

Minutes of Negotiation Held Between Shell Ethiopia
and Shell Workers Union

Date: 22/10/2008

Time: 11:30 am

Venue: GM Office

Present were:

SEL

1. Mr. Jean-Pierre Wym
2. Ato Chemed Yabassa

SWU

1. Ato Fanuel Samson
2. Ato Endale Baye
3. Ato Damtew G/Selassie
4. Wzo. Seblewongel Wolde

Agenda: Joint Consultation

Voluntary Severance Package

This VSP is the policy of the company and as a result the company has the sole discretion to amend, change or otherwise review it. Notwithstanding the aforementioned, the company has agreed not to amend, change or review it before the expiration of 24 months starting from the date of completion of the transaction of sale of shares between Shell Petroleum Company limited and Libya Oil.

Terms, conditions and benefits of employment would remain unchanged upon completion of the transaction (i.e. transfer of shares from SPCo to Libya Oil).

In cases where a re-organization in the company entails redundancy of jobs and limited career options, the company may invite employees to apply for a Voluntary Severance Package (VSP). The Company may also consider medical reasons where it is confirmed that such reasons hinder the employee from performing his/her duties.

Under such circumstances if the employee opts for VSP she/he agrees to waive his/her legal right of legal severance pay as provided in the labour proclamation.

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Fanuel
Samson
22 Oct 08



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22/10/2008

The consent of the Company is an essential requirement for Voluntary Severance Package. Thus, it is the Company's sole discretion to decide on acceptance of voluntary severance requests from employees.

In addition, the Company may postpone release of staff for operational reasons.

b) Discretionary Benefit

Discretionary Benefit means a benefit that may be given to an employee at the company's sole discretion.

The following amounts will be paid to employees who leave the company on VSP.

Staff with less than 6 years of service will receive a lump sum VSP payment equivalent to 26 month's basic salary.

Staff with 6 or more but less than 11 years of service will receive a lump sum VSP payment equivalent to 36 month's basic salary.

Staff with 11 or more but less than 16 years of service will receive a lump sum VSP payment equivalent to 41 month's basic salary.

Staff with 16 or more but less than 21 years of service will receive a lump sum VSP payment equivalent to 46 month's basic salary.

Staff with 21 or more years of service will receive a lump sum VSP payment equivalent to 58 month's basic salary.

In case the total salary due in the remaining service period until normal retirement is less than the calculated VSP entitlement, the employee will only receive a VSP equivalent to the total salary due in the remaining service period until retirement.

Tax is deductible from the payment.

Point 4.2 of the statement of claim is dropped.

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