to do most of the work on their own as opposed to the normal training procedures where the training sessions are divided into instructor guided sessions and individual reading sessions. This helps the trainee pilot get proper guidance and makes training easier and faster when they finally start their flight training in the Simulator and line training. The only exception I've occasionally seen is in the B777 where the fleet manager takes time to take pilots joining his fleet through this paces. Sir I feel for the safety and training standards to be improved in KENYA AIRWAYS this should be addressed. If this area is addressed it will enhance the companies safety standards.

LINE FLYING & INSTRUCTING

Sir having been in the AIRLINE for 14 years (fourteen years) now as FIRST OFFICER, LINE CAPTAIN and once a LINE INSTRUCTOR and I've been able to make several observations. In Kenya Airways the role of a FIRST OFFICER is frequently relegated to observatory where their support role is rarely recognized. The term FIRST OFFICER is derogatorily baptized "FOREVER OPPRESSED" which somehow and in a strange way is true. FIRST OFFICERS other than taking active roles in a flight operation mostly take a back seat and wait for the CAPTAIN make decisions affecting a flight and rarely would they actively participate in decision making especially where safety is concerned. This is more pronounced in the lower fleets where I feel these pilots need to be encouraged to play a more participating role. I've got cases in point and one affecting me personally on a flight at night to SEYCHELLES. Refer to my KQ FILE and DOUALA CRASH in CAMEROON. I can expand more on these when we meet. When it comes to Flight Training a cartel has been operating and this is more so in the B767 fleet where we call these guys "WAR LORDS". If you cross this groups path ones chances of succeeding in this fleet are slim. They make decisions on who stays in the fleet. Sir It's very difficult to report the activities of this cartel as the only way of knowing whether one is in good books with them is through rumours, and one only comes to know if he/she has crossed their path is during route or simulator training. We go through a lot of embarrassing times as in cases of problems it's your word against theirs and frequently complaints are handled by the same group of pilots. To get information in this area sir is so complex as a lot of us live in fear of reprisals if word leaks out that a pilot has put a complaint on any of them. Attached is a copy of one complaint I made on this group in 2007 and since then my life in KENYA AIRWAYS has never been the same. I'm a frustrated and demoralized pilot despite trying very hard to perform my duties. I've been a marked person since then.

Annex. P17B

PILOT COMPLAINTS

Sir, I feel the department can do better to handle pilot's complaints expeditiously whenever any one of us gathers the courage to put in a complaint especially relating to training. Investigations and setting up panels to handle these issues takes such a frustratingly long time where they at times get forgotten. I recently felt I was not handled properly during B767 simulator check where I was failed, but on launching appeal it took 3 months (i.e. three months) to resolve. Despite the fact that a decision was finally made I feel this case could have been handled better as of now I'm still waiting to be rostered despite a decision being made. I feel effort should be put to objectively handle our complaints other than condemning us and making embarrassing verdicts.

WAY FORWARD

Sir I feel if the above areas are addressed objectively the reputation of KENYA AIRWAYS would be protected and we as employees would feel protected as well and our joy is to see a successful company.

At a personal level the issues I've raised are so serious that if this information leaks out the backlash would be so serious on me and the company that I seek total confidentiality. Leaking of this information could even make me loose either my job or life and I wish to appeal to you to consider a couple of requests from me:-

1. I've made a request to have a lawyer's advice and representation on how to go about the above.
2. If it becomes necessary for me to step aside to allow you make your investigations I would request us to discuss a separation package which my lawyer would participate in.
3. For the good of the AIRLINE I wish my lawyer to keep record copies of the above as a precaution on my safety as some of the information given is serious enough to cause damage to me and the AIRLINE.

Yours

CAPT. PATRICK WAWERU MWANGI



cc. GROUP CEO KENYA AIRWAYS.

cc. MR. MBUTHI GATHENJI - ADVOCATE



Kenya Airways

The Pride of Africa

Annex. P 17B 4A
AOC 528

Office of the Group Managing Director
and Chief Executive Officer

DD/000/F.10

12th May 2009

Captain Patrick Waweru Mwangi
S/N 7168

Dear Captain Mwangi

CONFIDENTIAL LETTER TO THE GROUP CEO KENYA AIRWAYS

I acknowledge receipt of your letter dated 14th April 2009 delivered via a firm of lawyers, Gathenji & Co Advocates.

I have taken the liberty to discuss the contents of your letter with our HR Director (Paul Kasimu) at length and have come to the conclusion that you should follow the correct company organization structure to raise the very serious allegations in your letter. In normal circumstances I would advise you to initially raise the issues with Captain Paul Mwangi who is the Flight Operations Director. I do note that you had previously done so through your letter dated 24th September 2007. In this instance, I would strongly recommend that you take the matter up with the Chief Operating Officer, Mr. Bram Steller, who is my direct report in charge of all company operational areas. I have the greatest confidence that Bram will give you a fair hearing if you also give him factual evidence and not 'wooly' statements. I have passed on to him a copy of your letter addressed to me for ease of reference. Bram's mobile number is 0735 571831 if you would like to call him to book an appointment for you to meet him ON YOUR OWN.

On your using your lawyers to get in touch with us on this issue I would advise that this is an administrative one that should be handled using the existing company procedures. However in the event you feel going legal is the right process that suits you then you are at liberty to do so but do note that the company will have the right to stop pursuing the administrative route and hand over to its lawyers, a step we feel is not called for at this stage.

Please note that all the contents of this letter are on a 'Without Prejudice' basis.

Yours faithfully

Dr. Titus T Naikuni
Group Managing Director & CEO

cc: Paul Kasimu
Bram Steller

Encl

Annex. P 17B



WITHOUT PREJUDICE

DD/027/F.10

12th May 2009

Gathenji & Co. Advocates
P O Box 76122
0508 NAIROBI
KENYA

Dear Sirs

CAPTAIN PATRICK WAWERU MWANGI – S/N 7168

I acknowledge receipt of your two letters dated 20th March 2009 and 6th May 2009 (this one arrived on my desk today) respectively on the above mentioned subject.

We have as of today written to Captain Patrick Waweru Mwangi directly advising him on what he should do to take advantage of the administrative structures the company has to address such matters. We have also advised him to be clear to us whether he wants to follow our company administrative procedures or the legal route to resolve the issues he raises so that we can know what course to take.

I take it that it is up to Captain Patrick Waweru to share the contents of our communication to him with yourselves if he so wishes since he has not given us instructions to do so.

Yours faithfully

Dr. Titus T. Naikuni
Group Managing Director & CEO

cc: ~~Captain Patrick Waweru~~
Paul Kasimu – Human Resources Director - KQ
Bram Steller – Chief Operating Officer - KQ

Annex. 18

DAVID M. MUSEMBI

PO BOX 658 - 90100

MACHAKOS

23/5/2012

S/N C4717

April 2011 18th

TO KENYA AIRWAYS SEPT SCHOOL AND

THE CONCERNED

RE: TRAINING OCCURANCE ON TODAY'S CLASS

I reported today for training at ~~08.00 AM~~ where I only found one colleague who is purber (JANE) ^{08.00 Local time} the training went well and we all returned our training and examining material at the end of the day.

The day's trainer Mary G as we commonly call her wished us goodbye but ~~she~~ also requested two of us to be left behind. I don't know what happened with my other colleague who had been also left with me behind - PURBER (MAYBE JANE), as I was told to wait outside. Our trainer called me back to the training room where I entered and found my colleague doing "some" exams. I was worried why as other colleagues had done their exams and those who had not attained pass marks were given theirs to redo while we were all inside the classroom. I had a question that ^{we} had been requested to remain behind with ~~me~~ as the target. The trainer looked at me and told me to pick the training material and certificates of competence and follow her to office. I started noticing something was wayward (wrong) as we went to office where there was no one inside the two of us only inside. Meanwhile the trainer introduced a new topic and asked me about a blank answer sheet that she had requested me to return as it had been written E170 but I

had been marked, something I told her I wasn't aware of, but it had been written emergency, E119 and all other question papers to have had been re-used that was all I knew. Afterward Jason came and asked what had happened, I narrated to him and in turn asked for him to be shown the papers but my trainer refused to. She instead suggested I should write down but told her what not to write. Jason informed me the state was state and could not be incriminated for anything he had done, repeated her to leave and give me the car to Jason left but my trainer to stay with me. After being left together the two of us felt unsafe. She asked a lot of questions which I answered all which she chose to ask for my manager state "a large amount" something hit my mind I couldn't answer more questions. She came closer to me with the stool she was sitting on so I leaned to my corner as she was dangerous for me. Most of the questions I answered. She told me she could influence my chances of being a state manager. She touched me and told me she was married and had no children, but why did she choose to do this when she was with her husband. I was asked for my manager's name and at some point she said she could call someone for me. I asked her if she could replace the name. She didn't call them but instead insisted I could stay there up to late night. I couldn't picture why all this at some time I almost lost consciousness hence didn't know what happened/followed but I heard her mention ambulance and touched me when I regained consciousness I found her saying she requested me to offer water but could see none on table. Jason came she informed her I refused to answer "some" questions then Jason went to get some water for me. It took a while then mercizine came had pity on me I felt ashamed of what had happened so she talked to me nicely. After regaining strength she directed me to where I could get water. It is here where we found Jason inside +

Emergency Training School
 She directed me to where I could get water
 21 MAY 2012
 007
 It is here where we found Jason inside +

Don't Die

Kenya Airline Pilots Association



Member of IFALPA

KALPA's POSITION ON KENYA AIRWAYS RECENT RETRENCHMENT

As has widely been reported, Kenya Airways has retrenched/declared redundant about 600 of its' employees in its' staff rationalization program. KALPA takes great exception to the inhumane manner in which it was conducted.

It is instructive to note that Kenya Airways is in the process of hiring flight attendants from India, Rwanda and Ghana in addition to the existing foreign crew from Ghana, Cameroon and Thailand, who have 'The Pride of Africa' to thank for creating employment in their respective countries. KALPA takes great exception to this and would like to seek the intervention of the concerned Government offices particularly the Ministry of Immigration, who issue work permits, and the Kenya Civil Aviation Authority (KCAA), who issue the foreign licences, to stem the exportation of Kenyan jobs. This is happening in a country that has abnormally high unemployment rates, and is struggling to keep the pace in achieving vision 2030. Annual reports indicate that jobs creation still falls way below target if the Vision is to be achieved. It is appalling that this issuance of documents to non-Kenyan nationals is happening while Kenya Airways retrenches the same cadre of workers. Kenyans who have for more than a decade given sacrifice after sacrifice trying to help achieve Kenya Airways' vision, 'To consistently be a safe and profitable airline that guarantees World Class service: The Pride of Africa'. This exercise has also seen the targeting of young families.

To quote some of the reasons given for this exercise, it doesn't take much to see where the real problem lies. ...downturn in passenger volumes occasioning sharp shortfalls in expected revenue streams, increasingly competitive environment, direct operating costs being very high, employee costs and other overheads continued to rise disproportionately to rise in revenues. If indeed Kenya Airways is in such a precarious position, how did it get there? We as pilots are deeply concerned about the future of our national carrier and will not stand by and watch as it sinks whether due to intentional mismanagement or negligence. We do not believe that the same Management and Executives that have steered our airline to this position are the ones best qualified to lead us out, and for good reasons.

1. Kenya Airways is at a loss on how to fend off increased competition through misadvised decision-making and knee-jerk reactions to situations as they develop. Once the airline with the youngest fleet in Africa, Kenya Airways now plays second fiddle to our competitor, and it will take a lot more than luck to keep up in this hostile environment. Our competitor Airline is now the first African carrier to operate the Dreamliner. Kenya Airways was to be the launch customer in Africa, but lost its chance years ago as management continuously fixates itself fighting employees. By the end of this year our competitor will have 5 Dreamliners, and by the time Kenya Airways acquires its first one, our competitor will have all of theirs. Their fleet also boasts of 5 brand new Boeing 777-200LRs compared to the 4 Boeing 777s Kenya Airways has had since 2004. Between 2004 and now management has been busy acquiring vintage Boeing 767s in a view to save money. This shortsighted thinking has put the airline in the position it is in now, and it is clear for all to see that the chickens have come home to roost.
2. Once again regarding aircraft acquisition, Kenya Airways is in the process of receiving several Embraer aircraft. However, KALPA is concerned with the apparently large numbers of aircraft on order vis a vis our route structure and passenger profile and has communicated the same to Management. The pilots, having looked at some of the planned routes for this aircraft have since raised fears that this will exacerbate an already serious problem of misconnecting passengers' baggage and cargo. While the Embraer is a pretty 'bird' it is unable to operate out of high altitude JKIA with substantial payload, even for the routes it is planned for. Is the Embraer the aircraft of choice in an environment littered with Dreamliners and Airbus A380s?
3. Kenya Airways is once again considering setting up a low-cost subsidiary that would operate on domestic and regional routes, by the name Jambo Jet. Other than a name change, KALPA does not feel that management has any viable plan. Aircraft that operate on this business model often operate with minimum set of optional equipment, further reducing costs of acquisition and maintenance, as well as keeping the weight of the aircraft lower and saving fuel. Often, no in-flight entertainment systems are made available and some airlines even use only non-

reclining seats. For example EasyJet's aircraft cabins are configured in a single class, high-density layout. The airline's main fleet, comprising Airbus A319 and A320 aircraft, carry up to 156 and 180 passengers respectively, depending on layout. A typical A319 carries 140 passengers in a single class configuration. FastJet (as Fly 540 is soon to be known) will be operating these same A319s. Kenya Airways plans to compete with its newly acquired Embraer 190s. These aircraft, other than having leather seats, have full touch-screen on demand entertainment systems for each passenger and are configured in two classes, business and economy carrying a total of 96 passengers with 12 in business class. Is Jambo Jet really going to be able to compete with other low cost carriers with this equipment? Again, according to KQ management, Jambo is supposed to operate all flights falling under 4 hours flight time duration. Out of 56 destinations that Kenya Airways operates currently, about 80 percent are destinations within the Africa region of which about 93 percent fall within the 4 hour flight time range. Are we seeing the killing off of Kenya Airways for the birth of Jambo Jet?

4. The main reason given for the problems bedeviling Kenya Airways is employee costs. A casual look at the financial results for the year ending March 2012 will reveal that there was a rise of a mere 2.2 billion in employee costs, while there was a staggering rise of almost 24 billion in Direct operating costs. While most of this was attributed to fuel costs at 40.7 billion, there is still another 36.5 billion that is not accounted for. Is the cost of delayed flights and hotel accommodations included here? Is the cost of misconnected baggage included here? Is the cost of cancelled flights included here? According to European Union regulations (EU Regulation 261/2004) passengers can get up to €600 as compensation for flight delays. That amounts to Ksh. 20 million per delayed/cancelled flight. The point here is, if management dedicated half the effort towards addressing this cost as it does towards employees costs, Kenya Airways might just get on the right path.
5. Kenya Airways corporate culture leaves a lot to be desired. Whatever the industry, the best companies have at least one element in common: a highly motivated, enthusiastic workforce that delivers exceptional service day after day. Most successful airlines have demonstrated the value of fully engaging every employee. Kenya Airways is bedeviled with employees that have low morale, and are constantly looking over their shoulder to avoid losing their jobs. Engineers in particular have been frustrated to the point that they are constantly looking for jobs with middle eastern carriers. Delays caused by technical problems can attest to this. When it comes to flight attendants, management has decided to outsource this essential service, a practice that stands in diametric opposition to good corporate culture. It is still a mystery where Career Directions Ltd sprouted from.

While Kenya Airways is a private company listed in the stock exchange, it still is a Kenyan company and as such must comply with the laws of the land. KALPA's message here is two fold. The work permits and crew certificates issued to foreigners have directly led to the retrenchment of Kenyans who have performed the same tasks for the last 20 years. We call upon the Government of Kenya to act within the democratic framework of this republic and hence ensure that its actions protect, and do not in any manner undermine, the livelihood of the working people of this country who constitute the republics vast majority. Secondly, Kenya Airways pilots remain dedicated to the success of our national carrier and are always at the frontline in ensuring the airline lives up to its vision. We have grown wary of a management that does not seem to have the national carriers interests at heart, and we, as all other employees, stand the most to lose if Kenya Airways does not survive. KALPA would like to state that we no longer have confidence in management's ability to successfully restructure the company.

For and on behalf of KALPA
Capt Ronald Karauri
General Secretary & CEO
22nd September 2012

USALAMA ANGANI.



Kenya Airways
The Pride of Africa



Anne: P2DA

Our Ref: PF/0008020/PF

4th September 2012

Julius Chacha Mwita
0008020

Through Director, Flight Operations

Dear Julius,

RE: REDUNDANCY

Further to the staff memo sent out on the 31st July 2012 the business has had to declare some of its members of staff redundant. This is to advise you that you are one of the employees affected by the changes. Consequently, your last day of work is 4th September 2012. The company has worked out your terminal dues to be paid to you and includes the following:

- Salary and applicable allowances up to and including 4th September 2012
- Severance pay at the rate of 20 days for every completed year of service. You 5 completed years of Service as at 4th September 2012, hence your severance pay amounts to Kes 245,299.73
- 3 months pay in lieu of notice amounting to Kes 223,836.00
- Accrued leave amounting to 47.23 days
- Provident Fund contributions in accordance with the Provident Fund Rules.

Less

- Leave days that you have taken in advance
- Any amount owed to the business

The above amounts will be paid once you have completed the clearance process, undergone an exit medical checkup with KQ clinic, signed off on all the necessary discharges and returned all Company property that may be in your possession. Payments will be made less any liability or any outstanding balance that may be indicated in the clearance form. Note that the amounts will be paid net of tax.

On behalf of management, we take this opportunity to thank you for your dedicated services over the last 5 years to the Airline and wish you the best in your future endeavours.

Yours faithfully,

Tom Shivo
Head of Human Resources Relationships & Reward

Our Ref. PF/00C2534/PF

4th September 2012

Judith Murugi Rweria
00C2534

Through Director, Flight Operations

Dear Judith,

RE: REDUNDANCY

Further to the staff memo sent out on the 31st July 2012 the business has had to declare some of its members of staff redundant. This is to advise you that you are one of the employees affected by the changes. Consequently, your last day of work is 4th September 2012. The company has worked out your terminal dues to be paid to you and includes the following:

- Salary and applicable allowances up to and including 4th September 2012
- Severance pay at the rate of 20 days for every completed year of service. You 8 completed years of Service as at 4th September 2012, hence your severance pay amounts to Kes 403,652 38
- 3 months pay in lieu of notice amounting to Kes 230,209.30
- Accrued leave amounting to 14.48 days
- Provident Fund contributions in accordance with the Provident Fund Rules.

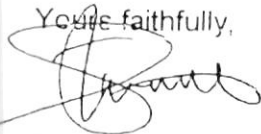
Less

- Leave days that you have taken in advance
- Any amount owed to the business

The above amounts will be paid once you have completed the clearance process, undergone an exit medical checkup with KQ clinic, signed off on all the necessary discharges and returned all Company property that may be in your possession. Payments will be made less any liability or any outstanding balance that may be indicated in the clearance form. Note that the amounts will be paid net of tax.

On behalf of management, we take this opportunity to thank you for your dedicated services over the last 8 years to the Airline and wish you the best in your future endeavours.

Yours faithfully,



Tom Shivo
Head of Human Resources Relationships & Reward

Our Ref: PF/0008465/PF

4th September 2012

Damaris Naibei
0008465

Through Director, Flight Operations

Dear Damaris,

RE: REDUNDANCY

Further to the staff memo sent out on the 31st July 2012 the business has had to declare some of its members of staff redundant. This is to advise you that you are one of the employees affected by the changes. Consequently, your last day of work is 4th September 2012. The company has worked out your terminal dues to be paid to you and includes the following:

- Salary and applicable allowances up to and including 4th September 2012
- Severance pay at the rate of 20 days for every completed year of service. You 2 completed years of Service as at 4th September 2012, hence your severance pay amounts to Kes 74,707.73
- 3 months pay in lieu of notice amounting to Kes 170,427.00
- Accrued leave amounting to 51 40 days
- Provident Fund contributions in accordance with the Provident Fund Rules.

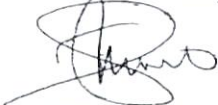
Less

- Leave days that you have taken in advance
- Any amount owed to the business

The above amounts will be paid once you have completed the clearance process, undergone an exit medical checkup with KQ clinic, signed off on all the necessary discharges and returned all Company property that may be in your possession. Payments will be made less any liability or any outstanding balance that may be indicated in the clearance form. Note that the amounts will be paid net of tax.

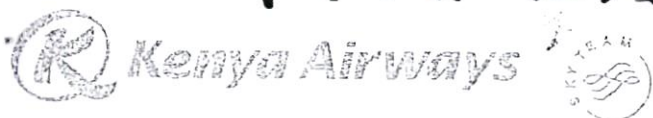
On behalf of management, we take this opportunity to thank you for your dedicated services over the last 2 years to the Airline and wish you the best in your future endeavours.

Yours faithfully,



Tom Shivo

Head of Human Resources Relationships & Reward



Annex: P 21 A

Staff notice number 046/2012

31 August 2012

To: All Kenya Airways People

MANAGEMENT APPOINTMENT - MARKETING DIRECTOR

I am pleased to confirm the appointment of Christopher Diaz as **Marketing Director** with effect from mid-October 2012. He will report to the Group Managing Director & CEO.

Chris joins us from Bidco Group where he was the Group Marketing and Business Director. He also previously worked for CMC Motors Group Ltd as Director and General Manager and East African Standard Group.

Chris holds an MSc (UK) in International Marketing and a Bachelor of Commerce degree (Hons) in Accounting. He is a Fellow of the Chartered Institute of Marketing and is also a Chartered Marketer (CIM UK). He is a member of Fellows Board of the Marketing Society of Kenya.

Chris was awarded MSK Warrior in 2009 and received a Head of Sale Commendation from the President of Kenya for devoted high standards of marketing across all industries and supporting conservation of environment.

I trust that you will join me in welcoming Chris to the KQ family.

Alban Mwendar
Group Human Resources Director

Annex. 21B



OBURA MBECHÉ & COMPANY ADVOCATES
Commissioners for Oaths and Notaries Public

This is the exhibit marked PM 10
referred to in the annexed
Affidavit of PERPETUA MPO.
declaration
Sworn before me this 9TH
AUG at NAIROBI
19th December 2011
Commissioner for Oaths

Our Ref: O/CC/K/351

Your Ref:

NAIROBI OFFICE:
Bishops Garden Towers,
2nd Floor
Bishop Road
1st Ngong Avenue
P.O. Box 28633-00200
Nairobi-Kenya
Tel: 254-020-2725885/7
2726198/9, 2726200,
To Fax: 254-020-2725701

Otieno Arun & Company Advocates
Travel House, 5th Floor
Mama Ngina Street
P.O Box 75073-00200
NAIROBI

Dear Sirs,

RE: KENYA AIRWAYS AND JamboJet LIMITED

Reference is made to your letter dated 17th November 2011 which has been handed over to us by our Client, the Kenya Airways Limited.

Please do note that Kenya Airways and JamboJet Limited are two distinct corporate entities and Kenya Airways Limited is not in a position to comment on issues touching on JamboJet Limited.

Even if the corporate veil was to be lifted as regards the operation of Kenya Airways Limited and JamboJet, we fail to understand how the preamble of the 'Recognition Agreement' between Kenya Airways and your Client would bestow on your Client the right to question the decision making process of the management of Kenya Airways, particularly when such decisions concern Kenya Airways investment policies in JamboJet.

In our humble opinion, your Client's concerns are at best speculative assumptions and have nothing to do with activities of a trade union.

Yours faithfully,
FOR: -OBURA MBECHÉ & COMPANY

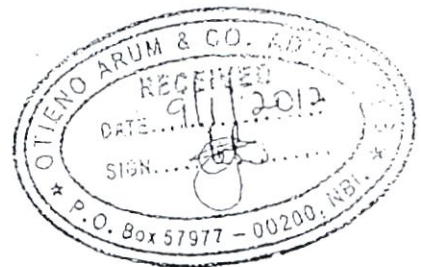
GEOFFREY O'RAIO-OBURA

PARTNERS:
Geoff. A. O'raio-Obura, (CAE)
SN Mbeche
PPO Mbeche

Associates:
Caroline C. Serem
Mary Banyu

Cc: Client

.../s/



Annex. P23

photos - Inbox - Yahoo! Mail

Page 1 of 2

Re: LAUNDRY OUTSOURCING

Tuesday, July 10, 2012 8:56 PM

From: "Ngunze, Mbuvi" <Mbuvi.Ngunze@kenya-airways.com>

"Naikuni, Titus" <Titus.Naikuni@kenya-airways.com>, "Kadoyo, Tom" <adoyo.kadoyo@kenya-airways.com>

"Mose, Paul" <Paul.Mose@kenya-airways.com>, "Odiko, Joyce" <Joyce.Odiko@kenya-airways.com>, "Bwire, Bonventure" <Bonventure.Bwire@kenya-airways.com>, "Wamalwa, Elizabeth" <Elizabeth.Wamalwa@kenya-airways.com>, "Musili... [more](#)

To:

Cc:

Moses and team, I will meet you on Friday at 2pm to

3pm.

Sent from my iPad

On Jul 9, 2012, at 11:31, "Naikuni, Titus" <Titus.Naikuni@kenya-airways.com> wrote:

Mbuvi

Please meet with this group and address the issues they have raised.

Titus

From: Mose, Paul

Sent: 08 July 2012 9:16 PM

To: Naikuni, Titus

Cc: Odiko, Joyce; Bwire, Bonventure; Wamalwa, Elizabeth; Musili, Jacob; Abuya, Denis; Mose, Paul; Otieno, Fredrick; Mutungu, Reuben; Ndunge, Mary Kisaulu; Kamau, Catherine; Orina, Joyce; Irungu, Patrick; Kichana, Beverly; Rosana, Stella; Okondo, Maureen; Githara, Carol; Muasya, Willie

Subject: LAUNDRY OUTSOURCING

Good evening Titus,

We have learnt with great pain that laundry is in the process of being outsourced. Whereas this is one of the options of an expanding business, we as a team feel that we have responsibility of contributing towards this endeavor.

PRODUCTIVITY

The laundry, comprising of 18 staff members, processes different soft furnishing materials including;

1. Passenger blankets, an average of 21,000 blankets per week with the capacity we have.
2. Aircraft seat covers for the cabin and the cockpit for the entire KQ fleet and third party operators –an average of 1000pcs per week.
3. Work wear for the technical department, other section that use such material as overall and dustcoat and also sportswear- an average of 300pcs per week.
4. Medical linen for all KQ clinics- average 190pcs per month
5. Coalescer bags (Aircraft air conditioning filters for B737s)-an average of 20pcs per month
6. Office curtains and other linens-an average of 10pcs per week

OUR CONCERNS

Annex. P23

OUR CONCERNS

- This was one of the turn-around projects which you initiated and championed in 2003. It has been successful all through to date. We are concerned why the outsourcing with the kind of voluminous work already in the laundry which we strongly believe saves the company a lot of operational costs.
- We had projected for massive expansion of the laundry pegged on KQ expansion plan which had been subjected to cost-benefit analysis (CBA) (as at Monday, August 25, 2008. Please find attached). The company had purchased the machines/ equipment and there is space for installation. We suppose there was also a budget meant for installation of the machines. How much have we lost with the machines still waiting to be installed, based on the above CBA?
- We as a team believe that laundry has a great potential if well managed. This is an area we also feel that we need to discuss.

OUR REQUEST

- We kindly request that you to find time during your busy schedule to come and have a formal meeting with us. We also request you to notify us on your convenient day and time since we work on a shift pattern.
- We have given laundry operations our all. Dedicated our services with pride. We know it has great potential if well harnessed. But, if in your wisdom, you have deemed it necessary to outsource, then give us a chance to operate it. Don't let us go to languish out there at our prime age.

Be blessed.

Laundry team

Annex. P 24A

Annex. P 24A

State seeks greater control of Kenya Airways after acquiring largest stake

Treasury in bid to take over role of designating top bosses at the airline, previously a preserve of Dutch firm KLM.

BY PAUL WAFULA
pwafula@kenationmedia.com

The government wants greater control of the management of Kenya Airways ahead of scheduled recruitment of the airline's new boss.

It is understood that Treasury, which became the largest shareholder in June, wants to take over the role of designating top executives at the airline, until recently the preserve of Dutch airline KLM.

Though both the government and KLM appoint two directors each to the 11-member board of Kenya Airways, the Dutch airline's previous 26 per cent stake against Treasury's 23 per cent gave it the right to designate KQ executives.

But after the airline's rights issue that ended on April 30, the government toppled KLM to become the biggest shareholder, a position the Treasury wants to use to have more clout at the national carrier.

The Kenyan Government now has a 29.8 per cent stake in KQ, against KLM's 26.73 per cent.

Bigger say

A source, who declined to be named, said that although the government was not interested in micro managing the airline since it is a public-listed company, it wants to have a bigger say when it comes to approving who is hired, given that it is now the biggest shareholder.

"The hiring will be done by the board but whoever is hired should be approved by the main shareholders," the source said.

The current edition of Paris-

based intelligence magazine, *Indian Ocean Newsletter* says the move by the Kenyan Government to seek greater control was occasioned by the recent re-renchment at the airline, which had the blessing of KLM.

"Nairobi wants to have a say in the choice of the airline's top executives and is planning to replace its CEO, Dr Titus Naikuni, who has held that post since 2003," said this week's edition of the newsletter. The magazine says the Kenyan government last month wrote to KLM to tell it of its intention to take over the management of Kenya Airways.

Attempts to get an official comment from both the Treasury and KLM were futile. Finance minister Njeru Githae and permanent secretary Joseph Kinyua, had not returned our calls, or answered text messages, by press time.

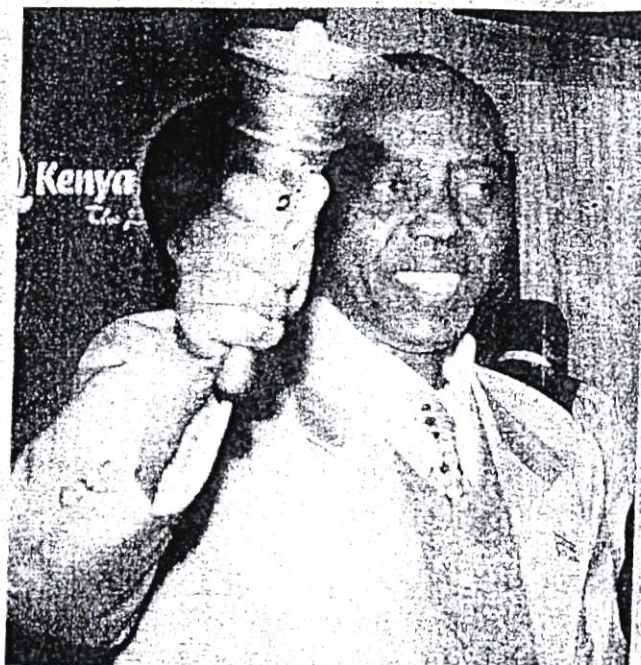
KLM, which had indicated that it would respond to an email, also had not done so.

Board seats

The Kenyan Government has two seats on the KQ board, represented by Transport permanent secretary Cyrus Njiru and Mr Kinyua. KLM's two seats are occupied by Mr Rob Schipper and Mr Peter Hartman.

"Nine out of the 11 members of the board are non-executive, including the chairman of the board. All others, except the group managing director, group finance director and two KLM directors, are subject to periodic reappointment in accordance with the firm's Articles of Association," the airline's annual statement says in part.

It is not clear how the new shareholders of Kenya Airways (such as the International Finance Corporation, the lending arm of the World Bank, which bought a 9.56 per cent stake, estimated to be worth over Sh2 billion) will treat this move by the government.



FILE INATION

Mr Joseph Kinyua, the Finance permanent secretary, rings the bell to officially start the listing and trading of Kenya Airways new shares earlier this year. It is not clear how the new shareholders of the airline will treat the move by the government to take greater control of the national carrier.

SHAREHOLDING

Who owns what at national carrier

- The Government of Kenya has two seats on the KQ board, represented by Transport PS Cyrus Njiru and Finance PS Joseph Kinyua (above).
- KLM's two seats are occupied by Mr Rob Schipper and Mr Peter Hartman.
- After the rights issue, the Kenyan Government's shareholding rose to 29.8 per cent, up from 23pc, while that of KLM increased marginally to 26.73pc, from 26pc.
- The total Kenyan shareholding (Government and local investors) has declined to 55.24 per cent, from 62.8 per cent.
- However, Kenya Airways still retains its national carrier designation as the minimum local shareholding required is 51 per cent.
- Foreigners now have 44.76 per cent shareholding, compared with 37.20 per cent previously.



Chairman James Gacheru

Jamii Bora bank launches Sh500 million rights issue

BY NATION CORRESPONDENT

Jamii Bora bank yesterday launched its Sh500 million cash-call to shareholders. The rights issue is expected to raise the financier's capital to meet CBK's Sh1 billion core capital requirement.

Currently, the firm has Sh800 million in capital.

The funds raised will also fund the

bank's expansion plan that is expected to catapult it to mid-tier status.

"The purpose of the Rights Issue is to increase the bank's capital base to pave the way for expansion and growth in the coming years," said chairman James Gacheru.

Some 3.7 million new ordinary shares will be traded through private investment, at Sh140 each. Standard

Investment Ltd is the lead transaction adviser. A minimum rate of 44 per cent, Sh229 million, has been set for the rights issue to be successful.

Already, two of the firm's largest shareholders, Asterisk Holdings and Jamii Bora Scandinavia AB, have pledged their entitlements. The two have a combined stake of 48 per cent and their participation will bring the

Annex. P 2A B

PUBLIC ANNOUNCEMENT KENYA AIRWAYS RIGHTS ISSUE OFFER RESULTS

The Board of Directors of Kenya Airways Limited ("KO") is pleased to announce the results of the just concluded Rights Issue, as per the terms and conditions on the Information Memorandum dated 27th March 2012.

Rights Issue Offer Statistics		
Subscription Price		
Total Number of New Shares Offered		KShs. 14/= per New
Gross Proceeds to be raised (KShs.)		1,477,169,000
Ratio of Entitlement:	Sixteen (16) New Shares for every Five (5) Ordinary Shares held as of the Record Date	KShs. 20,680,373,600
Minimum subscription performance rate		70.06%
Results of the Rights Issue Offer		
Total number of new shares accepted under entitlement of existing shareholders		839,600
Total value of shares accepted under entitlement of existing shareholders		KShs. 11,755,203,700
Total number of additional New Shares applied for by existing shareholders		42,023,400
Total value of additional New Shares applied for by existing shareholders		KShs. 588,328,720
Total number of New Shares applied for under rump applications		
Total value of New Shares accepted under rump applications		
Total number of new shares accepted by new investors		KSh
Total value of shares accepted by new investors		11,212,000
Total number of additional New Shares applied for by new investors		KShs. 156,968,854.00
Total value of additional New Shares applied for by new investors		141,960,600
Grand total number of New Shares applied for under Rights Issue		KShs. 1,987,448,400
Grand total value of New Shares applied for under Rights Issue		1,034,853,550
Number of lapsed rights		KShs. 14,487,949,714.00
Total subscription performance rate		442,315,998
		70.06%

Allocation:

The Government of Kenya ("GoK") having applied for its full entitlement of New Shares, and thus resulting in its shareholding in KO reaching 29.80% after the conclusion of the Rights Issue, has applied to the Capital Markets Authority ("CMA") for an exemption from the Capital Markets (Take-Over and Mergers) Regulations, 2002 (the "Take-Over Regulations").

Whereas KLM subscribed for its full entitlement of New Shares, its application was scaled back such that it will be allotted 280,000,000 New Shares, which will take its shareholding in KO from 26.00% to 26.73%, after the Rights Issue.

In light of the changes in the percentage shareholdings in KO of each of KLM and GoK, KO applied to the CMA for an exemption from the applicability of Section 6.4 of the Rights Issue Information Memorandum, and CMA has granted such an exemption. Therefore, GoK's percentage shareholding in KO will increase from 23.00% to 29.80%, and KLM's percentage shareholding in KO will increase from 26.00% to 26.73%.

All applicants will receive 100% of the New Shares applied for.

Subject to the Government of Kenya obtaining the approvals under the Take-Over Regulations, the following are the next steps to conclude the Rights Issue:

- Dispatch of Share Certificates and electronic crediting of CDS accounts of the New Shares will be effected from Thursday 14th June 2012.
- Share Certificates will be dispatched to the Authorised Agents for collection by the investors.
- Date of Listing and Commencement of Trading of New Shares on the NSE will be on Thursday, 21st June 2012.

The Board of Directors wishes to thank all shareholders and investors who participated in the Rights Issue.

By order of the Board
Fiona Fox
Company Secretary
8th June 2012

kenya-airways.com



declaration
Sworn before me this 9th
declared

RUBINA A. REHMAN
STAFF # C1213,
FLIGHT ATTENDANT.
KENYA AIRWAYS.

TO WHOM IT MAY CONCERN,

RE: VOLUNTARY EARLY RETIREMENT

Kindly let it be on record that I
RUBINA A. REHMAN PPT: # B129204 did not
apply or volunteer for early retirement.

Sincerely,

Rubina


RUBINA A. REHMAN.
C1213

JOSEPHINE W. WILSON
F0024
P.O. box 60905 DD
HAIRSBY
06/11/09/2012

to whom it MAY CONCERN

Josephine Wilson F0024 I.D. NO 20230931 did not volunteer
for early voluntary retirement as purported by the company

Thanks

JOSEPHINE WILSON


CANDY NYANGAYA,

02293

P.O. BOX 2030-00202,

NAIROBI.

06.09.12

to whom it may concern,

I Candy Nyangaya 02293, I.D. no. 21232932 did not volunteer for early voluntary retirement as purported by the company.

Thank you.

~~Signature~~
Candy Nyangaya

CAROLINE WANZA WAMBUI

STAFF NO C 2621

P.O BOX 11084-00100

NAIROBI

6th September 2012

TO WHOM IT MAY CONCERN.

I CAROLINE WANZA WAMBUI STAFF NUMBER C 2621,
ID NO. 22126920 DID NOT VOLUNTEER FOR EARLY VOLUNTARY
RETIREMENT AS PURPORTED BY THE COMPANY.

THANK YOU,

CAROLINE WANZA WAMBUI

Carolyn

ALVIN A ANGOCHE

Staff No: C3513

P.O BOX 92593-00200

NAIROBI, 6/09/2012.

TO WHOM IT MAY CONCERN

RE: VOLUNTARY EARLY RETIREMENT.

This is a confirmation to state that I did not personally volunteer for the retirement process undertaken by Kenya Airways. as earlier stated in the exit letter issued on 5/09/2012.

Yours faithfully



ALVIN ANGOCHE.

PO BOX 286-006
NAIROBI.
6/9/2012.

To whom it may concern,

Ms. Emma Akiend Wang, staff NO. C3316, did not volunteer for early retirement as purported by my employer, Kenya Airways

Thank you,

Emma Wang.

P. NO. A1534453.

Alex Kubo
C0849
Box 44863
NAIROBI

Kenya Airways
P.O. Box 44863
NAIROBI
06/09/2012

To Whom It May Concern

I Alex Kubo staff no. C0849 did not
volunteer to be sent home due early
retirement.

Yours faithfully

Alex Kubo

Opande Tito O'Kangi
S/W Kavisa
06/09/2012

To whom it may concern.

I the above named did not ~~delivered~~ as
by my employer Kenya Airways. Note I was only sent
with redundancy letter dated 04/09/2012. at 170hrs.

Yours faithfully


Opande
Opande Tito O'Kangi

RE: ALLEGED VOLUNTARY EARLY RETIREMENT
TO WHO IT MAY CONCERN:

I WOULD LIKE TO CLARIFY THAT AT ANY NO TIME
DID I WRITE A LETTER REQUESTING FOR AN EARLY RETIREMENT
AS ALLEGED BY THE ATTACHED LETTER FROM WENHA A.
TO THE BEST OF MY ABILITY.

NAME: BENNICH OTENO ABONGE

STAFF NO: 10320

SIGN: 

DATE: 06TH SEP 2012

6th SEP, 2012

Dear Sir/Madam,

I ANNE WAIHERA PETER of S/No. 8091 and I.D.no. 23785690 hereby confirm that I didnot volunteer myself for an early retirement/retranchment as indicated on the separation later dated on the 4th Sep. 2012, herein attached.

Yours sincerely,



Anne Waihera Peter.

SEPTEMBER 2013

TEL: 0714677016

Email: ~~jackie~~ ~~Kibochi~~ jackiekibochi@yahoo.com

Jacklyne Namisi Kibochi SNO: C4124 ID: 2165461
hereby confirm that I did not volunteer for redundancy /
renchment at any point. I declare the attached letter
as False and lie

and faithfully

Namisi

Jacklyne Namisi Kibochi

Our Ref: HRR/00C2757/PF

4th September 2012

Kipkemboi Rotich
S/N 00C2757

Through Ground Services Director

Dear Kipkemboi,

RE: SEPARATION TRAINING

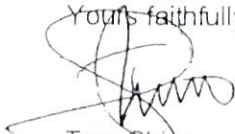
Following the approval for your voluntary early retirement, we are glad to confirm that we have made arrangements for separation training at the Panari Hotel, along Mombasa Road, between Tuesday 11th September 2012 and Thursday 13th September 2012.

The training content seeks to achieve the following objectives:-

- o The psychological and counseling needs of a retired / retrenched staff
- o Enhance one's financial management skills and business entrepreneurship through effective investments training and role modeling
- o Enable the affected staff develop personal profiling portfolio for purpose of future recruitment and employment.

The training will start at 08:30hrs and will end at 16:30hrs. Kindly confirm attendance to this program with HR during your clearance process.

Yours faithfully,



Tom Shilo

Head of Human Resources Relationships & Reward

ANNEXURE P22

ANNEX P22

N/M : KIDZEMU District

C/No: C27ST

ID : 20045460

TEL: 0720 115 224

DATE: 0720 115 224

TO THE CONCERNED

I KIDZEMU, Robert, did not volunteer for
early retirement as stated in the given letter,
issued on 04 sep 2012. Rgd. Robert.

~~KIDZEMU~~
KIDZEMU

MIKE MBATHA NDETO
C4028
6TH SEPTEMBER 2012

I hereby confirm that I did
Volunteer by any means or way
to the reattachment or Early retirement
Programme with Kenya Airways.

Yours faithfully

MIKE M. NDETO



EVELYNE KENDI MBAI

C4119

6th Sep. 2012.

I, Kendi mbai ID: 24835088,
did not volunteer by any means
or way to the retrenchment.

Yours Faithfully

EVELYNE MBAI

06TH SEPTEMBER, 2012

1 Evans Karolyi Gifted C3778, is no ~~not~~
21693303 Do confirm that I DID NOT
VOLUNTEER TO RETIRE as indicated in the
letter for the origin retransfer process.

Yours for Reason.

F. K. U.

06/09/2012

FAITH WANGUI KIMARU,

S/No: 8098

I.D No: 22647043

I, Faith Wangui Kimaru, attest that
I did not volunteer for early
retirement, as stated in my dismissal
letter from Kenya Airways.

Yours Sincerely,

Faith Kimaru.

~~AKimaru~~

MMA190 MADRNGK

S N^e C3630

ID N^e 20907111

I Hereby of sound mind strongly
confirm that I did not at any time
offer myself or volunteer myself for
early retirement as alledged by
the letter I received regarding my
redundancy

J. Bladange

EDNA V. M. KITHUKU

S/N C 2923

OT21-365888

I hereby confirm that I did not at any one
time volunteer for early retirement as alleged by
the company.

Yours faithfully,

~~Kithuku~~

Edna Kithuku

Tony A. Lugo

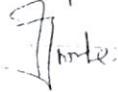
S-N C3892

0711100566

I hereby confirm that I did not
volunteer for early retirement / retirement.

Yours faithfully

Tony A. Lugo

 [Signature]

GEORGE M KESH
P.O. Box 50371
NAIROBI
S/N 0008491

To Whom It May Concern

I hereby wish to inform the company that I never wrote,
or signed any document saying that I am willing to
voluntarily retire.

Yours faithfully,

GEORGE KESH

GK

SMUS MUSOMB, I

S/N C4717 432966

TOL -0728 ~~081200~~

6th SEPT 2012.

RE: NOT VOLUNTEERED

I would like to point out that I did not volunteer for early retirement as stated in my letter from Kenya Airways.

My details are as stated above having only worked for one year.

Yours Faithfully

SMUS

06/09/2012

GODWIN COLLINS (GMDH)
P.O. BOX 236 - 02521
MARIPOSA

RE: VOLUNTARY EARLY RETIREMENT.

To whom it may concern,

I, Godwin Collins (GMDH), State no. 0000842, I.E. no. 1468095, wish to state that I did not volunteer myself for early retirement.

Kind regards,

(Collins GMDH)



06th SEP 2012

Lindanne M. Murek
SLN: 8099

I hereby confirm that I did not
volunteer for early retirement as alleged by
the company.

Lindanne Murek,
~~Murek~~
06/09/12

TINDI SWEENT

22617106

SIN 8045

I hereby confirm that I did not
volunteer for the early retirement
package as alleged in my redundancy
letter

Tindi Sweet

TO WHOM IT MAY CONCERN.

I Diana Mutheu Mburu # did not
Volunteer for early retirement with
Kenya Airways Ltd.

C3910 3

ID NO: 22910193

~~HW~~

CfC Life

Heritage
Insurance Co

 Stanbic

To Whom It May Concern

I HILIAN A. OKUMU DID NOT
Volunteer for early retirement with
Kenya Airways Ltd.

C 2169

ID 14506348



CfC Life

Heritage
Insurance Co

 Stanbic

TO WHOM IT MAY CONCERN

I Jackie Orwa did not
volunteer for early retirement
with Kenya Airways Ltd.

C2973

ID NO 14435712

Orwa.

CfC Life

Heritage
Insurance Co

 Stanbic

S/No 0337

To Whom it may concern.

I Makani Wycliffe Luwembe
ID 10023005 - Equipment operator
state that I did not
apply for an early voluntary
retirement.

Yours faithfully

Makani Wycliffe Luwembe

Makani

CFC Life

Heritage
Insurance Co

 Stanbic

TO WHOM IT MAY CONCERN

RE: ALLEGED VOLUNTARY EARLY RETIREMENT

I NEVER WROTE A LETTER TO WENYA STANWYS
REQUESTING FOR AN EARLY VOLUNTARY RETIREMENT
AS ALLEGED BY THE LETTER.

NAME: FRIDA DUNODU

STAFF No: 5371

DATE: 06 SEP 2012

To Whom It May Concern

RE: ALLEGED VOLUNTARY EARLY RETIREMENT

AT NO TIME DID I WRITE A LETTER TO KENYA AIRWAYS
MANAGEMENT REQUESTING FOR AN EARLY RETIREMENT AS
ALLEGED BY THE LETTER.

NAME: DELINA SUPHEZIA AUMA

STAFF No: HD440

DATE 06TH SEP 2012.

1 Moses E. Oroni did not volunteer for
early retirement.

JOHN'S faithfully
MOSES E. Oroni
63055
~~RET~~
ID: 22699842
0721526809

~~Eric Omondi~~

Eric Omondi

Your trustworthiness

would like to retire voluntarily.

Volunteered to retire. I never written a letter that

by the company in my redundancy letter that I

I hereby wish to categorically say that as reported

to whom IT MAY CONCERN.

Tel - 0726-886733.

S/N 0008478

06-SEP-2012.

NAKURU.

P.O BOX 2389

ERIC OMONDI OIENO

Marian S Ngala

01077

ID - 14544740

RE: REDUNDANCY

In regards to the above item, I
Marian Sibira Ngala would
love to state that I did not
volunteer for Early Voluntary Retirement
as a cabin crew from Kenya Airways.

Thank You



06 sept. 2012

SARAH J. LOGO

Po Box 462-0056

NA12081

06-09-2012

SIATF 0040556

ID NO 13548636

Redundant

According to the letter given to me by the company
alleging that I had volunteered to be given
early retirement is not true and I disagree
with it

The letter is not reflecting the true
positions of the situation as alleged
yours faithfully

Sarah Logo

~~SA~~

Mercy Mwakasyo
Box 462 001
576

Dear Sir / Madam

REF: Mercy Mwakasyo

SN 6832

ID - 3562079

Redundant

According to the letter given to me
by the Company alleging
that I had volunteered to
to be given early retirement
is not true and I disagree
with it

The letter is not reflecting
true position of the
situation as alleged
Yours faithfully
Mercy Mwakasyo

ANDEKA R.
C0004 S/N
P.O. BOX (00100) 45236
Nairobi.
I/B No: 125667/6

RE: REDUNDANCY

In regards to the above mentioned
issue, I believe Andeka did
not volunteer for early voluntary
retirement as a "ghost" pension in
Kenya Airways.


Thank you for your co-operation



6th Sept 2012

CFC Life

Heritage
Insurance Co

 Stanbic


ESTHER -K. KAMUTI
F0049 PO BOX 58352
NAIROBI

RE: REDUNDANT.

In regards to the above item, I ESTHER
KAMUTI would like to state that, I did
not volunteer for Early Voluntary Retirement
as a flight purser in Kenya Airways.

Thank you

ID: 21713521

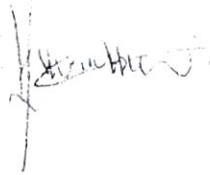

6 SEPT 2012

WDA 11 13KMB 11
COE 33

RENTAL AIRWAYS
TO WHOM IT MAY CONCERN,

I would like to state that I did not
qualify for early retirement as stated in a
letter addressed to me on 4th September 2012.

Yours faithfully,
V. V. Reddy



ANTHONY OJEE ODIA
P O BOX 7734-00200
ID No: 20373254
6TH SEPTEMBER, 2012

WHOMSOEVER IT MAY CONCERN

I the above mentioned person, do state that I
never applied for Voluntary Early Retirement - from
Kenya Airways).

Thank You.

Yours faithfully



Anthony Ojee

MEMO

TO WHOM IT MAY CONCERN

I, Lawline Njeri Muta did not volunteer for
the early retirement package offered by Kenya
Airways Limited.

Best Regards

Lawline Muta



EO841

To Whom IT MAY CONCERN:

Dear Sir/Madam

I Angela Nyeri Muminzi did not volunteer for the early retirement offered by Kenya Airways.

Angela N. Muminzi

SN C2512

Muminzi

BERNARD SWIFT

CO426

0733886660

06/SEP/2012

To Whom IT MAY CONCERN:

This is to inform you that I personally did not volunteer to go on early retirement as alleged to the letter which I was given

I tend to believe that the truth of the matter shall come out.

Yours faithfully



6th FEB, 2012

Dear Sir/Madam.

I Jane Wangeci Ndungu of S/No. 8093 and
I.D no. 23472325, hereby confirm that I did not
volunteer my names for an early retirement/redundancy.

Yours sincerely,
Ndungu

Jane Wangeci Ndungu

6TH SEPT 2012.

TO WHOM IT MAY CONCERN.

My names are Sandra Beatrice Egondi, former employee of Kenya Airways staff number C3898.

I was rendered redundant on the 4TH of September 2012 by the said company.

I write to clarify to you that I did not volunteer for early retirement but was sent home on redundancy claim.

Sandra B. Egondi


6/09/12.

C-3898

Customer Service Agent

Customer Service Heroe 2012. award winner.

JOB M MURIA

H0552

ID 13424758

TO WHOM IT MAY CONCERN

This is to confirm that I Job Muria staff #0552 Keys Airways did not approve for my Voluntary Early Retirement

Yours faithfully

Job

Muria

ID WITHIN IT MFI CONSENT

I am Juma Ntaoga Kenya ID 22554938

Kenya Airways Employee Staff number 0063002

This is to bring into your notice that am one of the employees who is affected by the change currently underway in Kenya Airways.

Kenya Airways, served me a letter indicating that I voluntarily submitted my name for rehirement of which I did not do nor consulted by anyone.

Therefore, I faithfully disclose the name as propaganda and intimidation to staff without prior notice.

I now request your office to investigate into what means that is used to confirm that I accepted to be victims jet was not even informed that I had interests.

Yours faithfully

~~AKA~~

Juma Ntaoga

Heleny A. Masov

Box 4

WIND

TEL 072141216

01/01/2012


Dear

I Heleny Andie Masov I did not write any letters to the company as stated.

NAME: Heleny A. Masov

STAFF N H0314

ID- 13579914

Yours faithfully


TIMOTHY NUCKER

SN H0457

06/09/12

TO WHOM IT MAY CONCERN

RE: H.Q. RETIREMENT

This is to confirm that I did not participate
or volunteered for early retirement.

Kind Regards

Muchin Timthy

H0457

mtt

VIVIAN N. ONGWAE

S/No. 0002230

ID No: 13560729

RE: ~~ERRATA~~ VOLUNTARY EARLY RETIREMENT

I Vivian Nyakerano Ongwae did not volunteer to retire as stated in my dismissal letter.

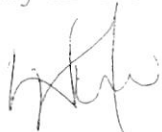
Yours Sincerely

Vivian

TO WHOM IT MAY CONCERN

I, **KEN WEKESA** of Staff No. 0008003 did not volunteer for early retirement.

My ID No. 22500279

A handwritten signature in black ink, appearing to read 'Ken Wekesa', written in a cursive style.

KEN WEKESA

MOSES O. OMYA
FORMER EMPLOYEE
KENYA AIRWAYS
P.O. BOX 19129
NAROB
6 SEP 2012

TO WHOM IT MAY CONCERN

I AM STAFF NO 0000115 and I had never
volunteered to retire in Kenya since
I was forcefully rendered redundant.
With thanks

Yours faithfully
Moses Omya
MOS

P.O Box 462-00516
NAIROBI
06-09-2012
STAFF NO H0566
15 206902.34

Dear Sir/Madam,

REF: POLINE MUTUGI
SN H0566
Redundant

According to the letter given to me by the company alleging that I had volunteered to be given early retirement, is not true and I disagree with it.

The letter is not reflecting true position of the situation as alleged.

Yours faithfully

Poline mutugi
H0566



TO WHOM IT MAY CONCERN

I, **NGILA WAMBUA** of Staff No. 0008049 did not volunteer for early retirement.

My ID No. 26453161

A handwritten signature in black ink, appearing to read 'NGILA WAMBUA', is written over a horizontal line. The signature is somewhat stylized and includes a long horizontal stroke extending to the right.

NGILA WAMBUA

TO WHOM IT MAY CONCERN

I, **BELLA OSALA BRONISLAVIA** of Staff No. 0008054 did not
volunteer for early retirement.

My ID No. 24825010

A handwritten signature in black ink, appearing to be 'Bella Osala Bronislavia', written over a horizontal line.

BELLA OSALA BRONISLAVIA

EDDAH MARIA KENDI NARIE

P.O BOX 330 - DDOIO

NAIROBI

FORMER: KENYA AIRWAYS

SENIOR INFLIGHT ATTENDANT

STAFF NO: DDC3504

DATE: 06TH SEPT, 2012.

TO: WHOM IT MAY CONCERN

I hereby Eddah M.K. Marete - was termed redundant by Kenya Airways Ltd letter addressed by MR. TOM SHIRO on 04TH SEPTEMBER, 2012.

- I hereby was supposed to do an early morning flight whose pick up was 5:55 AM on that Tuesday. At midday I received a roster change to attend office at 1:00 PM where I was to meet with Director flight ops (DFO) and was termed redundant.

I personally didn't write to the company to request for early voluntary retirement. As am just 31 years old.

- I have served the company for the last 6 years and 5 months.

- Very hardworking and my performance appraisals are approve.

- Customer feedbacks are prove too, with good duty free sales recording of the month of ~~September~~ ^{August, 2012} with a flight KQ 770 - sales of dollars \$ 6,783 dollars. Bringing good income to the company.

- Have acted as flight purser (FP) Senior most position more than 10 (ten) times and no OTI's (Zero Complaints) on time take off and landing and got voyage reports copy's to prove that.

Octth / Sept / 2012

To whom IT MAY CONCERN:

THIS IS TO CONFIRM THAT I AM WE
WESLEY KIRAGU, OF ID NO 21437823
DID NOT VOLUNTEER FOR THE EARLY
RETIREMENT, AT KENYA AIRWAYS

JOSEPH KASEMBA
P.O BOX
NAIROBI - KENYA
06/09/2012

Dear Sir/Madam,

REF: JOSEPH KASEMBA
SN 00H0554.

According to the ^{Redundant} letter given to me by the Company alleging that I had volunteered to be given an early retirement, is not true and I disagree with it. The letter is not reflecting the true position of the situation as alleged.

Yours faithfully

Joseph Kasemba
00H0554

~~00H0554~~

ID NO 20980277

NM: Lilly Mbeche

SN: F0118

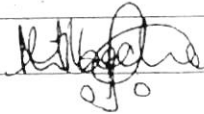
ID: 20012327

Tel: 0716340113

DTE: 6th Sep 2012

TO THE CONCERNED

I lily did not volunteer to early retirement as stated in the given letter issued on the 4th Sept 2012.



6/9/2012

TEL: 0723-27772

I-A no: 10367571

I Margaret Mwikali Muthi do disagree
that I volunteered to leave my job
at Kenya Airways as alleged in
my termination letter.
I-A 10367571

Margaret Mwikali Muthi
Marg

Wanyue Maziangita
Box 148
Kakamoga
06/09/2012.

I Caroline Maziangita did not volunteer for
Karl's retirement as the company alleges.
Name - Caroline Maziangita
- Staff No 40449.
- ID 12703934.

Caroline Maziangita

6/09/2012

Tel: 0722813116

Id. No. 10412271

~~Id. No. 10412271~~

The panel Eunice Butsi do disagree
that I volunteered to leave my
job at Kenya Airways as
alleged in my termination letter.

Id. 10412271

Butsi

Panel

• NM: ANGELA WAMBUI

ID: 21136167

Staff no: C2303

TO WHOM IT MAY CONCERN:

My letter reads that I volunteered for retrenchment which is on the contrary.

Angela Wambui

Angela Wambui

21136167

TO WHOM IT MAY CONCERN

I, **LEON OBAO** of Staff No. 00C3523 did not volunteer for early retrenchment/ retirement.

My ID No. 24740959

A handwritten signature in black ink, appearing to be 'Leon Obao', with some overlapping strokes.

Leon Obao

ROBERT K. MAGUT

SN 7957.

6/9/12.

TO WHOM IT MAY CONCERN.

I Robert Kipnuto Magut. SEAT NO. 7957, ID NO: 128349
DID NOT volunteer for early retirement process that
is being undertaken by Kenya Airways.

Robert K. Magut

~~Signature~~

6/9/12.

MISS NEYENIA

STAFF NO. 40247

LETTER TO WHOM IT MAY CONCERN

I wish to state that I did not
offer myself for early retirement and
or to be declared redundant by any
means.

Thanks

Yours faithfully

Miss Neyenia



JULIUS OKUMU
STAFF No. HQ581
TEL. 0723414492
05/09/12

TO WHOM IT MAY CONCERN:

RE: TERMINATION OF EMPLOYMENT.

This is to notify you that I did not
apply/sign for the voluntary retirement as proposed
by Kenya Airways.

Thanking you in advance.

Yours faithfully,

Julius Okumu.

DONNA AWUOR OOKO
ID NO 23700232
P.O BOX 3248-00506
NAIROBI.

To WHOM IT MAY CONCERN,

I Donna Awuor Ooko did not volunteer for early retirement as per my retrenchment letter suggested.

Yours faithfully,
DONNA AWUOR OOKO
C3507.
Donna
06TH SEPTEMBER 2012.

FAITH AKINYI ANYAGO

P.O BOX 4693-00100

NAIROBI

KENYA

Dear Sir / Madam

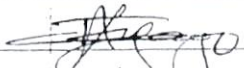
RE: TO WHOEVER IT MAY CONCERN

I Faith Anyago I didn't not volunteer for early
re. retirement, as per the letter suggested.

Your Faithfully

Faith Anyago

C3516.



06/09/2012

06.09.2012

BEATRICE AKINTI OWIYI

ID NO 23873820

STAFF NO: C3522

TO WHOM IT MAY CONCERN

I Beatrice 'A' Owiyi of staff no C3522 did not volunteer for early retirement, as per the letter of my early retirement suggested.

Your faithfully
Beatrice Owiyi

C3522

Be...

ELIZABETH N. MUKU

C 2212

06th/09/2012

Dear Sir/Madam

RE: REDUNDANCY

I the above mentioned person did not apply or either sign for the any Voluntary Early Retirements And the Criteria was not given to me.

The letter is not giving true position of the situation as alleged.

~~For Authority~~
~~ELIZABETH~~ NDUNGE

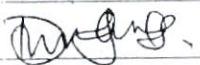
DAVID NYASANI,

C3856

Id. 22954369.

TO WHOM IT MAY CONCERN:

This is to confirm that I, David Nyasani Staff No C3856 of Kenya Airways do firmly refute that I did not write an early voluntary retirement letter. I am 29 years old and not ready to retire at this age. I am strong and energetic, ready to work for the next 31 years. The whole exercise was full of notice and betrayal.

Yours faithfully,
David Nyasani


USNS K-140 EX-11111

S/N 7423,

PHONE NO 0723784 959,

ID 11269843.

It is my pleasure to inform you that during this exercise I did not ~~had~~ ~~volunteer~~. Volunteer early retirement

Yours

J. Carter Lyons

06-09-12

I Robert M. Rimb = S No 0087
hereby confirm that I did not to
volunteer for early retirement as
stated in the letter from Kengarra
Ltd.

R. Rimb

06-09-12.

I Robert M. Muriuki SS# 0002971 hereby
confirm that I did not volunteer for early
retirement as stated in the letter from Kenya Airways
Limited

Robert Muriuki


06 SEPTEMBER 2012

I Nyakomba Kevin Otiara SNO.00C2528 hereby confirm
that I did not volunteer for early retirement as stated in the
letter from Kenya Airways Limited.

Nyakomba Kevin

TO WHOM IT MAY CONCERN

I Hassan A. Nawaz of Staff No. 0008156 did not volunteer for early retrenchment/ retirement.

My ID No. 22914939

A handwritten signature in black ink, appearing to be 'Nawaz Hassan', written over the printed name below.

Nawaz Hassan

GLADYS G. BOWEN

S/N: H0448

06/09/2012

I Gladys Gesare Bowen strongly disagree
that I never fronted myself as alleged
in my termination letter.

ID. No. 133A2497

Phone no. 0722 98 6947

Ⓢ

DANIEL MUTUKU

0714 378560

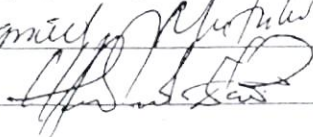
S/N 7508

06/SEP/2012

RE: TERMINATION OF EMPLOYMENT

This is to personally confirm that contrary as it was written on my termination letter I did not volunteer to retire but I was sacked by the Management of Kenya Airways.

By the time of dismissal I was working as a team leader Baggage Service, a Section I feel that majority of us were victimised for several reasons.

Best regards,
Daniel Mutuku


ID no. 13094298

ICMITH MEMORIAL BLDG
15 RD 21764304
STAFF NO. 0002534
CC/REP/EMER/20

TO WHOM IT MAY CONCERN

Dear Sir/Madam,

BE VOLUNTARY ^{EARLY} RETIREMENT

I, The above named, did not volunteer
for early retirement from Kenya Airways.

Yours sincerely,

[Signature]

ICMITH MEMORIAL BUILDING

06th SEPTEMBER, 201

MARTIN AMOLO OYOTO Staff no. ODC3659,
I.D no. 23900263, Do confirm that I DID
NOT VOLUNTEER to retire early as is indicated
in my letter of reattachment/Redundancy.

Yours faithfully

~~MARTIN~~

Martin A. Oyoto.

06TH SEPT 2012

JENNIFER KATUKU MUMO

ID NO. 21127454

STAFF NO. C2511

TO WHOM IT MAY CONCERN,

RE: VOLUNTARY EARLY RETIREMENT

I Jennifer Katuku Mumo, ID NO 21127454, DID NOT VOLUNTEER
FOR THE EARLY RETIREMENT AT KENYA AIRWAYS.

Yai: fairlyuly

~~Blumms~~

JENNIFER K. MUMO

G 2511

PETER MUKUNZI OMUTITI
P.O. BOX 29113 (00623)
NAIROBI KENYA

Dear Sir

RE: Omutiti PETER
C2467

Please let it be noted that Contrarily to what my employer purports. I have not expressed my desire to Voluntary retire from Kenya Airways.

I have not had any communication on the said matter whatsoever.

Yours
Omutiti



C2467

EVELYN A. GITCHI (C2)

ID NO 20831950

06/SEPT/2012

RE: TO WHOM IT MAY CONCERN.

Dear Sir/Madam,

I Evelyn Gitchi did not volunteer for the early retirement program from Kenya Airways.

Yours sincerely,

~~E Gitchi~~

Evelyn Gitchi

JASON N. RUNO

P.O. Box 22827 00100

NAIROBI.

TO WHOM IT MAY CONCERN

I, JASON N. RUNO Staff N^o C2922 ID N^o 22383805
DID NOT volunteer for the Early retirement program bei.
undertaken by Kenya Airways.

Runo:

J.N. RUNO

JULIUS CHACHA MWITA

P.O. Box 103422-0010

NAIROBI, KENYA

TEL: 0735 615089

I.D NO. 22849033

STAFF NUMBER: 0008020

TO WHOM IT MAY CONCERN

I would like to confirm that I NEVER
volunteered for the Early Voluntary Retirement
Programme as alleged in the Letter issued to
CREF HR/0008020 (PF) by KW on 1st Sept. 2012.

Yours faithfully

~~Julius~~

JULIUS CHACHA MWITA

06/09/12

To Whom It My Concern

Re: KQ RETIREMENT:

I did not volunteer for early retirement
in KQ.

Regards,

NAM E DHILIP MATHAN
S/N HOS02

6TH SEPT 2012

FROM

WILHAM LUMUMBA KODAWA

FLIGHT PURSER

KENYA AIRWAYS

STAFF N° 5281

TO WHOM IT MAY CONCERN:

I WILLIAM LUMUMBA KODAWA WOULD LIKE
TO CONFIRM HERE THAT I HAD NEVER
VOLUNTEERED AS TO BE DECLARED
REDUNDANT BY KENYA AIRWAYS AS ALLEGED
IN THE LETTER PRESENTED TO ME ON 4/9/12
BY KENYA AIRWAYS MANAGEMENT.

WILHAM LUMUMBA KODAWA -

ID 0154313.

MOB: TEL 0722765071

Box (00200) - 20469 -

NAIROBI

KENYA.

REPLY NO. 00FO112/1805

SN. 00FO112

6TH SEP 2012

0729736650

TO WHOM IT MAY CONCERN

I Edward Ashutiba of SN-00FO112 hereby state that I did not volunteer to be declared redundant as alleged by Kenya Airways management

Yours faithfully

Edward Ashutiba

SN 00FO112

0729736650

FROM FREDRICK JUMA ONJIKO

STAFF NO C3833

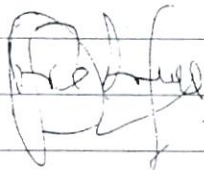
ID NO 21392753

TEL 0723324424

TO THE CONCERNED

I Fredrick Juma Onjiko did not
volunteer to retire early

YOURS



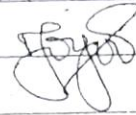
FREDRICK D. OYOO

P. O. BOX 28179-00200

NAIROBI

I, Fredrick Odhiambo Oyoo staff NO. C3145
ID NO. 21361392, did not volunteer for
early retirement as a staff of Kenya Airways.


Fredrick D. Oyoo



RAHID OGWAYO
Box 22464
NAIROBI

6th September 20

I Rashid Ogwayo Staff number C 3152 Passport Number
A1500528 did not volunteer for early retirement as
purported in my redundancy letter as a staff of Kenya
Airways

Rashid Ogwayo


PATRICK D. ADEMBESA
SN HD395
6th SEP 2012
DF 24557473

TO WHOM IT MAY CONCERN

This is to inform you that I Patrick Adembesa did not opt to voluntarily retire early as per the alleged letter.

Yours faithfully

~~Patrick Adembesa~~

Patrick Adembesa
HD395

MEMO

06/09/2012

TO WHOM IT MAY CONCERN

I Lillian Achieng' ASPWE, did not volunteer for Kenya Airways early retirement.

Staff no - C3118

ID NO - 22695871

Signature - A L A

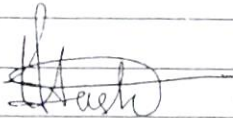
MEMO

TO WHOM IT MAY CONCERN

I Hanifa chelegat Jasho Waire staff Number C2284 did not volunteer for Kenya Airways early retirement.

S.N. C2284

I.D. 22100477

A handwritten signature in black ink, appearing to read 'Hanifa', with a horizontal line drawn through it.

MEMO

6/09/12

To WHDM IT MAY CONCERN :-

Dear Sir / Madam

I Bengt Adhiambo Odindo, did not volunteer
for any early retirement ^{as purported} ~~agreed~~ by Kenya Airways.

Bengt Odindo.

S/N 7966.

ID. 22529004.

B. Odindo

KENYA NATIONAL BUREAU OF STATISTICS



P.O. BOX 30266
00100 Nairobi GPO, Kenya
Telephone: Nairobi 317586/8, 317612/22,
317623, 317651
Fax: 254-020-315977
Email: directorgeneral@knbs.or.ke
info@knbs.or.ke
Website: www.knbs.or.ke

Reference No: KNBS-63701

January 23, 2012

Chief Accountant
Kenya Airways
P.O. Box 19002
NAIROBI

This is the exhibit marked PMES
referred to in the annexed
Affidavit
declaration of PERPETUA ALPONSECA
Sworn
before me this 9th
day of July in NAIROBI
A
Commissioner for Oaths

RE: GROSS INVESTMENT/GROSS DOMESTIC PRODUCT

Kenya National Bureau of Statistics is in the process of compiling Gross Fixed Capital Formation and Gross Domestic Product for the Kenyan economy for the year 2011. In connection with this, kindly provide us with information on your enterprise on additions to your fixed assets, expenditure incurred and revenue earned for the years 2010 and 2011 as detailed in the questionnaires attached. If actual figures are not available, please provide us with provisional or estimated ones.

It is important that you supply the requested data by 5th March, 2012. The information will be used for the preparation of the Economic Survey 2012 edition.

Thank you for your continued support.

Zachary Mwangi
FOR: DIRECTOR GENERAL

TYPE OF EXPENDITURE INCURRED, REVENUE EARNED AND ASSETS (in KSh)

EXPENDITURE	2010	2011
1. Personal emoluments		
a) Salaries and Wages	6,068,000,000	6,732,000,000
b) Fees and Allowances to B/Members	73,000,000	78,000,000
c) Medical Allowances	207,000,000	215,000,000
d) House Allowances - fixed paybill Allowance	1,510,000,000	1,647,000,000
e) Passage and Leave Expenses	561,000,000	498,000,000
f) Gratuity and Pension	462,000,000	500,000,000
g) Travelling and Accommodation	464,000,000	445,000,000
h) Other type of Expenses		
(i) NSSF Employer's contribution	900,000	900,000
(ii) Others - Cell Phone Levy, Resettlement etc	394,000,000	475,000,000
TOTAL	9,748,000,000	10,649,000,000
2. Other Goods and Services		
a) Insurances + Licenses	426,000,000	551,000,000
b) Transport operating Expenses	44,376,000,000	53,419,000,000
c) External travelling		
d) Postal and Telegrams	14,000,000	9,000,000
e) Telephone Expenses	189,000,000	187,000,000
f) Electricity and Water Conservation	117,000,000	114,000,000
g) Training Expenses	500,000,000	626,000,000
h) Seminars	12,000,000	42,000,000
i) Repairs and Maintenance	53,000,000	40,000,000
j) Stationery and Printing	91,000,000	87,000,000
k) Show expenses	20,000,000	23,000,000
l) Rent and Rates	461,000,000	547,000,000
m) Misc. and Other charges		
n) Fees and Commission	348,000,000	300,000,000
o) Contingencies		
p) Management seedlings		
q) Nurseries & Demonstrations		
r) Advertisement	665,000,000	607,000,000
s) Maintenance of stations Welfare	20,000,000	20,000,000
t) Donations	23,000,000	28,000,000
u) Entertainment Allowance	13,000,000	11,000,000
v) Other type of expenses (Specify)		
(i) Clearance of goods - HIRE OF AIRCRAFT	592,000,000	590,000,000
(ii) General Expenses OTHERS including	(1,081,000,000)	(1,060,000,000)
(iii) Administration fees valuation of fuel derivatives		
TOTAL		
3. Interest paid and Bank Charges	1,597,000,000	1,483,000,000
4. Depreciation & Amortisation	4,580,000,000	5,143,000,000
TOTAL EXPENDITURE i.e. (1+2+3+4)	68,072,000,000	80,834,000,000

Cont'd: GROSS FIXED CAPITAL FORMATION QUESTIONNAIRE

REVENUE		2010	2011
a) Sale of goods and services			
(i)			
(ii)			
(iii)			
(iv)			
b) Transfers from Government			
c) Grants			
d) Any other receipts (specify)			
(i)	PASSENGER REV.	62,838,000,000	75,351,000,000
(ii)	FREIGHT & MAIL	54,340,000,000	6,502,000,000
(iii)	HANDLING OTHERS	1,312,000,000	1,493,000,000
TOTAL REVENUE		115,900,000,000	2,467,000,000
		70,743,000,000	85,836,000,000
ASSETS			
Residential Buildings			
Non-Residential Buildings and Land			
Other Constructions works		3,266,000,000	3,555,000,000
Transport Equipments			
Plant, Machinery and Equipments		44,866,000,000	44,096,000,000
Land Improvement		21,510,000,000	2,295,000,000
Others (specify) - Software, projects			
TOTAL ASSETS		21,080,000,000	1,882,000,000
		53,394,000,000	51,828,000,000

NOTES

Fixed assets are tangible or intangible assets that are used repeatedly or continuously in production process(es) for more than one year.

Addition to fixed assets - the value of the acquisitions less disposals of fixed assets during the accounting period.

Residential Building- consists of buildings which are primarily used for dwelling, when a building partly consists of dwelling and partly offices and/or other non-residential structures the floor area is used as a criterion of classification. If more than 50% of the total floor area is covered by dwelling it should be classified as residential and the vice versa. Hotels and hostels are classified as non-residential buildings.

Non-Residential Building- a building is regarded to be non-residential if over 50% of its floor area is used for non dwelling purposes. Included are offices, classrooms, town halls, workshops, hospitals, hotels, hostels etc.

Other Constructions- includes construction of new and improvement of existing roads, bridges, drainages, parks, cemeteries, conservancy works etc

Transport Equipment- includes, aircrafts, railway rolling stock and locomotives, boats, ships etc.

Plant, Machinery and equipments- includes water turbines, computers, office machinery, caterpillars, milking machinery, agricultural machinery, office furniture, textile machinery, construction and mining machinery etc

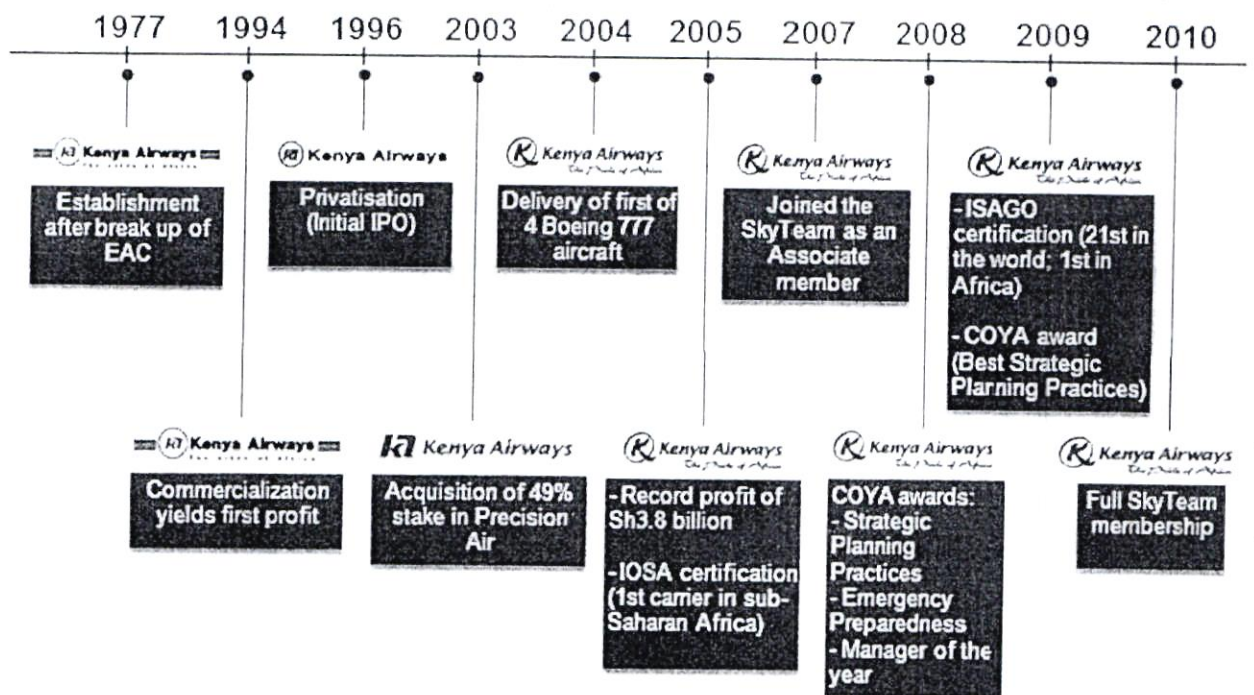
Purchase of land- this includes the cost of land alone and not the cost of the buildings, roads etc thereon.



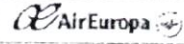








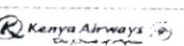


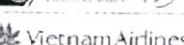
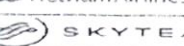
Land Improvement- includes cost of improvement undertaken on farms and plantation development.





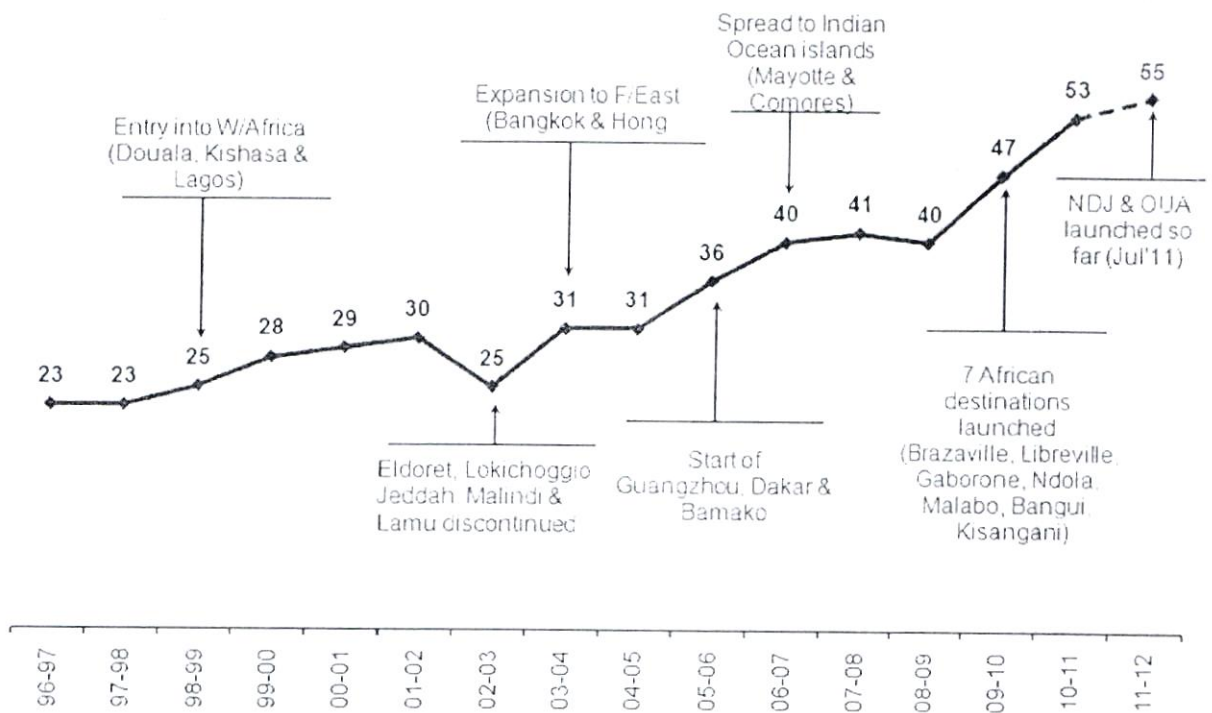
10 Year Strategic Plan
'Project Mawingu'



Carrier	Hub(s)	Destinations	Fleet	Annual Pax	Employees
 AEROFLOT Russian Airlines	SVO	110	104 + (44)	11.3 mln	14,602
 AEROMEXICO	MEX, MTY, GDL, HMO	72	54 + (19)	11.3 mln	8,245
 AirEuropa	MAD	38	43	8.8 mln	2,956
 AIRFRANCE	CDG, ORY, LYS	193	255 + (134)	47.7 mln	72,143
 KLM Royal Dutch Airlines	AMS	131	126 + (68)	22.9 mln	36,728
 Alitalia	FCO	92	126 + (22)	23.4 mln	14,154
 中國東方航空 CHINA EASTERN	PVG, KMG, XIY	197	220 + (135)	64.9 mln	57,096
 CHINA SOUTHERN	CAN, PEK	185	422	76.4 mln	65,085
 CHINA AIRLINES	TPE	98	68	11.3 mln	10,503
 CZECH AIRLINES	PRG	63	38	5.06 mln	1,783
 DELTA	ATL, CVG, DTW, MEM, MSP, JFK, SLC, NRT	359	805 + (633)	162 mln	79,684
 Kenya Airways	NBO	55	33 + (23)	3.13 mln	4,200
 KOREAN AIR	ICN, GMP, PUS, CJU	114	133 + (5)	22.7 mln	19,475
 TAROM	OTP	38	26	2.1 mln	2,300
 Vietnam Airlines	HAN, SGN	46	68	12.3 mln	10,269
 SKYTEAM		916	2,520 + (1,100)	474 mln	388,723

Source: SkyTeam Website – Jun'11 and updated with airline some data

Historical Destination Count



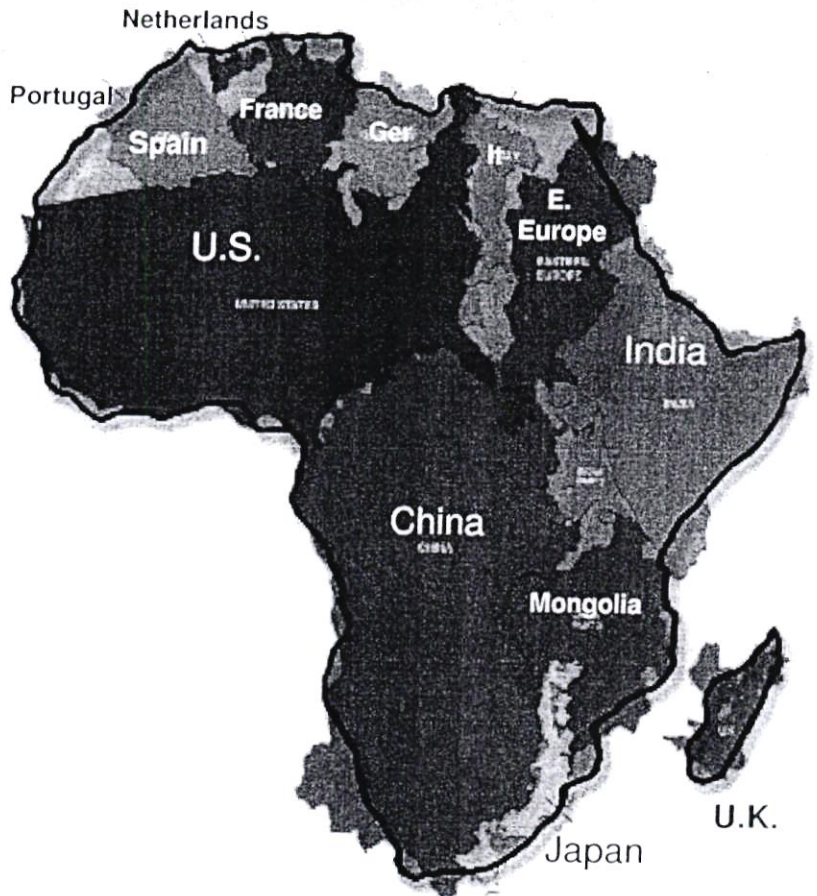


African Opportunity

World's ten fastest-growing economies*
Annual average GDP growth, %

2001-2010†		2011-2015†	
Angola	11.1	China	9.5
China	10.5	India	8.2
Myanmar	10.3	Ethiopia	8.1
Nigeria	8.9	Mozambique	7.7
Ethiopia	8.4	Tanzania	7.2
Kazakhstan	8.2	Vietnam	7.2
Chad	7.9	Congo	7.0
Mozambique	7.9	Ghana	7.0
Cambodia	7.7	Zambia	6.9
Rwanda	7.6	Nigeria	6.8

Sources: The Economist; IMF





Route Rollout Plan

New Destinations	6	8	5	11	9	5	5	6	5	4	4
Total Destinations	53	61	66	77	86	91	96	102	107	111	115

Widebody		Year 0	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
		2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21
767												
B777ER					DEL x4	PEK x3	YYZ x3	CTU x3	IAD x3	XMN x3	KMG x3	PRG x3
B777LR					KUL x3	GRU x3	AUH x3	PER x3	HYD x3	SVO x3	DAC x3	URC x3
B787	FCO x3				BLR x3	TXL x3	PVG x3	MAA x3	CKG x3	AMD x3	ICN x3	HAN x3

Narrow Body		Year 0	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
		2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21
E170												
E190												
737NG												
JUB x7	NDI/COO x2			EOL x7	WJR/HGA x5	TLV x4	BLZ x7	ACC/BJL x4	VFA x3	TIP/ALG x3	ACC/RAI x3	BBO x5
MYD x6	OUA/COO x3		LAU x7	TIP/TUN x3	PNR x3	MCT/KHI x3	KWI x3	CAB x3	HRE/MUB x3			
MCT/DXB x3	JED x2		MWZ x7	COO/CRY x3	NIM/CMN x3							
LAD x2	ABV x3		WDH/CPT x3	DUR x3	ABI/MKC x3							
APL/LLW x2	BEY x3			GOM x4	BEW x3							
	MRU x2			POL x3								
	ASM x3											
	JRO x7											

- China
 - PEK- Beijing
 - PVG- Pudong
 - CTU- Chengdu
 - CKG- Chongqing
 - KMG- Kunming
 - URC- Urumqi
- India
 - DEL- Delhi
 - BLR- Bangalore
 - MAA- Chennai
 - HYD- Hyderabad
 - AMD- Ahmedabad
- Others
 - YYZ- Toronto Canada
 - IAD - Washington USA
 - SVO- Moscow Russia
 - GRU- Sao Paulo Brazil
 - ICN- Seoul Korea
 - PER- Perth Australia
 - TXL- Berlin Germany
 - KUL- Kuala Malaysia
 - DAC- Dhaka Bangladesh
 - AUH- Abu Dhabi UAE
 - HAN- Hanoi Vietnam
 - PRG- Prague Czech



Passenger Fleet Requirement

FY	10/11	11/12	12/13	13/14	14/15	15/16	16/17	17/18	18/19	19/20	20/21
777-300ER				1	2	2	3	4	4	4	4
777-200LR					1	2	2	3	4	4	4
777-200ER	4	4	4	4	4	4	4	4	4	4	4
787-9								3	4	5	6
787-8				2	7	12	16	16	18	23	26
767	6	6	6	6	4						
737-8	5	5	5	10	14	16	16	17	18	18	18
737-7	4	4	4	7	10	10	10	10	11	11	11
737-3	6	6	4	2							
E190	1	4	12	14	15	19	22	25	27	29	31
E170	5	5	5	4	3	3	3	3	3	3	3
Pax Total	31	34	40	50	60	68	76	85	93	101	107
	5	3	6	10	10	8	8	9	8	8	6

Fleet Type	10/11	11/12	12/13	13/14	14/15	15/16	16/17	17/18	18/19	19/20	20/21
Wide body	10	10	10	13	18	20	25	30	34	40	44
Narrow body	21	24	30	37	42	48	51	55	59	61	63
Total	31	34	40	50	60	68	76	85	93	101	107

%Share	10/11	11/12	12/13	13/14	14/15	15/16	16/17	17/18	18/19	19/20	20/21
Wide body	32%	29%	25%	26%	30%	29%	33%	35%	37%	40%	41%
Narrow body	68%	71%	75%	74%	70%	71%	67%	65%	63%	60%	59%

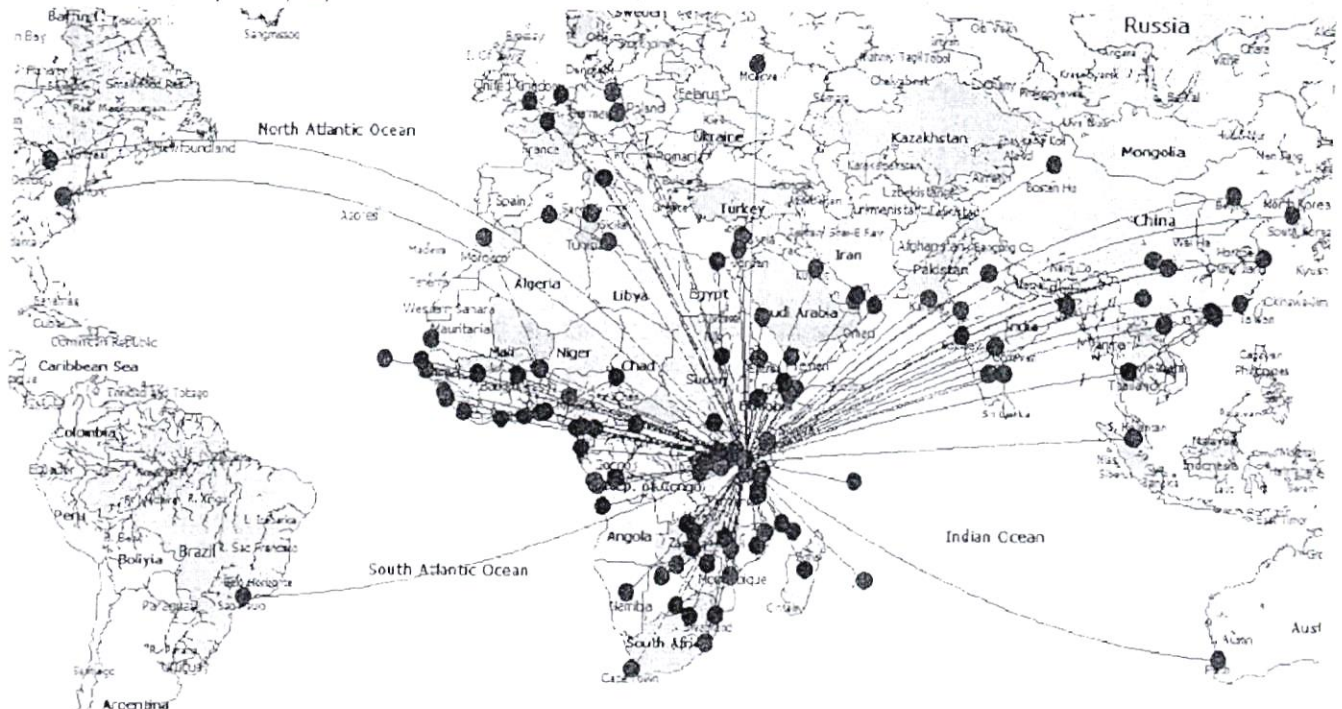


Freighter Fleet Requirement

	Base Year	YR1	YR2	YR3	YR4	YR5	YR6	YR7	YR8	YR9	YR10
	10-11	11-12	12-13	13-14	14-15	15-16	16-17	17-18	18-19	19-20	20-21
B747F		1	2	2							
B772F					3	4	5	6	6	7	7
B734F		2	3	4	5	5	5	5	5	5	5
TOTAL	0	3	5	6	8	9	10	11	11	12	12



KQ Network Map - Year 2021



Year 2011:
 55 Destinations
 45 Countries
 4 Continents

Additional:
 60
 32
 2

Year 2021:
 115 Destinations
 77 Countries
 6 Continents!!

Risk Area	Issue	Response/Mitigation
1. JKIA Infrastructure	Timely delivery of new terminal and facilities	<ul style="list-style-type: none"> • Get commitment from the Government/KAA to fast tract Greenfield Project
2. Captains	Insufficient numbers	<ul style="list-style-type: none"> • Obtain approval from Government & Union to recruit expatriates
3. Fleet Acquisition & Re-delivery	Capacity/ Capability	<ul style="list-style-type: none"> • Set up a fleet delivery dept with director
4. Availability of equipment	Boeing delay experience Lease market volatility	<ul style="list-style-type: none"> • ???
5. Skilled Manpower	Availability of skilled local labour	<ul style="list-style-type: none"> • Pride centre • Expatriates
6. Fuel Cost	High volatility of fuel costs which are largest direct costs	<ul style="list-style-type: none"> • Hedging • YR
7. Funding	Large capital required	<ul style="list-style-type: none"> • Good credit history / Capital market access (KLM and Kenya Govt Support)



Funding Plan



Historical Income Statement

KShs mil	01-02	02-03	03-04	04-05	05-06	06-07	07-08	08-09	09-10	10-11
Total Revenue	25,165	27,461	30,984	42,234	52,804	58,792	60,471	71,829	70,743	85,836
DOCs	(14,993)	(16,390)	(17,857)	(24,136)	(30,272)	(34,989)	(38,814)	(47,792)	(44,376)	(53,419)
Gross Profit	10,172	11,071	13,127	18,098	22,532	23,803	21,657	24,037	26,367	32,417
Gross Profit %	40.4%	40.3%	42.4%	42.9%	42.7%	40.5%	35.8%	33.5%	37.3%	37.8%
Fleet Costs	(3,615)	(4,171)	(4,144)	(4,929)	(5,180)	(6,346)	(7,388)	(7,994)	(9,102)	(9,622)
Overheads	(5,346)	(5,985)	(6,306)	(6,580)	(9,496)	(9,818)	(9,968)	(12,001)	(15,426)	(16,980)
Ops Profit	1,211	915	2,677	6,589	7,856	7,639	4,301	4,042	1,839	5,815
Ops Margin %	4.8%	3.3%	8.6%	15.6%	14.9%	13.0%	7.1%	5.6%	2.6%	6.8%
PAT	868	400	1,302	3,882	4,829	4,098	4,578	(4,083)	2,035	3,538
PAT Margin %	3.4%	1.5%	4.2%	9.2%	9.1%	7.0%	7.6%	(5.7%)	2.9%	4.1%



Aircraft Financing Requirements

USD 000s	Y1	Y2	Y3	Y4	Y5	TOTAL
Aircraft Deliver Loans		(192,150)	(248,929)	(904,119)	(876,584)	(2,221,783)
ECA Guarantee fees		(14,354)	(10,045)	(61,496)	(65,481)	(151,375)
PDPs paid	(48,169)	(196,103)	(143,689)	(69,746)	(191,724)	(649,431)
Leases	(35,255)	(69,417)	(118,997)	(173,120)	(201,334)	(598,122)
Security Deposits	(2,270)	(887)	(9,885)	(15,744)	(2,771)	(31,558)
TOTAL	(85,694)	(472,910)	(531,546)	(1,224,225)	(1,337,894)	(3,652,270)



Transaction advisors

Role	Organisation
Lead Transaction Advisor	CFC Stanbic
Global Coordinator and Book Runner	Citi Bank NA
Legal Advisor	HHM
International Legal Advisor	Clyde & Co
Lead Sponsoring Broker	SIB
Public Relations	Ogilvy
Marketing	Scanad
Registrar	C&R
Receiving Bank	KCB
Reporting Accountant	PwC



Rights Issue

- Capital Raise via Rights issue
- The Funding Plan is to increase Equity to maintain D/E ratios
- Board has approved Rights Issue
- Shareholders have approved the Rights Issue
- Shareholders have improved increase of authorized capital to 2 Billion shares.
- Two factors that have influenced the number of allotted shares:
 - Rights issue price
 - The KES/USD exchange rate at the time of the offer



Shareholder Analysis as at 31 Dec 2011

Domicile	Shares	%	Holders
KLM	120,020,026	26.00	1
Foreign Institutions	60,123,604	13.02	49
Foreign Individuals	3,283,304	0.72	484
Government of Kenya	106,171,561	23.00	1
Local Institutions	69,807,876	15.12	3,415
Local Individuals	102,209,112	22.14	69,299
Total	461,615,483	100.00%	73,249

GOK and KLM have provided irrevocable commitment to fully subscribe



Terms of the Offer



Term of the Rights Issue Offer

- Target KES 20,680,373,686 (US\$ 250 million)
- Offer Price KES 14
- Shares to be allotted 1,477,169,549
- Discount to average Price over 90 days to 29 Feb 2012: 32%
- Rights of 16 share for every 5
- New shares to rank pari pasu with existing shares
- Minimum subscription of 70 percent

Event	Date
Record date	19 March 2012
Distribution of IM and PAL	28 March 2012
Launch date	30 March 2012
Commencement of dealing	2 April 2012
Last date of dealing	18 April 2012
Last date of payment	27 April 2012
Commencement of trading in NSE	12 June 2012

ANNEXURE P22

ANNEX. P22

R198 Employment Relationship Recommendation, 2006

Recommendation concerning the employment relationship
Recommendation R198
Place: Geneva
Session of the Conference 95
Date of adoption: 15 06 2006
Subject: classification: Employment Services - Job Placement
Subject: **Employment** policy **and** **Promotion**
Display: the document in French Spanish
Status: Up-to-date instrument This Recommendation was adopted after 1985 and is considered up to date.

The General Conference of the International Labour Organization,

Having been convened at Geneva by the Governing Body of the International Labour Office, and having met in its Ninety-fifth Session on 31 May 2006, and

Considering that there is protection offered by national laws and regulations and collective agreements which are linked to the existence of an employment relationship between an employer and an employee, and

Considering that laws and regulations, and their interpretation, should be compatible with the objectives of decent work, and

Considering that employment or labour law seeks, among other things, to address what can be an unequal bargaining position between parties to an employment relationship, and

Considering that the protection of workers is at the heart of the mandate of the International Labour Organization, and in accordance with principles set out in the ILO Declaration on Fundamental Principles and Rights at Work, 1998, and the Decent Work Agenda, and

Considering the difficulties of establishing whether or not an employment relationship exists in situations where the respective rights and obligations of the parties concerned are not clear, where there has been an attempt to disguise the employment relationship, or where inadequacies or limitations exist in the legal framework, or in its interpretation or application, and

Noting that situations exist where contractual arrangements can have the effect of depriving workers of the protection they are due, and

Recognizing that there is a role for international guidance to Members in achieving this protection through national law and practice, and that such guidance should remain relevant over time, and

Further recognizing that such protection should be accessible to all, particularly vulnerable workers, and should be based on law that is efficient, effective and comprehensive, with expeditious outcomes, and that encourages voluntary

compliance, and

Recognizing that national policy should be the result of consultation with the social partners and should provide guidance to the parties concerned in the workplace, and

Recognizing that national policy should promote economic growth, job creation and decent work, and

Considering that the globalized economy has increased the mobility of workers who are in need of protection, at least against circumvention of national protection by choice of law, and

Noting that, in the framework of transnational provision of services, it is important to establish who is considered a worker in an employment relationship, what rights the worker has, and who the employer is, and

Considering that the difficulties in establishing the existence of an employment relationship may create serious problems for those workers concerned, their communities, and society at large, and

Considering that the uncertainty as to the existence of an employment relationship needs to be addressed to guarantee fair competition and effective protection of workers in an employment relationship in a manner appropriate to national law or practice, and

Noting all relevant international labour standards, especially those addressing the particular situation of women, as well as those addressing the scope of the employment relationship, and

Having decided upon the adoption of certain proposals with regard to the employment relationship, which is the fifth item on the agenda of the session, and

Having determined that these proposals shall take the form of a Recommendation;

adopts this fifteenth day of June of the year two thousand and six the following Recommendation, which may be cited as the Employment Relationship Recommendation, 2006.

I. NATIONAL POLICY OF PROTECTION FOR WORKERS IN AN EMPLOYMENT RELATIONSHIP

1. Members should formulate and apply a national policy for reviewing at appropriate intervals and, if necessary, clarifying and adapting the scope of

relevant laws and regulations, in order to guarantee effective protection for workers who perform work in the context of an employment relationship.

2. The nature and extent of protection given to workers in an employment relationship should be defined by national law or practice, or both, taking into account relevant international labour standards. Such law or practice, including those elements pertaining to scope, coverage and responsibility for implementation, should be clear and adequate to ensure effective protection for workers in an employment relationship.

3. National policy should be formulated and implemented in accordance with national law and practice in consultation with the most representative organizations of employers and workers.

4. National policy should at least include measures to:

(a) provide guidance for the parties concerned, in particular employers and workers, on effectively establishing the existence of an employment relationship and on the distinction between employed and self-employed workers;

(b) combat disguised employment relationships in the context of, for example, other relationships that may include the use of other forms of contractual arrangements that hide the true legal status, noting that a disguised employment relationship occurs when the employer treats an individual as other than an employee in a manner that hides his or her true legal status as an employee, and that situations can arise where contractual arrangements have the effect of depriving workers of the protection they are due;

(c) ensure standards applicable to all forms of contractual arrangements, including those involving multiple parties, so that employed workers have the protection they are due;

(d) ensure that standards applicable to all forms of contractual arrangements establish who is responsible for the protection contained therein;

(e) provide effective access of those concerned, in particular employers and workers, to appropriate, speedy, inexpensive, fair and efficient procedures and mechanisms for settling disputes regarding the existence and terms of an employment relationship;

(f) ensure compliance with, and effective application of, laws and regulations concerning the employment relationship; and

(g) provide for appropriate and adequate training in relevant international labour standards, comparative and case law for the judiciary, arbitrators,

mediators, labour inspectors, and other persons responsible for dealing with the resolution of disputes and enforcement of national employment laws and standards.

5. Members should take particular account in national policy to ensure effective protection to workers especially affected by the uncertainty as to the existence of an employment relationship, including women workers, as well as the most vulnerable workers, young workers, older workers, workers in the informal economy, migrant workers and workers with disabilities.

6. Members should:

(a) take special account in national policy to address the gender dimension in that women workers predominate in certain occupations and sectors where there is a high proportion of disguised employment relationships, or where there is a lack of clarity of an employment relationship; and

(b) have clear policies on gender equality and better enforcement of the relevant laws and agreements at national level so that the gender dimension can be effectively addressed.

7. In the context of the transnational movement of workers:

(a) in framing national policy, a Member should, after consulting the most representative organizations of employers and workers, consider adopting appropriate measures within its jurisdiction, and where appropriate in collaboration with other Members, so as to provide effective protection to and prevent abuses of migrant workers in its territory who may be affected by uncertainty as to the existence of an employment relationship;

(b) where workers are recruited in one country for work in another, the Members concerned may consider concluding bilateral agreements to prevent abuses and fraudulent practices which have as their purpose the evasion of the existing arrangements for the protection of workers in the context of an employment relationship.

8. National policy for protection of workers in an employment relationship should not interfere with true civil and commercial relationships, while at the same time ensuring that individuals in an employment relationship have the protection they are due.

II. DETERMINATION OF THE EXISTENCE OF AN EMPLOYMENT RELATIONSHIP

9. For the purposes of the national policy of protection for workers in an employment relationship, the determination of the existence of such a

relationship should be guided primarily by the facts relating to the performance of work and the remuneration of the worker, notwithstanding how the relationship is characterized in any contrary arrangement, contractual or otherwise, that may have been agreed between the parties.

10. Members should promote clear methods for guiding workers and employers as to the determination of the existence of an employment relationship.

11. For the purpose of facilitating the determination of the existence of an employment relationship, Members should, within the framework of the national policy referred to in this Recommendation, consider the possibility of the following:

(a) allowing a broad range of means for determining the existence of an employment relationship;

(b) providing for a legal presumption that an employment relationship exists where one or more relevant indicators is present; and

(c) determining, following prior consultations with the most representative organizations of employers and workers, that workers with certain characteristics, in general or in a particular sector, must be deemed to be either employed or self-employed.

12. For the purposes of the national policy referred to in this Recommendation, Members may consider clearly defining the conditions applied for determining the existence of an employment relationship, for example, subordination or dependence.

13. Members should consider the possibility of defining in their laws and regulations, or by other means, specific indicators of the existence of an employment relationship. Those indicators might include:

(a) the fact that the work: is carried out according to the instructions and under the control of another party; involves the integration of the worker in the organization of the enterprise; is performed solely or mainly for the benefit of another person; must be carried out personally by the worker; is carried out within specific working hours or at a workplace specified or agreed by the party requesting the work; is of a particular duration and has a certain continuity; requires the worker's availability; or involves the provision of tools, materials and machinery by the party requesting the work;

(b) periodic payment of remuneration to the worker; the fact that such remuneration constitutes the worker's sole or principal source of income; provision of payment in kind, such as food, lodging or transport; recognition of

entitlements such as weekly rest and annual holidays; payment by the party requesting the work for travel undertaken by the worker in order to carry out the work; or absence of financial risk for the worker.

14. The settlement of disputes concerning the existence and terms of an employment relationship should be a matter for industrial or other tribunals or arbitration authorities to which workers and employers have effective access in accordance with national law and practice.

15. The competent authority should adopt measures with a view to ensuring respect for and implementation of laws and regulations concerning the employment relationship with regard to the various aspects considered in this Recommendation, for example, through labour inspection services and their collaboration with the social security administration and the tax authorities. 16. In regard to the employment relationship, national labour administrations and their associated services should regularly monitor their enforcement programmes and processes. Special attention should be paid to occupations and sectors with a high proportion of women workers.

17. Members should develop, as part of the national policy referred to in this Recommendation, effective measures aimed at removing incentives to disguise an employment relationship.

18. As part of the national policy, Members should promote the role of collective bargaining and social dialogue as a means, among others, of finding solutions to questions related to the scope of the employment relationship at the national level.

III. MONITORING AND IMPLEMENTATION

19. Members should establish an appropriate mechanism, or make use of an existing one, for monitoring developments in the labour market and the organization of work, and for formulating advice on the adoption and implementation of measures concerning the employment relationship within the framework of the national policy.

20. The most representative organizations of employers and workers should be represented, on an equal footing, in the mechanism for monitoring developments in the labour market and the organization of work. In addition, these organizations should be consulted under the mechanism as often as necessary and, wherever possible and useful, on the basis of expert reports or technical studies.

21. Members should, to the extent possible, collect information and statistical data and undertake research on changes in the patterns and structure of work at the national and sectoral levels, taking into account the distribution of men

and women and other relevant factors.

22. Members should establish specific national mechanisms in order to ensure that employment relationships can be effectively identified within the framework of the transnational provision of services. Consideration should be given to developing systematic contact and exchange of information on the subject with other States.

IV. FINAL PARAGRAPH

23. This Recommendation does not revise the Private Employment Agencies Recommendation, 1997 (No. 188), nor can it revise the Private Employment Agencies Convention, 1997 (No. 181).

Cross

references

Conventions: [C181 Private Employment Agencies Convention, 1997](#)
Recommendations: [R188 Private Employment Agencies Recommendation, 1997](#)

[ILO Home](#) [NORMES home](#) [ILOLEX home](#) [Universal Query](#) [NATLEX](#)

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