

May 2021

**RE: Employment subsidized by Social Insurance based on Law 27(I)2020**

With this letter I wish to inform you on how you are affected from the emergency measures concerning employment matters as a result of the pandemic COVID-19.

Based on Law 27(I) 2020 and the Ministry of Labour decrees announced, the company PHC Franchised Restaurant Public LTD to which you are currently employed, is under the category of 'Partial Postponement' for a specific period, resulting in creating different categories of affected employees. You belong in the category that by law 60% of hours worked will be subsidized by the Ministry of Labour and the rest 40% will be covered by the employer.

The company always aims to protect and secure the total (100%) of hours worked for the whole period 01/05/2021 – 31/05/2021 that you are affected by the emergency measures. As such:

1. The company will provide 40% of your salary, while the remaining 60% will be paid by social insurance.
2. To avoid delays, the company will not wait for the social insurance payment but instead will proceed with paying you the 60% as an advance-payment.
3. Once the social insurance completes the 60% payments of May, the company will check the amounts already provided as an advance payment and the amounts received from Social insurance.
4. If the amount paid by social insurance is greater than the advance payment given by the company, we will reimburse you with the difference.
5. If the amount paid by social insurance is less than the advance payment given by the company, then the company will deduct the amount provided by social insurance and not the advance payment.
6. In simple words, the company will assure the 100% of your total hours worked in May and any annual leave taken this month.
7. If you did not work at all in May, you will be paid by social insurance fund.

All the above are valid if from 1<sup>st</sup> of May onwards, provided you did not work in another company or applied for sick leave, paternity or maternity leave, unemployment benefit or any other benefit related to Social insurance and Ministry of Labour. In these cases, the company might be held accountable from payments to the government that must be returned by you or can be deducted from any other future payables.

For clarifications, please contact any member of the HR Team.

Thank you all,

HR Department