

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

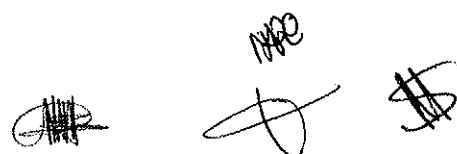
This Collective Agreement is made the .....day of ..... **2013**  
BETWEEN the **NATIONAL SAVINGS & CREDIT BANK** (hereinafter referred to  
as "The Bank"), a corporate body established under the National Savings and  
Credit Bank Act chapter 423 of the Laws of Zambia whose registered office is  
situated in NSCB Building 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.

 <sup>1/10/13</sup>  

## 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 6.
- (f) **"Employment Year"** shall mean a period of twelve (12) consecutive months from the date of employment.
- (g) **"Calendar Year"** shall mean 1<sup>st</sup> January to 31<sup>st</sup> December of a particular year.
- (h) **"Month"** shall mean Calendar Month.
- (i) **"Working Week"** shall mean the equivalent of 40 hrs, 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 in operations department shall work from 08.00 hours to 12.00 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 NS 7 to NS 10.



- (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 18 years and residing with the employee. A dependant Registration Form shall be completed which shall carry details such as Date of Birth, Sex, relationship with the employee and a brief background of the dependant's nucleus family.

Employees 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. Employees will be required to provide a duly signed affidavit by a commissioner of oaths accompanying the registration form when registering a dependant.

- (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 candidate is free from any physical or mental disease or defect which could affect his/her efficiency.

## 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.

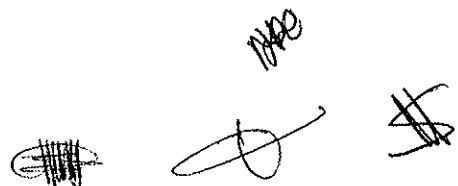
## 5. Employee's Obligations

- (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. Overtime

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

- 6.1 Week day - 1.5 times the hourly rate
- 6.2 Saturday, Sunday and Public holiday - 2 times the hourly rate



## **7. 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.

## **8. Salary Increase**

Basic monthly salaries for the period 1<sup>st</sup> January 2013 to 31<sup>st</sup> December 2013 will be increased by K 900.00 gross across the board.

## **9. Salary Structure**

To be obtained from Human Resources and Administration Department.

## **10. 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 instalment it shall be at the rate of 1/365<sup>th</sup> of the annual salary for each day of the period.

## **11. Mid-Month Salary Advance**

Mid-Month Salary Advance shall be K500.00 or 20% of one's basic salary whichever is higher and shall be paid within the first week of the month and recovered once at the month end.

## **12. Rural Hardship Allowance**

All employees working in rural areas shall be entitled to 10 % of the monthly basic salary as Hardship allowance. The following branches qualify for rural hardship allowance;

- a. Lukulu
- b. Kaputa
- c. Nchelenge
- d. Mporokoso
- e. Luwingu
- f. Chama
- g. Petauke

- h. Zambezi
- i. Kasempa
- j. Chongwe
- k. Mumbwa
- l. Mpongwe
- m. Lufwanyama
- n. Chavuma
- o. Kalabo
- p. Manyama

### **13. 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.

### **14. 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
- Annual Leave allowance shall be paid at the rate of **100%** of one's monthly Basic Salary once, every January of the financial year.
- Maximum leave days to be carried forward to the next financial year shall not exceed five (05) days.

#### **b. 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 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 30.2 payable within 30 days from date of retirement.

**c. Study Leave**

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

**d. Maternity Leave**

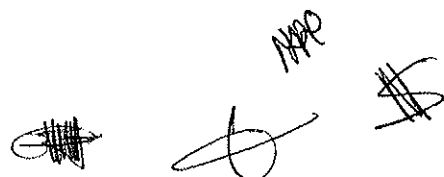
- Eligible female employees shall be entitled to 120 calendar days paid maternity leave after serving for two (2) years and thereafter at intervals of not less than two years.
- If the employee upon her return to work is found to be medically unfit to resume her duties, she will be treated in accordance 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.

**e. 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 working days shall be granted to an employee upon death of a parent and registered dependant.

**f. 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.

Handwritten signatures and initials at the bottom right of the page, including a large signature and the initials 'MPO'.

**g. 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.

**15. Commutation**

Commutation of leave days is not allowed. However leave days can only be commuted on separation with the Bank through:

- Death
- Dismissal
- Retirement
- Resignation

**16. Nursing a Sick Child or Spouse**

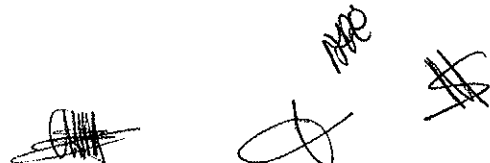
- a. An employee shall be granted leave for the purpose of nursing his/her sick spouse, sick child or registered dependant, provided that he/she produces documentary recommendation from a government approved Doctor stating that his/her presence is required and stating the number of days.
- b. The Bank shall grant up to fifteen (15) working days in the case of sick spouse or sick child and in addition to the fifteen (15) working days a maximum of 75 days, if required would be given to nurse a sick child or spouse, given that one provides documentary recommendation from a registered medical practitioner.
- c. A maximum of seven (7) working days shall be granted in the case of a sick registered dependent. In the event that an extension is recommended by a doctor, such an extension shall be granted at management's discretion.

**17. 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 - K2,000.00
- Spouse - K1,700.00





- Child - K1,700.00
- Parent - K1,700.00
- Registered Dependant - K1,700.00

**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 equipment.
- iii. Firewood/Charcoal – up to a maximum of K500.00 for staff, spouse, child and registered dependant.
- iv. Transport for mourners shall be provided by the Bank within the same town of burial.

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

- i. Standard Coffin that shall not exceed K2, 500.00 ✕
- ii. Firewood, Charcoal up to a maximum of K500.00 ✕
- iii. Transport to carry the coffin to be provided only to the grave side within the same town.
- iv. Transport for mourners at a cost that shall not exceed K2, 500.00. >

**d. Other Benefits**

The emoluments and other benefits shall be calculated to the date of death and, so 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. ✕

**18. Group Life Assurance Scheme**

The amount payable under the life policy on death will be three (03) times the annual basic salary of the employee.

**19. 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.

## 20. Private Pension Scheme

The Bank will recommence and maintain a Private Pension Scheme to supplement the NAPSA Scheme. This Scheme shall be open to all Permanent and Pensionable employees. Monthly contributions shall be agreed by Management and the Union.

## 21. Relocation Allowance

The Bank shall pay (3) three times one's Monthly Basic Salary to an employee upon being transferred by management from one town station to another as a Relocation Allowance. However, if an employee requests for a transfer the relocation allowance shall not apply.

## 22. Medical Facility

- a. This Facility shall apply only in Zambia and shall not cover foreign bills.
- b. The Bank shall provide staff in NS7 to NS10 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 nucleus family and registered dependants up to a family total of eight (08).
- e. Medical bills pertaining to biological parents shall not be met by the Bank.
- f. Employees and registered dependants 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.

## 23. Reimbursement of Education Expenses

The Bank appreciates and encourages systematic self-improvement through private studies. Individual employees, who wish to improve their professional qualifications by undertaking relevant studies in the field of their employment

with the Bank, shall notify Management through their respective Heads of Department in writing and approved by the Human Resources Department. X

An employee shall be refunded any amount spent on such studies as long as a valid certificate is produced on full completion of such studies. X

#### 24. Study Grant

Refer to the Training Policy. X

#### 25. Bonding

Refer to the Training Policy.

#### 26. 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 **21** 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.

#### 27. 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 **K450** per night and **K225** for the day of return.
- b. Out of Pocket Allowance for those traveling on Management sponsored functions where accommodation and meals is paid shall be paid at the following rates:-
  - NS 7 - K90.00 per night
  - NS 8 to NS 10 - K70.00 per night

#### 28. 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	K1.30

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

K1.80

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

## 29. Loans

- a. All Loans shall command interest of 10% per annum. An Employees debt service ratio must not exceed fifty (50 %) of ones 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.

### 29.1 House Loan

- a. The house loan entitlement will be 4 times one's annual basic salary and the loan application will be approved on production of Title Deed, Occupancy License or Land Record Card.
- b. The period of repayment will be determined by the following factors: -
  - Age of applicant
  - Expected date of retirement/end of contract
  - Amount of house loan requested
- c. Interest rate will be determined by Management from time to time but at lower cost than pertaining market rates.
- d. Management shall advise when the house loan scheme shall commence.

### 29.2 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.

### 29.3 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 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.

### 29.4 Study Loan

- a. The Bank shall grant loans strictly to meet study expenses to assist employees studying approved courses by the Bank.
- b. Maximum repayment period shall be up to 36 months interest free.

### 29.5 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 Long Service Bonus

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 | - | K7, 000-00 net of tax.  |
| • 15 years | - | K15, 000-00 net of tax. |
| • 20 years | - | K20, 000-00 net of tax. |



Map  




### **31 Christmas Bonus and Performance Development Plan**

Christmas Bonus will be negotiated for in the fourth (4<sup>th</sup>) 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.

### **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 Retirement**

#### **a. Normal Retirement**

Employees shall be eligible to retire when they attain the age of 55 years and should have served for at least a minimum of 5 years before attaining the age of 55 years.

**b. Early Retirement**

Management may retire an employee on early retirement or an employee may apply for early retirement after clocking a minimum of 5 years unbroken service. Either party should give six months notice.

**c. Benefits for Normal and Early Retirement**

- i. The Bank shall pay **three (3) times** one's monthly salary for each completed year of service.
- ii. **Repatriation**
  - An employee who retires away from the town of recruitment or the deceased employees family shall be paid K7, 600.00 gross as repatriation allowance.

**Or;**

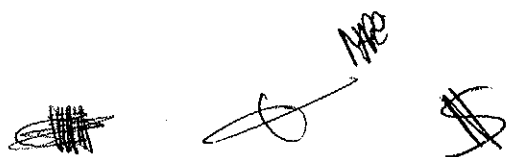
- An employee who retires away from the town of retirement or the deceased employees' family shall be physically repatriated by the Bank to the town of recruitment only.

**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 20.00hrs 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 K50.00 to members of staff who work beyond 19.00hrs, as transport allowance, and employees who work beyond 20.00hrs shall be paid K50.00 as meal allowance.



### 39 Annual Salary Review

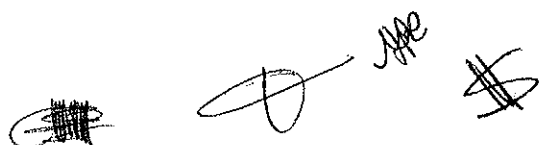
Salaries shall be reviewed annually and effected from 1<sup>st</sup> January of each year.

### 40 Term of Agreement

It is agreed that the Collective Agreement will cover the period 1<sup>st</sup> January 2013 to 31<sup>st</sup> December 2014.

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.

Handwritten signatures and initials at the bottom right of the page, including a scribbled-out mark, a signature, the initials 'MPE', and another signature.



This Agreement has been signed at **National Savings and Credit Bank** this  
..... day of ..... **2013**

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

.....  
Cephas Chabu - **Managing Director**

.....  
Maxwell Saya - **Head Human Resources & Administration**

.....  
Nyambe Nyambe - **Chief Financial Officer**

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

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

.....  
Ms Peggy Mubanga - **Delegation Leader - ZUFIAW**

.....  
Maria Chikwanka - **Branch Chairperson**

.....  
Stephen Masaiti - **Branch Secretary**

.....  
Mary Munansangu - **Chairperson Bargaining Unit**

.....  
Lester Phiri - **Secretary Bargaining Unit**