

Georgian American University, LLC

Internal Labor Regulation

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Chapter 1. General Provisions

Article 1. Scope

- 1. The present internal regulation of the Georgian American University LLC (hereinafter the University or the employer) is elaborated in accordance with the legislation of Georgia and applies to all major educational units of the University, auxiliary structural units and all employees (hereinafter employed).
- 2. The present internal regulation is document regulating the labor relations between the University and its employees. Before concluding the labor contract, the employer is obliged to inform the person about the internal labor regulation and then the changes made in it, by using any means (individually or by placing it publicly), after which the fulfillment of the requirements of the labor internal regulation is mandatory for all employees.
- 3. The purpose of the internal regulation is to regulate the existing relations between the university and the employees. The internal labor regulation is part of the labor contract concluded between the university and the employee.
- 4. As a result of familiarization with the present internal regulation, a permit for requesting and issuing personal information about an employee shall be deemed to have been obtained by the employer and it does not require the additional consent of the person, if this data is used to settle issues arising from the concludable/existing labor relations with the employee.

Chapter 2. Commencement of Labor Relations

Article 2. Pre-contractual Relationship and Exchange of Information

- 1. Before concluding labor relations, the candidate is obliged to submit to the University:
 - a) an identity document;
 - b) biometric photograph one in printed and digital form;
 - c) autobiography (CV);
 - d) documents certifying education.
- 2. In addition to the documents provided for in paragraph 1 of this Article, the candidate is obliged to submit at the request of the employer (if such documents are available):
 - a) a certificate of previous activity;
 - b) driving license;
 - c) Letter of recommendation.
- 3. In addition to the documents referred to in paragraphs 1 and 2 of this Article, the University may, if necessary, especially in the frame of a competition, request the candidate/employee to submit other documents, verify the accuracy of these documents or obtain additional information needed to make an labor decision.

4. An labor contract shall not be concluded until the documentation provided for in this Article is fully submitted.

Article 3. Appointment of an Employee

- 1. The labor relationship with the employee is concluded in accordance with the rules established by legislation, on the basis of the candidate's personal application, by the labor contract concluded with the University and/or by the order of the President of the University.
- 2. The duration labor relationship of an employee with the University may be for an indefinite period of time, for a specified period of time or for a period of performance of a certain job.
- 3. In case of expiration of a fixed-term labor contract/order, with the consent of both parties, the President of the University shall issue an order to extend the labor contract (unless otherwise provided by the labor contract).
- 4. The provision provided for in paragraph 3 of this Article shall not apply to persons elected to a position for a certain period of time through a competition.
- 5. In case of expiration of the term of the labor contract concluded for a definite period of time, if the parties fail to reach an agreement on the extension of the term, the labor relationship shall be considered terminated, on which an order of the President of the University may be issued.
- 6. In order to determine the suitability of a person for the job to be performed, any employed person shall be appointed for a probationary period of 3 months, unless otherwise provided by the terms of the competition.

The calculation of the probationary period shall start from the date of entry into force of the contract concluded between the employer and the employee and/or from the relevant order of the President of the University, and all special provisions provided by law for the probationary period shall apply to the relations between the parties.

Chapter 3. Terms of Labor

Article 4. Entitlements of Employees

- 1. The employee is entitled to:
 - a) request the creation of necessary conditions for the performance of work;
 - b) request information necessary for the performance of the assigned duty from the immediate supervisor and/or other structural or basic educational unit;
 - c) submit comments and suggestions in order to improve the quality of work of the basic educational unit/structural unit;
 - d) participate in a vacant, including a superior position, selection competition;
 - e) to use other authorities provided by the legislation and the regulation of the basic educational unit/auxiliary structural unit.
- 1. An employee is prohibited from:
 - a) receiving a gift and/or benefit from a citizen or subordinate staff in connection with the performance of official duties;

- b) leaving the workplace without permission, not appearing at work without warning of the immediate supervisor, regardless of the reason;
- c) use of computer games at work and use of the internet for non-service purposes;
- d) appearing at work under the influence of alcohol;
- e) appearing at work under the influence of narcotic and/or psychotropic drugs, or having and/or consuming the mentioned drugs at work;
- f) smoking in the University buildings and in the territories owned by it, except for the places specially allocated for this purpose;
- g) smoking in an official car belonging to the University;
- h) inexpedient spending of material resources transferred to him/her by the University.
- i) transfer of material resources entrusted to him/her by the University to another person without the agreement of the relevant service.

Article 5. Obligations of the Employee

The employee is obliged to:

- a) perform his/her duties in good faith;
- b) carry out the tasks, instructions and orders of the supervisor;
- c) adhere to ethical norms and high standard of service in relations with employees, students and citizens;
- d) strictly observe the legislation of Georgia related to his/her official activities and the conditions established by internal acts of the University;
- e) observe labor discipline, use working hours rationally, do not allow such actions that hinder the work of the University and undermine its authority;
- f) take care of the property of the University, including the equipment and equipment he/she uses, ensure the storage and protection of the documents entrusted to him/her;
- g) take care of the material and technical equipment of the service and use them for its intended purpose, in case of loss or damage, immediately notify the head of the relevant structural unit;
- h) maintain order and cleanliness in the workplace and in the University building, on its the territory;
- i) constantly take care of maintaining and raising the qualifications provided by the position;
- i) not to allow such actions, both during working hours and after its completion, which may harm the reputation of the University and its image;
- k) comply with the present internal regulation, the requirements defined by internal regulatory documents, norms of ethics, labor discipline, safety norms.

Article 6. Obligations of the University

The University is obliged to:

- a) comply with labor legislation;
- b) labor safety rules;
- c) create effective and stable working conditions for employees;
- d) ensure the observance of labor discipline by the employees;
- e) equip each workplace with the necessary conditions, equipment and inventory;

f) ensure equal promotion and access to career advancement and development of employees.

Article 7. Changing the Terms of the Labor Relationship

- 1. The employer has the right to specify to the employee by notification, certain circumstances of the performance of the work provided for in the labor relationship, which do not change the essential terms of the contract.
- 2. Substantial conditions of labor can be changed only by agreement of the parties. If the labor relationship does not provide for any substantive condition, such a condition may be determined with the consent of the employee.
- 3. Changing the substantive terms of labor, which is due to a change in legislation, does not require the consent of the employee.
- 4. The following are not considered to be essential changes in the labor relationship:
 - a) change of the workplace specified by the employer for the employee, if it takes the same or less time for the employee to move from the place of residence to the new workplace by available public transport;
 - b) change of start or end time of work by not more than 90 minutes.
- 3. Simultaneous change of both circumstances provided for in paragraph 4 of this Article shall be considered as a change of the substantive conditions of the labor relationship.

Article 8. Working Hours, Break Time

- 1. Working week of an employee is defined as 5 working days, from Monday to Friday. Except as provided in paragraph 2 of this Article, employees shall be given two days off per week: Saturday and Sunday;
- 2. The working hours of the employees are determined no more than 40 hours per week, from Monday to Friday. The start and end time of the work of employees is determined on the basis of the labor contract.
- 3. Paragraph 2 of this Article does not apply to the employees of the Security Service, whose working hours are determined by the shift-based schedule, set by the Head of the Service. The duration of rest between shifts should not be less than 12 hours.
- 4. The break time of an employee in the main educational unit/auxiliary structural unit of the University is determined at the request of the employee for 1 hour per day, so as to ensure uninterrupted service to students and is regulated by the immediate supervisor.
- 5. An employee who is a breastfeeding woman and is feeding a child under the age of one, shall be granted an additional break time of not less than 1 hour per day upon her request. A break time for feeding the baby is considered working time and shall be reimbursed.
- 6. In accordance with the Georgian legislation, taking into account the working conditions, when it is impossible to observe the duration of daily or weekly working hours, the rule of summary accounting shall be applied and, in the interests of the University, for a separate basic education unit/auxiliary structural unit or for a certain category of employees, it is possible to set different working hours or shift-based working modes by the immediate supervisor. In this case, the working hours of employees shall not exceed 40 hours per week.
- 7. Employees shall enjoy the days off, established by the legislation of Georgia and established by the University.

8. If necessary, during the holidays (including days off and public holidays), the employees of the University are entitled to perform work and carry out relevant actions, including the issuance of an internal university act within the scope of their authority.

Article 9. Holidays

- 1. Holidays provided by law are as follows:
 - a) January 1 and 2 New Year holidays;
 - b) January 7 Christmas Day, Birth of Our Lord Jesus Christ;
 - c) January 19 Epiphany, Baptism of Our Lord Jesus Christ;
 - d) March 3 Mother's Day;
 - e) March 8 International Women's Day;
 - f) April 9 the day of adopting the Act of Restoring Independence of Georgia; the day of national unity, national consent, and commemoration of people who died for the national integrity of Georgia;
 - g) Easter days Good Friday, Good Saturday, Easter Sunday Resurrection of Our Lord Jesus Christ day, Easter Monday All Souls' Day (movable feast)
 - h) May 9 Victory Day over fascism;
 - i) May 12 Commemoration Day of St. Andrew the Apostle, Founder of the Apostolic Church of Georgia
 - j) May 26 Independence Day of Georgia;
 - k) August 28 the Assumption of the Virgin Mary day ('Mariamoba');
 - l) October 14 'Mtskhetoba' (Holiday of Svetitskhovloba, Robe of Jesus);
 - m) November 23 St. George's Day.
- 2. In addition to the holidays provided by law, December 25 is declared as a day off in the University.
- 3. Except for the holidays provided for in paragraphs 1 and 2 of this Article, an employee following the relevant religion, shall be exempted to celebrate the day of his/her religious holiday on the basis of his/her application and with the permission of the immediate supervisor.
- 4. On the holidays provided for in paragraphs 1 and 2 of this Article, the employee shall perform overtime work on the written instructions of the supervisor and the terms of his/her remuneration shall be determined in accordance with the rules established by the current legislation.

Article 10. Non and Late Appearance at Workplace

- 1. All employees are obliged to appear in office on time and leave the job in accordance with the established work schedule.
- 2. In case of leaving the workplace or non-appearance in office due to illness or family conditions, the employee is obliged to inform the immediate supervisor at least 1 hour before the start of work, about the reasons for non-appearance or leaving the workplace.
- 3. In case of the absence of good reason and/or warning of the immediate supervisor, a disciplinary measure may be applied to a person for non and late appearance at workplace.

Article 11. Terms of Remuneration

- 1. Salaries in the University are paid to the employees once a month, through transferring the amount to the bank account, on the 26^{th} day of the accounting month; if 26 coincides with the non-working day, the amount shall be transferred on the previous working day.
- 2. Remuneration of an employee is paid in the amount of the salary provided by the appointment order and/or the labor contract. Any other remuneration of the employee shall be paid in the amount specified in the relevant order of the President of the University. All types of remuneration are issued in the national currency.

Chapter 4. Business Trip

Article 12. Administration of Business Trip

- 1. A business trip is the departure of an employee from the permanent workplace to another administrative unit/settlement or out of the country on the basis of an order of the President of the University to perform a job assignment.
- 2. Upon request, the employee is obliged to submit a report on the work performed during the business trip.
- 3. During the business trip, the employee retains the occupied position and salary.

Article 13. Business Trip Documentation

- 1. The basis of the order of the President of the University on business trips, is the report card of the head of the main educational unit/auxiliary structural unit, which provides the identity of the persons to be sent, the purpose of business trips, place and duration of business trips, funds needed for overnight and travel.
- 2. A signed business trip order is sent to Financial Service of the University.
- 3. In case of cancellation, transfer, extension or any other changes of the business trip, the head of the basic educational unit/auxiliary structural unit prepares a report card, on the basis of which the relevant order on cancellation of the business trip or relevant change in the order is issued.

Article 14. Reimbursement of Business Trip Expenses

- 1. Business trip expenses are calculated according to the actual presence days on business trip, including holidays and days off, as well as the days of departure and return on business trips;
- 2. Business trip expenses consist of living expenses, travel expenses and rent of living space. If the place of business trip is located up to 30 km from the workplace, as a rule, only the travel expenses will be reimbursed, unless otherwise determined by the order of the President of the University.
- 3. The norm of per diem (daily allowance) of an employee, sent on a business trip to the territory of Georgia is set at 15 (fifteen) GEL;
- 4. The business trip per diem (daily allowance) of an employee sent on a business trip outside the country, according to the place of destination and the duration of the business trip, shall be determined by the legislation of Georgia;
- 5. Employees will be reimbursed expenses, related to the preparation of business trips abroad (visa, insurance);

- 6. Based on the order of the President of the University on the business trips of the employees, the business trip per diem (daily allowance) is paid in advance or within one week after the submission of the documents confirming the expenses;
- 7. The amount of fuel required for business trips is calculated and the amount is paid by the Financial Service of the University;
- 8. Within one week after returning from the business trip, the employee is obliged to submit a ticket confirming the use of transport, a document confirming the hotel service and documents confirming the payment.
- 9. In case of receiving the business trip *per diem* as an advance before leaving for a business trip, the final business trip payment with the employee is made after the submission of the documents established by this rule to the University Financial Service. Business trip amount calculated according to the submitted documents confirming the expenses, will be deducted from the amount received in advance; unused funds are returned through transferring on the account of the University or by deducted from the employee's salary;
- 10. In case the business trip expenses are covered by employee, the final business trip payment with the employee shall be made on the basis of the documents confirming the business expenses, submitted by the Financial Service of the University in the form prescribed in the paragraph 8 of this Article;
- 11. In case of an early termination of business trips provided for by the order, the extra amount transferred, shall be deducted from the remuneration of the person sent to business trip or returned by him/her through transferring it on account of the University.

Chapter 5. Suspension of Labor Relations

Article 15. Paid Leave

- 1. An employee has the right to take paid leave at least 24 working days a year. By agreement of the parties, it is possible to use the leave in whole or in part.
- 2. The right of employee to request leave, arises after the eleven months from the start of work. The University is also entitled to grant leave to the employee before the mentioned period has come.
- 3. A request for leave by an employee shall be made in writing, with the written consent of the immediate supervisor, which shall be submitted by him/her before the management at least 5 working days in advance. If this rule is not observed, the person will be considered on leave after 5 days from the receipt of the prior notice provided for in this Article, and before that period, the labor relationship with him/her continues as usual and he/she is obliged to appear at workplace according to the established rules and conditions.
- 4. In the case of paid leave, the leave payment shall be calculated, accrued and paid in advance, within the budget approved for the relevant accounting year of the leave days, within 5 working days from the issuance of the relevant leave order. When issuing salary, and in case of postponement of the leave for the next year, the money for leave shall be reimbursed upon payment of the salary for the relevant month of the accounting year.
- 5. If the employee does not voluntarily take leave during the current year, the unused leave days, except for the case provided for in paragraph 8 of this Article, shall not be transferred to the next calendar year and no additional leave shall be paid for unused leave days.
- 6. If the University, in the interests of the normal course of work, does not consider expedient to grant leave to the employee, with the consent of the employee, it is allowed to extend the current year's leave to the following year by the order of the President of the University.

- 7. It is prohibited to transfer paid leave days for two consecutive years.
- 8. In exceptional cases, by the order of the President of the University, it is possible to terminate/call the paid leave for the employee (except for a person who is on leave due to pregnancy, childbirth, child care and adoption of a newborn), with the right to further use the remaining unused days. Termination of paid leave for a person on leave due to pregnancy, childbirth, child care and adoption of a newborn is possible only with the consent of the employee.
- 9. In case of termination of paid leave, if the employee has received full payment of leave in advance, the proportionate amount paid for the days off shall be returned by him/her to the relevant account of the University or deducted from the due salary.
- 10. The employee is obliged to return to workplace immediately after the end of the leave. If the employee fails to appear at the workplace on time for a good reason upon the end of the leave, he/she is obliged to inform his/her immediate supervisor no later than one day after the end of the leave.
- 11. In case of temporary incapacity for work during paid leave, due to the temporary incapacity, remuneration is issued for the entire period of temporary incapacity for work. In this case the leave days will be shifted by the number of days indicated on the hospital sheet.
- 12. The President of the University, in agreement with the head/heads of the relevant structural unit, is authorized to set a paid leave schedule for employees.
- 13. The President of the University is authorized to use additional paid leave in order to encourage the employee.

Article 16. Leave Without Payment

- 1. For a good reason, an employee, on the basis of a personal application and with the permission of the immediate supervisor, may be granted short-term unpaid leave of not less than 15 calendar days per year.
- 2. The employee has the right to request unpaid leave in whole or in part.
- 3. When taking unpaid leave, the employee is obliged to notify the employer one week in advance about taking leave, unless a warning is impossible due to an urgent medical or family conditions.

Article 17. Leave Due to Pregnancy, Childbirth and Child Care

- 1. On the basis of application and the relevant document issued by the medical institution, the employee is granted leave for pregnancy, childbirth and child care in the amount of 730 calendar days.
- 1. Due to pregnancy, childbirth and child care, 183 calendar days are reimbursed from leave, and in case of complicated childbirth or birth of twins, 200 calendar days.
- 2. The employee may, at her own discretion, allocate the mentioned leave to the pregnancy and post-pregnancy periods.
- 3. An employee who has adopted a child under the age of one, shall be granted leave for the adoption of a newborn child at the request of 550 calendar days after the birth of the child. 90 calendar days are reimbursed from this leave.
- 4. In addition to the assistance provided by the State during maternity leave for pregnancy, childbirth and child care, as well as for the adoption of a newborn, the employee shall be given compensation to refill up to the full amount of salary receivable during paid leave period.
- 6. Suspension and resumption of labor due to pregnancy and childbirth, based on the application of the employee is made by the order of the President of the University.

7. In order to perform the work of an employee on leave due to pregnancy, childbirth and child care, the University may hire another person or assign another employee to perform her duties for the entire period of the employee's leave.

Article 18. Additional Leave

- 1. An employee (except for an employee with a fixed-term labor contract) may be granted additional paid leave of 5 (five) working days per year for marriage or in case of death of family member (spouse, parents, grandparents, grandchildren, siblings, their children, family members of spouse).
- 2. Employees whose children go to school for the first time, are given additional paid leave for 1 working day on the first day of schooling at Educational institution.
- 3. The basis for requesting additional leave is a written application of the employee.
- 4. Additional leave is not considered as annual paid leave.

Article 19. Temporary Incapacity for Work

- 1. During the illness, the employee, on the basis of the relevant certificate issued by the medical institution, is given leave for no more than 40 consecutive calendar days due to temporary incapacity for work and not more than 60 calendar days for 6 months.
- 2. In case of long-term incapacity for work (more than 40 consecutive calendar days and more than 60 calendar days in 6 months), the University is entitled to terminate the labor relationship with the employee.
- 3. In case of long-term incapacity for work (more than 40 consecutive calendar days and more than 60 calendar days in 6 months), if the University does not consider expedient to terminate the labor relationship with the employee, the remuneration for the period of temporary incapacity for work shall be calculated and paid in accordance with Georgian legislation.
- 4. Certificate of temporary incapacity for work (hospital sheet) must be submitted by the employee with a statement claiming for compensation within 3 months after the closure of the hospital sheet, otherwise the missed days will not be reimbursed.
- 5. The University is obliged to reimburse the employee for the days missed due to temporary incapacity for work or to send a notice of refusal on reimbursement within 10 working days after the employee submits the hospital sheet.
- 6. The basis for calculating the amount of remuneration to be paid to an employee due to temporary incapacity for work is his/her monthly salary.

Article 20. Conscription

- 1. In case of conscription to the military reserve service, on the basis of a personal application and a relevant certificate issued by an authorized institution, the employee shall be suspended from labor for the period of conscription and remuneration and position shall be retained;
- 2. The period of conscription into the military reserve service shall not be considered as paid leave.
- 3. In case of conscription into compulsory military service, the labor relationship with the employee shall be terminated. The employee shall retain the job without salary payment.

Article 21. Conclusion of Labor Suspension

The decision on suspension the employee's paid, unpaid, pregnancy, birth-giving and child care, additional leave days, as well, the suspension of labor due to conscription, shall be made by an order of the President of the University and shall be kept in the personal file of the employee.

Chapter 6. Forms of Incentives and Compensation

Article 22. Forms of Incentives

- 1. Incentive measures may be applied to the employee for the success in work, exemplary performance of labor duties, as well as for performance of work of special complexity or importance, for long and conscientious service. Incentive measures are applied based on the evaluation results of the employee.
- 1. Forms of incentives are:
 - a) expressing of praise;
 - b) monetary reward (bonus);
 - c) valuable gift;
 - d) salary increase;
- 2. Other intangible forms of incentives may be determined on the basis of other regulations/rules in force at the University and/or by order of the President of the University.
- 3. Several forms of incentives can be used simultaneously.
- 4. The decision on the incentive of the employee (except for the decision on awarding the bonus) is kept in the personal file of the employee.

Article 23. Incentive Rule of Employee

- 1. Employee incentives are done upon the submission of a direct supervisor or a senior official.
- 2. The submission must be accompanied by information about the results of the employee's evaluation and the justification on the basis of which he/she may be assigned one or more forms of incentives.
- 3. A submission on the incentive will be sent to the Human Resources Management Service, which will prepare the materials within 2 weeks.
- 4. The President of the University has the right to issue an incentive.
- 5. In accordance with the results of the personnel evaluation, the staff is encouraged in the following way:
 - a) verbal praise and/or valuable gift, as a form of incentive may be used at the discretion of the President of the University for an employee who has received a "best" or "good" grade as a result of the evaluation;
 - b) a monetary reward may be given only to the employee who received the "best" grade as a result of the evaluation;
 - c) a salary increase, as a form of incentive, may be used at the discretion of the President of the University in respect of an employee who has received the "best" grade in two consecutive years;
- 6. The Act of the President of the University may establish different forms of intangible incentives for employees.
- 7. An employee hired for a probationary period may be encouraged in accordance with the procedure provided for in paragraph 5 of this Article.

8. The use of any form of incentive does not further restrict the consideration of the employee's liability in the event of a disciplinary misconduct.

Article 24. Compensation

- 1. In case of injury and/or trauma of an employee while performing his/her labor duties, shall be given one-time assistance. The decision on the amount of compensation is made by the President of the University, depending on the severity of the trauma.
- 2. In case of death of an employee while performing labor duties, the family of the deceased is provided with one-time assistance.

Chapter 7. Disciplinary Liability

Article 25. Measures of Disciplinary Liability (Penalties)

- 1. The following measures of disciplinary liability may be applied to a person employed at the University for a disciplinary violation, taking into account the gravity of the violation committed and the identified justifying (objective) or aggravating circumstances:
 - a) reproval;
 - b) reprimand;
 - c) severe reprimand;
 - d) withholding of salary for not more than ten working days;
 - e) dismissal from the performance of labor duties by suspension of salary payment not more than ten working days;
 - f) transfer to a lower salary not more than one year;
 - g) dismissal/termination of labor contract.
- 2. For one disciplinary misconduct, only one disciplinary measure may be applied without observing the sequence provided for in paragraph 1 of this Article.

Article 26. Grounds for Disciplinary Liability

The basis for disciplinary liability:

- a) violation of the legislation regulating the activities of the University and/or the requirements of internal university acts;
- b) failure to perform labor duties, improper performance or negligent attitude towards them;
- c) violation of ethical norms, unworthy behavior aimed at discrediting a person employed at the University or the University, regardless of whether it is committed at workplace or outside it;
- d) an action that has caused significant damage to the normal functioning and/or reputation of the University;
- e) unqualified, imperfect or unethical services of students, citizens;
- f) disclosure of confidential information;
- g) communicating with students, citizens and staff in an unethical manner;

- h) appearing at workplace under the influence of alcohol, psychotropic or narcotic substances or their consumption at workplace, or any other inappropriate action of an employee that violates the authority of the University;
- i) intentionally or negligently causing material/property damage to the University or creating a threat of substantial damage;
- j) unauthorized use of university machinery and equipment;
- k) violation of labor discipline;
- l) gross violation by the employee of the obligation imposed on him/her by the labor contract and/or the internal labor regulation;
- m) violation of the obligation imposed on the employee by the labor contract and/or the internal labor regulation, if any measure of disciplinary liability provided for in the labor contract and/or the internal labor regulation has already been applied to the employee during the last 1 year.

Article 27. Period of Validity of Disciplinary Punishment

- 1. Material incentives shall not be applied to a person who has been subject to a disciplinary punishment during the period of validity of the punishment, except for holiday bonuses;
- 2. The disciplinary punishment imposed on a person in the form of a reproval shall be valid for 3 months from the date of imposition of the penalty;
- 3. A disciplinary punishment imposed on a person in the form of a reproval shall be valid for 6 months from the date of imposition of the penalty;
- 4. A disciplinary punishment imposed on a person as a severe reprimand shall be valid for 1 year from the date of imposition of the punishment;
- 5. If no other disciplinary punishment has been imposed on a person during the period of validity of the disciplinary penalty, the imposed disciplinary punishment shall be considered revoked.
- 6. When imposing a disciplinary penalty, the revoked or prematurely revoked disciplinary punishment shall not be taken into account.
- 7. Until the disciplinary punishment is revoked or removed early, the person does not enjoy the right to promotion.

Article 28. Relapse

- 1. Relapse means repeated disciplinary misconduct by a person during the period of validity of the disciplinary punishment, until the disciplinary punishment is revoked or lifted
- 2. In case of relapse, when committing a similar or more serious disciplinary misconduct, a more severe punishment measure shall be applied.
- 3. In the event of a relapse, the same or a lighter disciplinary punishment may be used in the event of a less misconduct, taking into consideration the circumstances of its commission.
- 4. In case of relapse, the punishment term shall start from the day of imposition of the punishment imposed for the repeated disciplinary misconduct, and the punishment imposed for the previous misconduct shall be valid independently, for the period provided for in this Regulation, until its revocation or removal.

Article 29. Grounds for Commencing Disciplinary Proceedings

The grounds for commencing disciplinary proceedings may be:

- a) a complaint or statement, letter sent to the University, other document or notice (information) about the commission of an action that may be considered a disciplinary misconduct;
- b) shortcomings identified in the process of supervision of labor activities;
- c) other cases provided by legislation.

Article 30. Bodies Carrying out Disciplinary Proceedings

- 1. If there are grounds for disciplinary liability provided for in Article 26 of this internal regulation, disciplinary proceedings against a person shall be conducted by the University Disciplinary Proceedings Commission, the composition of which shall be approved by an order of the President of the University.
- 2. The conclusion of the Disciplinary Proceedings Commission may be appealed to the Appeals Commission within one week, after its publication.
- 3. The conclusion of the Appeals Commission is final and is not subject to appeal.
- 4. The composition and regulations of the Appeals Commission shall be approved by an order of the President of the University.

Article 31. Term of Disciplinary Proceedings

- 1. The duration of disciplinary proceedings should not exceed 1 month.
- 2. If necessary, the head of the Commission is authorized to extend the term of disciplinary proceedings up to 3 months.

Article 32. Disciplinary Proceedings

- 1. The Commission is authorized to take an explanatory note from the person who committed the disciplinary violation, and if necessary, the author of the application (complaint) and any person who may have connection to the subject matter. In case of disciplinary proceedings, a written explanatory note is obligatory from the person who committed the disciplinary violation, unless due to objective reasons this person cannot be summoned/questioned and the factual circumstance proves that he/she has committed a disciplinary violation. The Commission is authorized to request all necessary information, documents and materials related to the fact of disciplinary misconduct, to check the case materials, to invite other persons to receive information.
- 2. In the process of disciplinary proceedings, all persons are obliged to submit all the required documents or information to the Commission upon request, to appear at the relevant structural unit upon request, to give written and/or oral explanations on issues related to the performance of their labor duties.
- 3. The composition, authority and rules of disciplinary proceedings of the Disciplinary Proceedings Commission are given in detail, in the regulations of the Disciplinary Proceedings Commission, which are approved by the President of the University.

Article 33. Conclusion of the Commission

1. The Commission shall write a report on the confirmation or non-confirmation of the disciplinary misconduct and submit it to the President of the University. The conclusion is signed by the chairman of the Commission.

- 2. The President of the University reviews the conclusion of the Commission and issues the relevant act within 10 days after the submission of the conclusion.
- 3. The conclusion should include:
 - a) the grounds for commencing disciplinary proceedings;
 - b) measures taken during the disciplinary proceedings;
 - c) relevant substantiation of the deficiencies or problems found in the disciplinary proceedings, or the absence of such one;
 - d) in case of disciplinary violation, substantiation of liability.

Article 34. Results of the Revision of the Disciplinary Commission Conclusion

- 1. As a result of the consideration of the conclusion, the President of the University shall issue an order by which:
 - a) considers the fact of committing a disciplinary misconduct by an employee confirmed and imposes a disciplinary punishment;
 - b) does not consider the fact of committing a disciplinary misconduct by the employee as confirmed and terminates the disciplinary proceedings;
 - c) considers the fact of committing a disciplinary misconduct by the employee as confirmed, however, does not consider it expedient to impose a disciplinary punishment, which must be substantiated accordingly.
- 2. A copy of the order of the President of the University shall be sent to the person who committed the disciplinary violation, and upon his/her request, a copy of the conclusion of the Commission shall also be sent to him/her.
- 3. The order of the President on imposing a disciplinary punishment and the relevant conclusion of the Commission shall be attached to the personal file of the employee.

Article 35. Selection of Disciplinary Punishment

When selecting a disciplinary punishment against a person, the President of the University takes into account the gravity of the disciplinary violation, the motive, the result that followed or could have been followed, as well as the person who committed the disciplinary violation, his business and moral reputation, justifying (objective) circumstances.

Article 36. Right to Appeal

A person has the right to appeal an order imposing a disciplinary punishment in the manner prescribed by legislation, within one month after the delivery of the order, about which he/she shall be notified upon the delivery of a copy of the order.

Article 37. Terms of Limitation for Disciplinary Liability

- 1. A disciplinary punishment shall not be imposed on a person if three years have elapsed from the date of committing the disciplinary misconduct.
- 2. A person shall also not be subject to disciplinary liability if the disciplinary misconduct was known to the relevant structural unit and/or official and no disciplinary liability was exercised within 1 year.

Article 38. Early Termination of Disciplinary Liability

- 1. The President of the University, upon the motion of the immediate superior of the person or on his own initiative, has the right to remove the disciplinary punishment prematurely, if he has not committed a new misconduct and has proved himself to be a conscientious employee.
- 2. The President of the University shall issue an order on the early removal of disciplinary liability. A copy of the order will be given to the employee.
- 3. Removal of disciplinary liability shall be filed in the personal file of the person.

Chapter 8. Professional Development

Article 39. Training of Employees, Raising their Qualification and the Rules Related to Reimbursement of the Expenses

- 1. Improving the qualification of the employee is carried out through specialized education, training and/or internship.
- 2. A recommendation on the need/necessity of raising the qualification of the employee is made by the head of the relevant structural unit or basic educational unit.
- 3. In case the President of the University decides on the expediency/necessity of raising the qualification of the employee, the costs of raising the qualification may be fully or partially financed (co-financed by the employee).
- 4. In case of expenses for raising the qualification of the employee is covered by the University, an agreement is made between the employee and the University.
- 5. After the completion of the qualification development process, the employee is obliged to submit a document certifying the positive result of professional development (diploma, certificate) to the Human Resources Management Service.
- 6. In case of unsuccessful result of professional development, the employee is obliged to:
 - a) to improve the mentioned qualification at its own expense;
 - b) in case the employee refuses to raise the qualification at his/her own expense or the second attempt to raise the qualification at his/her own expense fails, the employee is obliged to fully compensate the employer for the expenses incurred by him/her (including business trip expenses);
 - c) in the case provided for in paragraph 6 of this Article, the employer has the right to compansate the unjustified expenses incurred by him/her, through deducting money from the employee's salary.

Article 40. Inadmissibility of Privileges

- 1. None of the employees of the University enjoys any special privileges (duration of leave, observance of established rules of conduct and etc.);
- 2. When hiring or transferring to another position, without objective grounds, preference may not be given to a close relative of the employee or a family member.

Chapter 9. Termination of Labor, Final Settlement

Article 41. Dismissal from the Job

- 1. The grounds for termination of labor relations are as follows:
 - a) economic circumstances, technological or organizational changes that necessitate a reduction of the workforce;
 - b) expiration of the labor relations;
 - c) performance of work provided by labor relations;
 - d) the employee voluntarily leaves the position/job on the basis of a written application;
 - e) written agreement of the parties;
 - f) incompatibility of the employee's qualifications or professional skills with the position/job to be held;
 - g) gross violation of the obligation imposed by the labor contract, university regulations, as well as internal labor regulation;
 - h) violation of the obligation imposed by the labor contract, by relevant regulations of the University, if any measure of disciplinary liability provided by the internal labor regulation has already been applied to the employee during the last 1 year;
 - i) gross violation of the University Code of Ethics;
 - j) the entry into force of a court judgment or decision, which excludes the possibility of performing the work;
 - k) commencement of liquidation proceedings against a legal entity;
 - l) death of an employee;
 - m) other grounds provided by law.
- 2. In case of termination of labor relationship at the initiative of the employee, he/she is obliged to notify the President of the University in writing 30 (thirty) calendar days in advance. In case of non-compliance with this requirement, the employer is entitled to terminate the labor relations on the basis of subparagraph "g" of paragraph 1 of this article.
- 3. In case of termination of labor relations at the initiative of the employer, the University shall pay compensation to the employee in the manner and amount prescribed by law. During the probationary period, no compensation will be awarded in case of termination of labor relations at the initiative of the University.
- 4. Termination of labor relations is impermissible during the employee's military reserve and/or military service, as well as during leave, temporary incapacity for work and/or pregnancy, childbirth, child care and adoption of a newborn, as well as in other cases provided by law.

Article 42. Final Settlement

- 1. The final payment shall be made to the dismissed employee no later than 7 calendar days after the he/she transfers to successor the material, technical and intellectual assets temporarily counted on his/her and which belongs to the University. The dismissed person, in case of loss of the inventory counted on him, will be suspended from the final payment until the loss is incurred or his guilt in the loss is ruled out.
- 2. In case of confirmation of his guilt in the loss of the inventory counted on him, the equivalent amount of the loss shall be deducted from the final payment. If the final payment fails to cover the deficit, the

dismissed person will be considered a person in debt to the University and a request will be made to him/her in accordance with the law.

3. Final payment includes remuneration for the days worked in the current month and compensation for termination of labor, if such obligation exists.