

MEMORANDUM OF RECOGNITION AGREEMENT

BETWEEN

STANDARD CHARTERED BANK ZAMBIA LIMITED
(Hereinafter referred to as "The Bank")

AND

THE ZAMBIA UNION OF FINANCIAL INSTITUTIONS AND ALLIED
WORKERS (Hereinafter referred to as "The Union")

1. RECOGNITION

The Bank agrees to recognise the Union for so long as the Union remains registered in accordance with the Laws of Zambia in force from time to time affecting Labour Relations as representing the eligible employees of the Bank, is representative of such employees as are within the scope of this agreement and for so long as it continues to observe the terms of this agreement.

2. SCOPE OF THE AGREEMENT

The Bank agrees that for the duration of this agreement, it will not recognise any other Trade Union or Organisation as representing employees eligible for representation by the Union.

Employees eligible for representation by the Union shall be employees who are on the permanent staff of the Bank with the exception of those employees who are in:-

- (a) (i) B8 and above
- (ii) An employee empowered to make management decisions
- (iii) An employee entrusted with Personnel Management and Industrial Relations
- (iv) An employee reporting directly to the Chief Executive
- (v) Secretaries or Personal Assistants to Managing Directors, Heads of Divisions.

In the terms of this clause it is understood that matters negotiated between the parties to this agreement shall be confined to eligible employees only.

cc. *[Handwritten signature]*

3. CONDITIONS OF AGREEMENT

- (a) The Recognition is granted on the basis of the Constitution of the Union in force at the date of execution of this agreement a copy of which is annexed hereto and initialled by the parties for identification purposes.

The Union agrees that alterations or additions to the Union's Constitution will be done or carried out in strict accordance with the Industrial and Labour Relations Act or the law in force at that time.

- (b) The Union agrees that it will not initiate or support any action or proceedings designed or calculated to compel any employees of the Bank to be or to become a member of the Union against his/her will.

- (c) The Bank agrees that it will not take any disciplinary action against an official of the Union on account of any legitimate activities in his capacity as a Union Official.

The Bank acknowledges that it is the prerogative of the Union to discipline its officials for any unconstitutional or improper acts done by them in their capacity as officials of the union.

- ← (d) * The Bank undertakes to afford such facilities to the officials and representatives of the Union as are mutually agreed as being necessary for the latter to carry out their duties as representatives of the employees at their various places of work. *

- (e) The Union undertakes that employees' representatives will not leave their place of work for any purpose in connection with their duties as representatives without permission of their appropriate Bank Officers. Such permission shall not be unreasonably withheld.

- (f) The Bank undertakes that it will not discriminate against any employees on account of his Union membership and will not interfere with the affairs of the Union. The Union likewise undertakes not to interfere with the normal functions of Management.

- (g) Both parties to this agreement undertake that their officers and elected representatives shall accept responsibility for compliance by their members with the conditions and procedures laid down in this agreement and agree to take all possible steps to prevent or bring to an end as speedily as possible, any action taken by their members which is at variance with this Agreement or any other Agreement subsequently negotiated between the Bank and the Union.

G.C. [Signature]

[Signature]

- (h) The Union recognise that it is the prerogative of the Bank to discipline its employees for any improper acts done by them in their capacity as employees provided that in the case of eligible employees, Branch Officials of the Union are involved in every stage of the disciplinary action.
- (i) Both parties, recognising the vital services the Bank provides for the benefit of the common man hereby bind themselves that in the event of legal strike, they will call for a special meeting to discuss and agree to provide sufficient labour in order to maintain essential services in the Bank premises and will ensure that such employees selected as essential workers do their work as required.

4. ELECTION AND NOTIFICATION OF REPRESENTATIVES

- (a) The Union undertakes to notify the Bank in writing of the name, designation and area of operation of each local and branch official and to provide officials with credentials to facilitate identification by members and officers of the Bank. The Union further undertakes to notify the Bank of any changes in office-bearers.
- (b) The Bank undertakes to notify the General Secretary of the Union in writing of the names and designation of its officers and to advise any changes in office-bearers of the Bank.
- (c) Normal rights of access to members and potential members shall be accorded to accredited Union representatives for the purpose of Union business.

5. DEDUCTION OF UNION SUBSCRIPTIONS

Subject to Section 22 of the Industrial and Labour Relations Act, the Bank undertakes, with the consent of the employees concerned to deduct Union dues from the wages of those employees who are members of the Union at the rate of 1% of the basic salary.

- (a) Subject to Section 22(1) of the Industrial and Labour Relations Act the Bank will within fourteen days of making such deduction, remit to the Head Office of the Union.
- (b) The remittances referred to in (a) above shall be made by crossed cheque marked "Not Negotiable" and "Account Payee" only.

G.C. *[Handwritten Signature]*

6. JOINT NEGOTIATING COUNCIL

- (a) In recognition of the fact that Standard Chartered Bank is a vital service for the benefit of the common man the parties agree that negotiating machinery will be subject to the provisions of the Laws of Zambia in force from time to time affecting Labour Laws. A Joint Negotiating Council comprising Union's National Executive and Branch representatives and Management representatives shall be formed and shall sit in Lusaka or any place it may deem convenient.
- (b) The Constitution and Rules of the Joint Negotiating Council are set out in Appendix 'A'.

JOINT NEGOTIATING COUNCIL

- (c) Subjects for Negotiation:

It is hereby agreed that the subjects set out in Appendix 'B' hereto are subjects for negotiation between the members of the Bank and the Union.

- (d) Subjects not for Negotiation:

It is hereby agreed that the subjects referred to in Appendix C shall NOT be subjects for negotiation except where both parties observe any irregularity in actions taken.

7. (a) Collective Grievances

The Grievance Procedure should conform with provisions for settling grievances in accordance with the industrial and Labour Relations Act.

These shall mean all grievances arising from a breach, real or alleged, of existing terms of service and shall be dealt with as specified in the Disciplinary Code which may affect all employees or any group of employees of the Bank.

(b) Collective Claims/Demands

These shall mean all claims/demands for alterations to terms of service regarding matters specified in Appendix 'B' of the Agreement which may affect all employees or any group of employees of the member Banks of the Association.

Such claims/demands shall be raised in writing with the Bank by the Union's General Secretary/or Deputy General Secretary. Full details of the claims/demands

G.C. *[Signature]*

will be given.

On receipt of such claims/demands the members of the Bank shall, as soon as possible and within fourteen (14) days from date of such claim, indicate in writing their acceptance or otherwise. In the event of the union expressing itself in writing to the Bank as dissatisfied with the Bank's reply, the matter shall be referred to a meeting of the Joint Negotiating Council within fourteen (14) days from the date of the Union communication. If any settlement is reached at Joint Negotiating Council level, each party shall notify the proper officer (Labour Officer) of the existence of a dispute concerning Collective Claims/Demands).

8. MODIFICATIONS TO AND TERMINATION OF THIS AGREEMENT

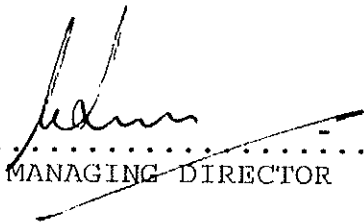
- (a) This Agreement shall come into force on.../...6...1996 and shall remain in force until:-
- (1) Terminated by mutual consent
 - (2) Amended or replaced by a new Agreement negotiated by the parties hereto
 - (3) One or both of the parties ceases to be legal entity.
- (b) Either party wishing to amend or modify the Agreement shall give three (3) months' written notice to the other party of its proposed amendments with details of the same.

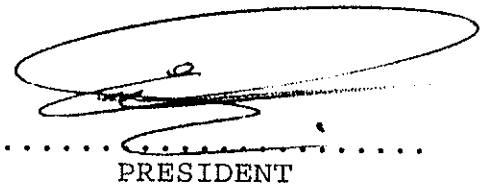
Handwritten signature
C.C

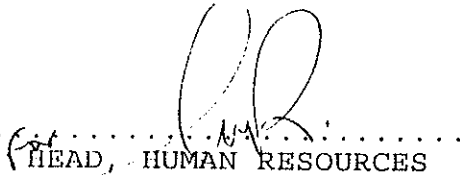
IN WITNESS whereof we have hereunder set our hand this day of
28. 6. in the year, one Thousand Nine Hundred
and Ninety Six

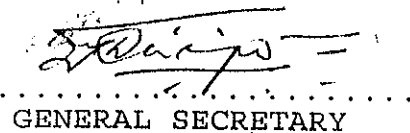
For and on behalf of Bank

For and on behalf of
the Zambia Union of
Financial Institutions
and Allied Workers


.....
MANAGING DIRECTOR


.....
PRESIDENT


.....
HEAD, HUMAN RESOURCES


.....
GENERAL SECRETARY


.....
BRANCH CHAIRMAN

APPENDIX 'A'

CONSTITUTION AND RULES OF JOINT NEGOTIATING COUNCIL

1. Membership

Membership of the Council shall be not more than 10 and not less than 8 members with an equal number of representatives from each side.

2. Appointment of Chairman

- (a) The Bank shall chair all meetings at all times.
- (b) Each side may appoint its own Secretary who shall not be a member of the Council.

3. Meetings

- (a) Meetings of the Council will be held quarterly, notice of seven days to the other party will be given and full details of the items on the Agenda shall be stated in the notice convening the meeting.
- (b) Either party may call an emergency meeting by giving five (5) days' notice to the other party and full details of the items on the Agenda shall be stated in the notice convening the meeting.
- (c) Meetings called pursuant to the provisions of Clauses 7(a) and 7 (c) of this Agreement will take place within the period prescribed. Full details of the items on the Agenda shall be stated in the notice convening the meeting.

4. Minutes

Copies of the Minutes of each meeting shall be submitted for approval at the next meeting.

5. Failure to Reach Agreement and Deadlock in Joint Negotiating Council

- (a) If both parties fail to agree on any matter referred to the Joint Negotiating Council, the proposal, difference or dispute shall be adjourned for consideration at a further meeting of the Council to be held at a mutual convenient time, unless both parties otherwise agree, not later than two months from the date of the meeting.
- (b) If after a further meeting the council is still unable to reach an agreement, either party may give notice in writing to the other within twenty one (21) days after the meeting of their intention to refer the dispute to the appropriate authority in accordance with the Labour Laws of Zambia in force from time to time.

6. Agreements

- (a) Agreements reached between the two parties shall be reduced to writing in English and signed by a duly authorised member of each side of the Council. Copies shall be given in each party and registered with the appropriate authority in accordance with the Labour Laws of Zambia in force from time to time.
- (b) Agreements shall be implemented with effect from the date the decisions are taken or with effect from such other date as the Council may decide.

G.C. *[Handwritten Signature]*

- (c) Any Agreement reached or settlement agreed by the Council upon any proposal, difference or dispute referred to them pursuant to Clause 5 above shall be binding on each of the parties to this Agreement. Each of the parties of this Agreement shall promptly do all such acts and things as may be necessary or expedient on its respective part to secure that the agreement, settlement or determination is fully and promptly implemented and carried into effect, and is accepted and complied with by all their members whose acceptance or compliance may be necessary to give effect thereto.

APPENDIX 'B'

1. Rates of Pay and Overtime (all rates of pay will be performance related).
2. Length of Annual Holidays and Attendant Conditions
3. Hours of Work.
4. Duration of Individual Contracts.
5. Principles of Redundancy/Retirement.
6. Sick Leave.
7. Sickness Benefits.
8. Maternity Benefits.
9. Grievance Procedure and Disciplinary Code.
10. Funeral Grants.
11. Social and Sports Activities.

APPENDIX 'C' (1)

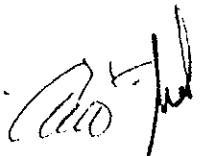
All Subjects not listed under Appendix 'C' and in particular:-

1. Management Methods

APPENDIX 'C' (2)

The following subjects are not for negotiating but are subjects for discussion and consultation between the Bank and the Union.

1. Provident Funds and Gratuities
2. Pensions
3. Staff Loans
4. Uniforms and Protective Clothing.

G.C. 

5. Condition of Working Environment.

Alto *ful*
a.c.