



COLLECTIVE AGREEMENT BETWEEN NATIONAL SAVINGS & CREDIT BANK (NSCB) AND ZAMBIA UNION OF FINANCIAL INSTITUTIONS AND ALLIED WORKERS (Z.U.F.I.A.W)

This Collective Agreement is made the 17th day of July, **2017**
BETWEEN the **NATIONAL SAVINGS & CREDIT BANK** (hereinafter referred to as "The Bank"), a corporate body established under the National Savings and Credit Bank Act chapter 423 of the Laws of Zambia whose registered office is situated at Savers house

Plot 248B, Cairo Road, Lusaka, of the one part and the **ZAMBIA UNION OF FINANCIAL INSTITUTIONS AND ALLIED WORKERS** (hereinafter referred to as "The Union"), registered under the Industrial and Labour Relations Act, Cap 269 of the Laws of Zambia whose registered office is situated in Luangwa House, Cairo Road, Lusaka, of the other part.

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PREAMBLE

1. Definitions

- (a) **"The Bank"** shall mean the National Savings and Credit Bank.
- (b) **"Employee"** shall mean any person employed by the Bank in any capacity whether full time or part time and whose appointment is subject to the conditions stipulated herein.
- (c) **"Basic Salary"** shall mean the Basic Wage.
- (d) **"Commencement Date"** shall mean the date on which employment commences.
- (e) **"Accrued Leave"** shall mean Leave earned in terms of Clause 15.
- (f) **"Employment Year"** shall mean a period of twelve (12) consecutive months from the date of employment.
- (g) **"Calendar Year"** shall mean 1st January to 31st December of a particular year.
- (h) **"Month"** shall mean Calendar Month.
- (i) **"Working Week"** shall mean the equivalent of 45 hours, that the Bank requires its employees to attend to Bank business each week but limited to the following hours;
- Monday to Friday 08:00 hours – 17:00 hours for employees of the Bank who are working in the Branches. A flexible lunch hour break shall be taken any time between 11.00hrs to 15.00hrs.
 - Monday to Friday 08:00 hours - 13:00 hours and then 14:00 hours – 17:00 hours for employees of the Bank who are working under Head Office.
 - The first and last weekend of the month (Saturdays) shall be working weekends and employees shall work from 08.00 hours to 13.00 hrs.

- (j) **"Place of Employment"** shall mean the place of which the employee is required to attend for duty with the Bank.
- (k) **"Staff Grades"** shall mean grades NG 6 to NG 8.
- (l) **"Starting Salary"** shall mean the Annual Salary at which the Employee is initially engaged.
- (m) **"Registered Dependant"** shall mean a child other than the employee's own offspring aged below twenty one (21) years and residing with the employee. A dependant Registration form shall be completed which shall carry details such as Date of Birth, Sex, and relationship with the employee and brief background of the dependant's nucleus family.

Employee are reminded that any falsehood in the registration of a dependant, once discovered, shall bear severe consequences as shall be spelt out in the Disciplinary Code. Employee will be required to provide a duly signed affidavit by a commissioner of oaths accompanying the registration form when registering a dependent.

- (n) **"Rural Areas"** shall mean all towns in Zambia other than Provincial Headquarters, Copper belt towns and towns along the line of rail.

2. **Scope of Employment**

The employee is to serve the Bank in the initial position or in such other capacity as the Bank may from time to time reasonably require.

3. **Medical Examinations**

Every candidate for employment shall furnish the Bank with a Medical Certificate which shall include an X-Ray report of the Chest provided by a Medical Practitioner acceptable to the Bank, certifying that such a candidate is free from any physical or mental disease or defect which could affect his/her efficiency.

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4. Employees on Probation

- (a) The employee does not become confirmed until a probationary period of not less than three (3) months nor more than six (6) calendar months has elapsed and the Bank is satisfied with the employee's work and conduct and a satisfactory traceable Report has been received.
- (b) The appointment shall be confirmed in writing by the Bank.
- (c) During the probation period employment may be terminated by either party giving the other party prior notice of 24 hours in writing.

5. Employee's Obligations

- (a) The employee will not, except in the proper course of his/her duties divulge to any person, and shall use his/her best endeavors to prevent the publication or disclosure of any information of the Bank or any of its dealings, transactions or affairs which may come to his/her knowledge during the course of his/her employment.
- (b) The employee will, at all time, faithfully and diligently perform such duties, as the Bank may from time to time require and will, to the utmost of his/her ability, endeavor to promote the interests of the Bank.
- (c) The employee will obey and comply with all lawful orders and directions given by the Bank or by its Board of Directors or such person or persons as the Bank or its Board of Directors may place over him, and will faithfully observe all rules of the Bank for the time being in force for the Management of the Bank, and for the control and good conduct of its employees.
- (d) Employees will not be permitted to have outside business interests that conflict with the Banks business within Zambia except with specific approval of the Bank.
- (e) Having regard to overtime (below) the employee will devote the whole of his/her time and attention to his/her employment under this Agreement and will be liable for duty at any time and not only in recognized working hours.

6. Subscription to Professional Institutions

The Bank will meet the cost of two professional subscriptions (one local and one overseas) for employees in grades NG6 to NG8 who qualify for membership of local and overseas professional institutes. Professional subscription payment will only be made in line with the Bank Business.

7. Overtime

Where it becomes necessary to work overtime, the following rates shall apply:

7.1 Week day - 1.5 times the hourly rate

7.2 Saturday, Sunday and
Public holiday - 2 times the hourly rate

8. Settling Allowance

Settling in allowance will be paid at 50% of one's monthly basic salary, only for staff posted outside their town of recruitment on first appointment in NATSAVE.

Seven days per diem will also be given as an all inclusive allowance for temporary accommodation to allow the new employee search for permanent accommodation at new station.

9. Salary Review

Salary increases shall be negotiated for annually. Salaries shall be effected from 1st January of each year.

10. Salary Structure

To be obtained from Human Resources and Administration Department.

11. Payment of Basic Salary

The Bank will pay the Basic Salary to the Employee throughout the Employment by equal monthly installments in arrears on the pay days of the Bank provided

that if the first pay day occurs before the first installment it shall be at the rate of 1/365th of the annual salary for each day of the period.

12. Mid-Month

Mid-Month shall be paid at 20% of one's basic salary or K 500.00 whichever is higher and shall be paid within the first week of the month and recovered once at the month end. This will be given at one's workstation.

13. Salary Advance

An employee maybe eligible for a salary advance of up to one month's basic pay which shall be recovered within the period of three (3) months. The deductions of the advance shall be done through payroll.

14. Rural Hardship Allowance

Employees working in rural areas determined by management from time to time shall be entitled to 10% of the basic salary as Hardship allowance.

15. Leave

- a. All employees shall accrue leave days at the rate of 2.5 days per month.
- b. An employee shall accrue leave days while he/she is on paid leave.
- c. Period of leave is exclusive of any Public Holiday observed by the Bank.
- d. When an employee has proceeded on leave he/she shall not, during the currency of such leave, be permitted to convert the whole or part thereof into sick leave except with consent of the Bank and upon production of a Medical Certificate.
- e. All period of leave when taken shall be reckoned as part of service.

16. Categories of Leave

The Bank recognizes seven types of leave and these are:

a. Annual leave

- All employees must go on annual leave every year

- Maximum leave days to be carried forward to the next financial year shall not exceed five (05) days.

b. Leave Pay

- a) An employee who proceeds on annual leave shall be paid the Leave Allowance at the rate of one (1.0) times one's monthly basic salary.
- b) To qualify for leave Pay the employee must actually take at least ten (10) continuous days leave entitlement.
- c) For one to qualify for Leave Allowance, an employee should have been in the service of NATSAVE for at least 12 months

c. Sick Leave


- An employee may be granted sick leave, if supported by a medical certificate from a registered medical practitioner subject to verification by management.
- An employee who is unable to execute normal duties due to illness or accident not occasioned by his own fault shall on the production of a medical certificate from a registered medical practitioner be granted paid sick leave on the following conditions:-
 - i. A maximum period of (06) six months on full pay and (06) six months on half pay.
 - ii. If the employee does not recover after (12) twelve months he/she shall be retired on medical grounds and shall be paid benefits in accordance with clause 36.3 payable within 30 days from date of retirement.

d. Study Leave

An employee shall be entitled to (10) ten working days as study leave per annum.

e. Maternity Leave

- Eligible female employees shall be entitled to 120 calendar days paid maternity leave after serving for two (2) years and thereafter at intervals of not less than two years.



- If the employee upon her return to work is found to be medically unfit to resume her duties, she will be treated in accordance with the rules governing sickness.
- On completion of the maternity leave, the employee shall return to her former position except in the event of promotion, transfer or demotion for disciplinary reasons.

f. Compassionate Leave

- On written application supported by evidence, a maximum of (14) fourteen working days shall be granted to an employee upon death of spouse or child.
- A maximum of (7) seven days working days shall be granted to an employee upon death of a parent and registered dependent.

g. Unpaid Leave

- Unpaid leave may not be taken while there is still paid leave accrued. In exceptional circumstances or in case of emergency, and provided that no form of leave is available, leave without pay may be granted to an employee, subject to approval by Management.
- The Bank shall, on written application supported with proof of registration and admission into a reputable Training Institution, grant Unpaid Study Leave, as per training policy.

h. Paternity Leave

Eligible employees may enjoy up to five (05) working days of paid paternity leave on the birth of their child. This paternity leave must be taken within a week of the birth or it will be forfeited. Paternity leave may be taken at intervals of not less than two years. Evidence of record of birth and parentage may be requested from a registered spouse.

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17. Commutation

When an employee is not granted Annual leave for a continuous period longer than their maximum annual leave entitlement by Management, Leave days may be commuted for cash for administrative convenience.

Employees will only be permitted to commute leave for cash once in every 12-month period. Leave which has been commuted for cash cannot be converted back into leave at a later date.

18. Nursing a Sick Child or Spouse

- (a) An employee shall be granted leave for the purpose of nursing his/her sick spouse or sick child provided that he/she produces documentary recommendation from a government approved Doctor stating that his/her presence is required and stating the number of days.
- (b) The Bank shall grant up to fifteen (15) working days in the case of sick spouse or sick child given that one provides documentary recommendation from a registered medical practitioner. Any other days should be recommended by a registered medical practitioner.

19. Bereavement

a. Funeral Grant

In the event of the death of a direct employee, spouse, child or parent the Bank shall pay the following Funeral Grants:-

- Direct employee - K5,000.00
- Spouse - K4,000.00
- Child - K4,000.00
- Parent - K3,500.00

b. Funeral Expenses in Respect of Death of Employee

- i. Casket for employee.
- ii. Under-taker services where ever feasible which shall be limited to: preparation of body, provision of hearse, and provision of coffin lowering

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- equipment.
- iii. Firewood/Charcoal – up to a maximum of K1, 500.00.
 - iv. Transport for mourners shall be provided at K4, 000.00 by the Bank within the same town of burial.
 - v. Burial site will be paid for by the Bank within Zambia.

c. Funeral Expenses in Respect of Death of Spouse, Child or Parent

- i. Standard Coffin that shall not exceed K4, 000.00
- ii. Firewood, Charcoal up to a maximum of K1,500.00
- iii. Transport to carry the coffin to be provided K1, 500.00 only to the grave side within the same town.
- iv. Transport for mourners at a cost that shall not exceed K4, 000.00.

The employee may opt for cash equivalent payment as opposed to the Bank paying to the service providers.

d. Other Benefits

The emoluments and other benefits shall be calculated to the date of death and, as far as they were payable to the employee in cash and not in kind, shall be paid to his/her personal representatives.

The Bank shall be empowered to deduct any amount owing to it by reason of the deceased employee having obtained a loan or loans or having caused the Bank to sustain a loss as a result of misconduct.

20. Group Life Assurance Scheme

The amount payable under the life policy on death will be four (04) times the annual basic salary of the employee.

21. NAPSA Contributions

All employees shall contribute 5% of their Monthly Gross Earnings towards their social security to the National Pension Scheme Authority (NAPSA) subject to a ceiling to be determined by the Authority.

22. Relocation Allowance

In case of an employee being transferred, three (3) times one's months basic salary shall be paid to an employee upon being transferred, and 14 days of per diem shall be paid to assist the employee find accommodation. However if an employee requests for a transfer, the relocation allowance shall not apply.

23. Medical Facility

- a. This Facility shall apply both in Zambia and shall cover foreign bills. An employee can access urgent and specialized medical facilities abroad on recommendation of the Medical Board. In such cases all expenses shall be within the 30% of an employee's annual basic salary entitlement.
- b. The Bank shall provide staff in NG 6 to NG 8 with medical attention and medicines through contracted clinics up to 30% of an employee's Annual Basic salary in a financial year and where necessary, transport to a medical institution during illness of the employee.
- c. Dental and Optical problems shall be dealt with in accordance with (a) and (b) above.
- d. Human Resources Department shall maintain a register of beneficiaries under this scheme which will be restricted to the employee's family up to a family total of six (06).
- e. Employees and their beneficiaries of the NATSAVE medical scheme that wear spectacles shall be allowed to change frames and lenses only once per annum. When advised by registered opticians that the change of frames and lenses is necessary before the one year lapses management may use its discretion.

25. Acting Allowance

When an employee is required to act on behalf of a member of staff who is senior to him/her and performs this duty for a period of at least **14** working days then he/she will be entitled to an Acting Allowance calculated at the rate of **30%** of that acting employee's own monthly Basic Salary.

26. Business Travel and Out of Pocket Allowance

- a. When traveling out of station on authorized Bank Business locally the Bank shall pay subsistence allowance or per diem of **K600** per night and **K300** for the day of return.
- b. Out of Pocket Allowance for all Unionised employees traveling on Management sponsored functions where accommodation and meals is paid shall be paid an allowance of K300.00
- c. Employees travelling out of station for official duties will be paid half per diem to cover meals and incidentals.

27. Kilometre Allowance

Employees traveling on duty in their own vehicles will be eligible for an allowance per kilometer as set out below:-

Class of Vehicle	Per Km
Class A – Motor Cycles Moped and Auto Cycles Moped	85 ngwee
Class B – Motor, Car, Vans and Vanettes up to and including 900 kilogrammes in weight	K1.7
Class C – Motor Cars and Vans exceeding 900 kilogrammes in weight and Vanettes exceeding 900 kilogrammes	K1.80
Class D – All four-wheel drive vehicles Irrespective of weight and Vanettes exceeding 1,500 kilogrammes in weight	K2.0

The above rates apply up to a maximum of 2,000 Kilometer run in any calendar month.

28. Loans

- a. All Loans shall command interest of 10% per annum. An Employees debt service ratio must not exceed fifty (50 %) of one's monthly gross earnings.
- b. Before a loan is made an employee will be required to sign an Agreement undertaking to repay the loan by deductions from the salary and accept all the conditions under which the loan is made.

28.1 House Loan

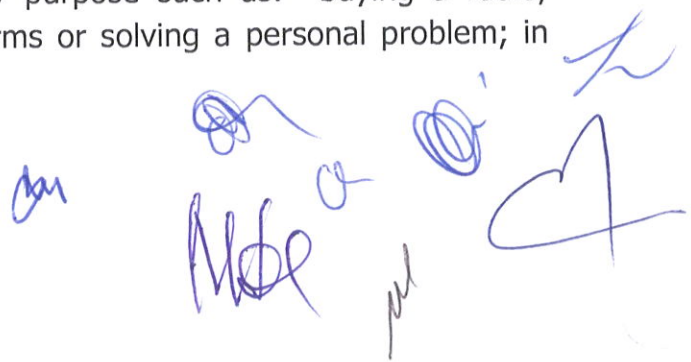
- a. The house loan entitlement will be 5 times one's annual basic salary and the loan application will be approved on submission of Title Deed, Occupancy License or Land Record Card for registration of the Banks interest thereon.
- b. The period of repayment will be determined by the following factors: -
 - i) Age of applicant
 - ii) Expected date of retirement/end of contract
 - iii) Amount of house loan requested
- c. Interest rate will be determined by the Board from time to time but at lower cost than pertaining market rates.
- d. Management shall advise when the house loan scheme shall commence.

28.2 Car Loan

- a. This loan shall be granted subject to the applicant meeting all the necessary requirements as shall be stipulated on the loan application form.
- b. Repayment period shall be 48 months for second hand vehicles and 60 months for brand new vehicles.

28.3 Personal Loan

- a. This loan shall be granted for any purpose such as: buying a radio, refrigerator, furniture, school uniforms or solving a personal problem; in

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which case an applicant shall not be obliged to state reasons on the application form.

- b. Repayment period shall not exceed a maximum of **60** months.
- c. The tenure for the current personal loans will be structured to 60 months. The restructuring of the loans is merely to assist the current debt ratio for employees whose debt ratio is above 50% of their net salary.

29. Right of Recovery

- a. If the employee shall die or leave the service of the Bank before the sums loaned are repaid in full by the employee or his/her executors or administrators, it will be lawful for the Bank in the event of the employee or his/her executors or administrators not repaying the said loan to take possession of the property and sell and dispose of the same and deduct from the proceed of such sale the balance of the amount so loaned.
- b. An employee who obtains a loan to purchase a motor vehicle or a house may not dispose of the motor vehicle or the house until the loan has been fully repaid.

30. Employee Service Recognition

An employee who has clocked 10 years, 15 years, or 20 years of service respectively shall be eligible to receive a Long Service Bonus regardless of whether such bonus has been paid in the past, as follows:-

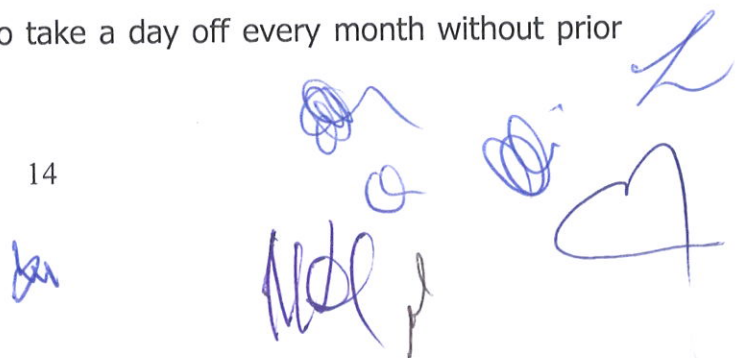
- 10 years - K10, 000-00 net of tax.
- 15 years - K15, 000-00 net of tax.
- 20 years - K20, 000-00 net of tax.

31. Christmas Bonus

Christmas Bonus will be negotiated for in the fourth (4th) quarter of the year.

32. Statutory Absence

A female employee shall be eligible to take a day off every month without prior notice as statutory absence.

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33. Staff Policies

Management shall avail the documents pertaining to Policy issues on the following: Disciplinary and Grievances Procedure Code, Medical Facility, Group Life Assurance, Staff Training, and Staff Housing as amended from time to time.

34. Grievances and Discipline

Refer to the Banks Disciplinary and Grievances Code.

35. Redundancy

Where absolutely necessary the Bank shall reduce the number of its employees. Management and the Union shall negotiate terms of redundancies taking into account the following terms;

- Capacity or position
- Efficiency
- Length of service
- Diligence
- Health
- Disciplinary record.

35.1 Benefits

Six (06) times one's monthly salary based on salary earned at date of redundancy for each completed year of service will be paid to all unionised employees declared redundant.

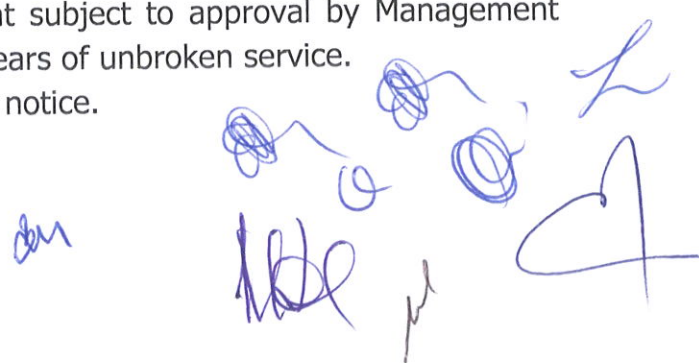
36.0 Normal and Early Retirement

36.1 Normal Retirement

Subject to the conditions of the pension scheme, employees shall be eligible to retire at age established by law.

36.2 Early Retirement

Employees may apply for early retirement subject to approval by Management when they have completed a total of 10 years of unbroken service. Either party should give (3) three months' notice.



36.3 Benefits under both Normal and Early Retirement

The Bank shall pay three (3) times one's basic salary at the time of retirement for each year served where an employee is not contributing to the pension scheme.

i. Repatriation

- An employee who retires away from the town of recruitment or the deceased employees family shall be paid K10, 000.00 gross as repatriation allowance.

Or;

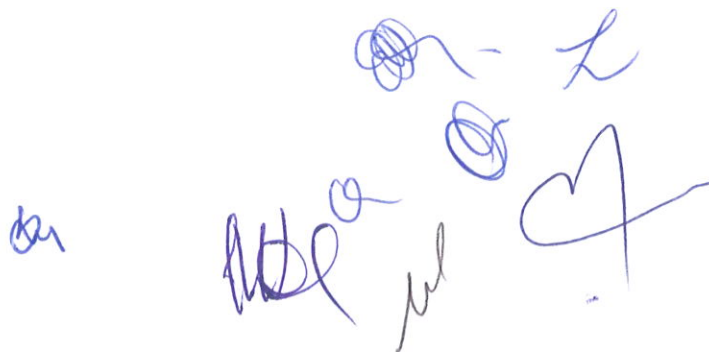
- An employee who retires away from the town of retirement or the Deceased employees' family shall be physically repatriated by the Bank to the town of recruitment only.

37. Provision of Milk

The Bank shall provide milk for members of staff who handle cash on a daily basis as a way of mitigating health hazards.

38. Dinner and Transport for Working Late

- i. The Bank shall provide a decent meal for members of staff who work beyond 19.00hrs and the bank shall provide transport for members of staff who work beyond 19.00hrs.
- ii. In the event that an employee opts to make their own meal and transport arrangement then the bank shall pay K120.00 to members of staff who work beyond 19.00hrs, as transport allowance, and employees who work beyond 19.00hrs shall be paid K80.00 as meal allowance.



39. Term of Agreement

It is agreed that the Collective Agreement will cover the period 1st January 2017 to 31st December 2018.

However, should compelling circumstances arise which should be mutually appreciated by both parties then parties shall be free to enter into fresh negotiations.

At any time during the term of the Agreement either party will give to the other party 14 days' notice in writing of its desire for this Agreement to continue in force for a further period to be agreed upon **OR** for its amendment **OR** amendment of specific clause **OR** a notice of 30 days of its intention to terminate the Agreement by the Joint Negotiation Council.

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This Agreement has been signed at **National Savings and Credit Bank** this
.....17th day of July,..... **2017**

For and on behalf of
National Savings & Credit Bank of Zambia

.....
Mary Munansangu – **Acting Managing Director**

.....
Lester Phiri – **Acting Director Human Resources & Administration**

.....
Nyambe Nyambe - **Director Finance**

.....
Mr. David Mukwavi - **Delegation Leader**

For and on behalf of
Zambia Union of Financial Institutions and Allied Workers (ZUFIAW)

.....
Mr. Chingati Msiska - **General Secretary - ZUFIAW**

.....
Mr. Dickson Hachiboola - **Delegation Leader - ZUFIAW**

.....
Mrs. Helen Chamyolo – **Lusaka Branch Chairperson- ZUFIAW**

.....
Maxwell Sichula - **Chairperson Bargaining Unit**

.....
Mrs. Hellen Mkandawire - **Secretary Bargaining Unit**