

ZAMBIA UNION OF FINANCIAL INSTITUTIONS & ALLIED WORKERS
-4 OCT 1996
PROVIDENT HOUSE CAIRO ROAD
P.O. BOX 3174, LUSAKA/ZAMBIA

MEMORANDUM OF RECOGNITION AGREEMENT

BETWEEN

ZAMBIA NATIONAL BUILDING SOCIETY

AND

**ZAMBIA UNION OF FINANCIAL INSTITUTIONS
AND ALLIED WORKERS**

EFFECTIVE 1ST SEPTEMBER, 1996

ZAMBIA UNION OF FINANCIAL INSTITUTIONS & ALLIED WORKERS
-4 OCT 1996
PROVIDENT HOUSE CAIRO ROAD
P.O. BOX 3174, LUSAKA/ZAMBIA

MEMORANDUM OF RECOGNITION AGREEMENT

BETWEEN
ZAMBIA NATIONAL BUILDING SOCIETY
(hereinafter referred to as "SOCIETY")

AND
ZAMBIA UNION OF FINANCIAL INSTITUTIONS AND ALLIED WORKERS

(hereinafter referred to as "The Union")

4 OCT 1996
GOVERNMENT OF ZAMBIA
MINISTRY OF LABOUR AND INDUSTRIAL RELATIONS

PREAMBLE

The SOCIETY and the Union, desiring to make the greatest possible contribution to the success and prosperity of the SOCIETY, employees and the nation as a whole, hereby agree to subscribe to the principles that the SOCIETY operates at maximum efficiency, thereby contain as much as possible the operational costs. Therefore, the parties agree to accept practices which promote individual and collective efficiency.

1. RECOGNITION

The SOCIETY agrees to recognise the Union as sole representative and exclusive bargaining agent for all eligible employees of the SOCIETY for so long as the Union remains registered in accordance with the Laws of Zambia in force from time to time affecting labour laws, and for so long as both parties continue to observe the terms of this Agreement.

2. SCOPE OF THE AGREEMENT

The SOCIETY 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. Eligible employees shall be those who are on permanent establishment of the SOCIETY with exception of the following:-

- an employee empowered to make Management decisions;
- an employee entrusted with Personnel Management and Industrial Relations functions; or

2.

- an employee reporting directly to the Chief Executive.

In terms of this Clause, it is understood that matters negotiated between the parties to this Agreement shall be confined to employees in Z8/7 and below but with following exceptions Branch Manager III, Branch Accountant I, Senior Administration Officer, Purchasing Officer, Security Officer, all Secretaries to Directors. Full-time trainees who are not on the payroll of the SOCIETY shall be excluded.

3. **CONDITIONS OF THE AGREEMENT**

- (a) The SOCIETY recognises the Union on the basis of the Constitution of the Union in force at the date of the execution of this Agreement, a copy of which is annexed hereto and initialed by the parties for identification purposes.

The Union agrees that any alteration or additions to the Union's Constitution will be done in strict accordance of Section 11 of the Industrial and Labour Relations Act or the law in force at that time.

- (b) The parties undertake to settle any or all industrial disputes according to the procedures as set out in this Agreement and as stipulated in Section 75 to 78 of the Industrial and Labour Relations Act.
- (c) The Union agrees that it will not initiate or support any action or proceedings designed or calculated to compel any employee to be or become a member of the Union against his/her will and that it will not support any strike or stoppage of work which is not taken according to the procedures of Industrial and Labour Relations Act and this Agreement.
- (d) The Union undertakes that employees who are Union Officials/Representatives

3.

will not leave their places of work for the purposes of conducting Union duties without permission of Management through their appropriate superiors.

Such permission shall not be unreasonably withheld.

- (e) The Union recognises that it is the prerogative of the SOCIETY to discipline its employees for improper acts done in their capacity as employees provided that in the case of eligible employees, Union Branch Officials are subsequently informed at the latest by the following working day of the disciplinary action taken.
- (f) The SOCIETY undertakes that it will not discriminate against or victimize any Representative or member of the Union on account of any legitimate activities in his/her capacity as a Union Official or as a member. The SOCIETY acknowledges that it is the prerogative of the Union to discipline its officials or members for unconstitutional acts done by them in their capacity as officials or members of the Union. The SOCIETY further acknowledges that a fair disciplinary action by the Management should be based on conditions under which an employee works (supported by Agreements with the Union, SOCIETY Regulations, Industrial Regulations, etc) and on a standard guide to ensure consistency of actions to all employees concerned.
- (g) The SOCIETY undertakes to afford such facilities to the Officials of the Union as are mutually agreed as being necessary for the latter to carry out their duties as representatives of the employees at various places of work.
- (h) The SOCIETY agrees that it will do its best to avoid acts and/or conducts which are likely to lead to industrial unrest and that it will not encourage or support lock-out until all stages of settling the dispute as laid down in this Agreement and Industrial and Labour Relations Act are exhausted.

4.

- (i) The SOCIETY agrees to meet duly accredited representatives of the Union from time to time for the purpose of discussing matters concerning the terms and conditions of employment of such employees as the Union represents.
- (j) The SOCIETY agrees that matters negotiated between the parties to this agreement shall only be confined to bonafide members of the Union.
- (k) Both parties, recognising the vital services the SOCIETY provides for the benefit of the common man hereby bind themselves that in the event of a 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 SOCIETY premises and will ensure that such employees elected as essential workers do their work as required.
- (l) Management agrees with the Union that it will not discriminate on wages to employees on the basis of Association but the principle of equal pay for equal work will apply.

4. **ELECTION AND NOTIFICATION OF UNION OFFICIALS**

- (a) Union undertakes to notify the SOCIETY in writing the names, designation and areas of operations of all local Branch and National Officials elected as per Union's Constitution.
- (b) The SOCIETY undertakes to notify the General Secretary of the Union in writing of the names and designation of its officials and to advise any changes in office bearers of the SOCIETY.
- (c) Normal rights or access to members and potential members shall be accorded to accredited Union representatives for the purpose of Union business.

5.

5. **DEDUCTION OF UNION SUBSCRIPTIONS**

- (a) In accordance with Section 22 of the Industrial and Labour Relations Act The SOCIETY undertakes, with the consent of employees who are members of the Union, to recover subscription fees at the rate of 1% of basic salary (or as amended by the appropriate body of the Union from time to time).
- (b) The remittances referred to in (a) above shall be made by crossed cheque marked "Not Negotiable" and "Account Payee Only," and sent to the Head Office of the Union.
- (c) Remittances to the Head Office of the Union shall be accompanied by the list showing the names of each employee and amount so deducted.

6. **JOINT NEGOTIATING COUNCIL**

- (a) In recognition of the fact that **ZAMBIA NATIONAL BUILDING SOCIETY** is a vital service for the benefit of common man, the parties agree that negotiating machinery will be subject to the provision of the Laws of Zambia in force from time to time affecting Labour Laws. A Joint Negotiating Council comprising of Union's National Executive Councillors 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".

6.

(c) Subjects for Negotiations:-

It is hereby agreed that the subjects listed in Appendix "B" hereto are subjects for negotiations between the parties.

(d) Subjects not for Negotiations:-

It is hereby agreed that subjects mentioned in Appendix "C" shall not be subjects for negotiations except where the Union observes the infringement of this Agreement, Collective Agreements or element of injustice in the action taken by Management.

7. **NEGOTIATING PROCEDURE**

(a) **Individual Grievance**

Stage 1

An employee desiring to raise a grievance with which he/she is directly or personally concerned shall in the first place raise it with his/her immediate superior.

Stage 2

If the employee is not satisfied with the answer at Stage 1, he/she will refer his/her complaint to the Branch Union Official who together with him/her if need be, shall raise it with the Branch Manager or his/her equivalent who shall give an answer within two (2) working days.

7.

Stage 3

Should the issue remain unresolved at Stage 2, the Union Branch Officials will arrange for a meeting with the Director Human Resources or Head of Department whichever is the case, to discuss the matter. The Management will be required to give an answer within two (2) working days. The Organisation Chart should be observed.

Stage 4

If the solution is not forthcoming at Stage 3, the Union Branch Officials and Management shall submit the case in writing to their respective Head Offices giving full details of the subject. A meeting of the Joint Negotiating Council shall be arranged as soon as possible.

NEGOTIATING PROCEDURE

Stage 5

If the Joint Negotiating Council fails to reach an agreement, either party shall give seven (7) days notice of the intention to declare a dispute. Should the other party fail to give a satisfactory reply, the aggrieved party will proceed with declaration of a dispute.

8.

(b) Collective Grievance

These shall mean all grievances arising from a breach, real or alleged of existing terms of Conditions and Salaries/Wages on the matters specified in Appendix "B" of this Agreement which may affect all Unionised employees or a group of employees of the SOCIETY. Such grievances shall be raised by the Union's National Executive Council at Stage 3 of the procedure laid down as Clause 7 (a) above and may proceed to Stage 4 and 5 if no solution is forthcoming.

(c) Collective Claims/Demands

These shall mean all Claims/Demands for alterations (additions or otherwise) to the terms regarding matters specified in Appendix "B" of this Agreement which may affect all employees or any group of employees of the SOCIETY.

Such Claims/Demands shall be raised by the General Secretary of the Union or his Deputy with the SOCIETY giving full details. On receipt of such Claims/Demands the SOCIETY shall within seven (7) working days indicate in writing their acceptance or otherwise.

In the event of the Union being unsatisfied with the reply from the SOCIETY the matter shall be referred to the Joint Negotiating Council within ten (10) working days of a dispute concerning the Collective Claims/Demands and shall be dealt with as stipulated in the Labour Laws.

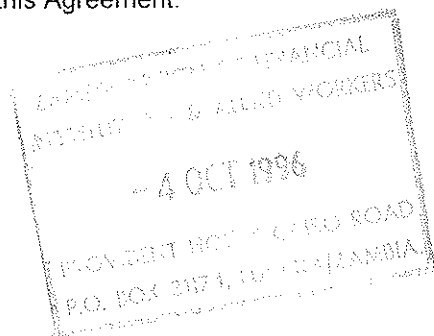
9.

AMENDMENTS TO AND TERMINATION OF THIS AGREEMENT

- (a) This Agreement shall come into force on 1/9/96
and shall remain in force until:
- (i) Terminated by mutual consent of both parties.
 - (ii) Amended and/or replaced by a new Agreement negotiated by the Parties hereto.
 - (iii) One or both parties cease to be legal entity.
- (b) Either party wishing to amend or modify this Agreement shall give three (3) months notice to the other party of its proposed amendments giving full details of the same.

9. **CANCELLATION OF THE OLD AGREEMENT**

It is hereby mutually agreed that all Memorandum of Recognition Agreement entered into by the parties on 1ST APRIL 1982 is hereby revoked, cancelled and superseded by this Agreement.



10.

IN WITNESS WHEREOF - We have hereunder set out hands this 2nd
day of October in the year 1996

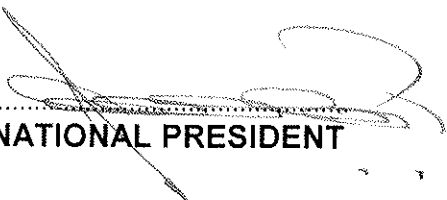
For and on behalf of
ZAMBIA NATIONAL BUILDING SOCIETY

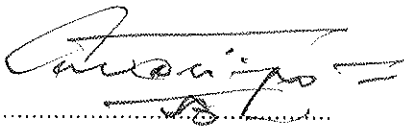

.....
MANAGING DIRECTOR


.....
DIRECTOR HUMAN RESOURCES


.....
BOARD SECRETARY

For and on behalf of
ZAMBIA UNION OF FINANCIAL
INSTITUTIONS AND ALLIED
WORKERS


.....
NATIONAL PRESIDENT


.....
**GENERAL
SECRETARY**


.....
NATIONAL TRUSTEE

APPENDIX "A"

CONSTITUTION AND RULES OF THE JOINT NEGOTIATING COUNCIL

Membership

The Membership of the Council shall be not more than twelve (12) and not less than eight (8) representatives.

Election of Chairman

- (a) The Council shall elect the Chairman from amongst its members present at the meeting. It will also have the power to elect a chairman who is a non member of the Council. The Chairman so elected shall remain in the chair until the negotiations so opened are concluded or otherwise.
- (b) A representative from Management will normally be the Secretary but a Union representative may be appointed to be the Secretary or either party may appoint its own Secretary.

Meetings

- (a) Regular meetings of the Council will be held at intervals of not longer than three (3) months with either party giving thirty (30) days notice to the other. The meeting shall normally be held during working hours on Society Premises.
- (b) Either party may call for 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.
- (c) Meetings called pursuant to provision of Clause 7 (a) and (b) of this Agreement will take place within the period prescribed.

2.

Minutes

Copies of the Minutes of every meeting shall be prepared by the Secretary and circulated to each member of the Council, two copies of which shall be submitted for approval at the next meeting.

Failure to Reach Agreement and Deadlock at Joint Negotiating Council

- (a) If the two parties fail to agree on any matter referred to the Joint Negotiating Council, the proposed difference or dispute shall be adjourned for consideration at a further meeting to be held at a mutually convenient time but not later than two (2) weeks from the date of adjournment.
- (b) If after a further meeting the Council is still unable to reach an agreement, either party may give notice in writing within three (3) weeks (twenty one days) after the second meeting indicated in (a) above of their intention to refer the dispute to appropriate authority in accordance with the Labour Laws of Zambia in force from time to time.

Agreements

- (a) Agreements reached between the two parties shall be reduced to writing in English and signed by the duly authorised member (s) of each side of the Council. Copies shall be given to each party and registered with the appropriate authorities 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 such date as the Council may decide.
- (c) Any Agreement reached by the Council regarding any proposal, difference or dispute referred to the pursuant Clause 5 above shall be binding upon each party. Each of the parties shall promptly do all such acts and things necessary or expedient to secure mutual agreement, settlement or determination on the matter.

3.

APPENDIX 'B'

ITEMS FOR NEGOTIATIONS

1. Rates of Pay and Overtime.
2. Length of Annual Holidays and Attendant Conditions.
3. Hours of work.
4. Duration of Individual Contracts.
5. Principles of Redundancy/Restructuring and Redundancy Package/Gratuity.
6. Uniforms and Protective Clothing.
7. Conditions on Premises.
8. Sick Leave.
9. Sickness Benefits.
10. Maternity Benefits.
11. Social and Sports Activities.
12. Pension Schemes.
13. Occupational Health and Safety.
14. Home Ownership Schemes.
15. Funeral Grant.
16. Staff Loans.
17. Medical Scheme/Allowance.
18. Educational Allowance.
19. Transport Allowance.
20. Disciplinary Code.

4.

21. Any other issues as may be deemed appropriate by both parties.

APPENDIX "C"

1. Management methods but Clause 6 (d) of this Agreement shall apply where necessary.
2. Provident Fund.

APPENDIX "D"

DEFINITIONS

IN THIS AGREEMENT:-

"Joint Negotiating Council" means bargaining unit or negotiating team representing the SOCIETY and the Union.

"Collective Agreement" means an agreement by an appropriate bargaining unit in which the terms and conditions affecting the employment and remuneration of employees are laid down.

"Collective Dispute" shall be construed in accordance with the Industrial and Labour Relations Act.

"Eligible Employees" is as defined in the Scope of the Agreement.

"Employee" means any person who has entered into a contract of employment with the SOCIETY.

"Member" means a member of the Union.

"Proper Officer" means a Labour Officer as defined in the Industrial and Labour Relations Act.

MEMORANDUM OF RECOGNITION AGREEMENT

BETWEEN

ZAMBIA NATIONAL BUILDING SOCIETY
(hereinafter referred to as "Society")

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

ADDENDUM TO THE MEMORANDUM OF RECOGNITION AGREEMENT

Board Secretary/Legal Counsel
Zambia National Building Society
Society House
15th Floor, Cairo Road
P O Box 30420
LUSAKA

MEMORANDUM OF RECOGNITION AGREEMENT

ZAMBIA UNION OF FINANCIAL
INSTITUTIONS & ALLIED WORKERS
- 4 OCT 1996
DEPARTMENT HOUSE CARGO ROAD
P.O. BOX 3174, LUSAKA ZAMBIA

BETWEEN

ZAMBIA NATIONAL BUILDING SOCIETY
(hereinafter referred to as "Society")

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

ADDENDUM TO THE MEMORANDUM OF RECOGNITION AGREEMENT

BY THIS ADDENDUM made the 2nd day of October 1996
BETWEEN the "Society" of the first part and the "Union" of the other part IT IS AGREED as follows:

Clause 2 of the Memorandum of Recognition Agreement on the exceptions to the application of the term eligible employees is extended to include Secretaries to Heads of Department.

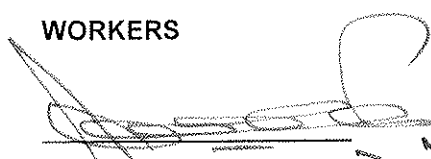
IN WITNESS whereof the parties have caused their respective representatives to set their hands hereto the day and year first before written.

For and On Behalf of
ZAMBIA NATIONAL BUILDING SOCIETY


For and On Behalf of
**ZAMBIA UNION OF FINANCIAL
INSTITUTIONS & ALLIED
WORKERS**



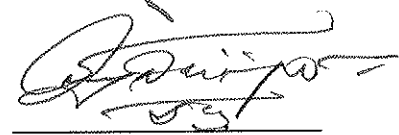
MANAGING DIRECTOR



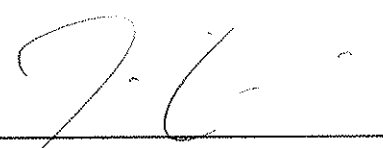
NATIONAL PRESIDENT



DIRECTOR HUMAN RESOURCES



GENERAL SECRETARY



BOARD SECRETARY/LEGAL COUNSEL



NATIONAL TRUSTEE