

COLLECTIVE AGREEMENT

BETWEEN



And



SIGNED THIS 09 DAY OF MAY, 2017

[Handwritten signatures and initials]

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Collective Agreement – 1st Jan 2017 to 31st Dec 2018

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1.0 PREAMBLE

AN AGREEMENT made onof May Two Thousand and Seventeen (2017) between **ZSIC LIFE LTD** (hereinafter called “the Employer”) whose registered office is at plot No. 4432 Cairo Road, Insurance House, Lusaka of the first part and **THE ZAMBIA UNION OF FINANCIAL INSTITUTIONS AND ALLIED WORKERS** (hereafter called “the Union”) of the second part.

WHEREAS the parties have agreed and accepted the terms and conditions of service and salaries and wages embodied in this agreement to apply to the eligible employees of the ZSIC Life Limited, **NOW IT IS HEREBY AGREED AS FOLLOWS:**

2.0 DEFINITIONS

In this agreement and in any reference of whatever manner of this Agreement, unless the context otherwise requires:-

“**Bargaining Unit**” means at the level of an undertaking the negotiating team representing the management together with the trade union in such undertakings;

“**Collective Agreement**” means an agreement negotiated by an appropriate bargaining unit in which the terms and conditions affecting the employment and remuneration of employees are laid down;

“**Collective Bargaining**” means all the carrying on of negotiations by an appropriate unit for the purpose of collective agreement.

“**Company**” means any entity within the ZSIC Life Limited which has entered into a contract to employ any person and which is registered under the Patents & Company Registration Authority (PACRA)

“**Court**” means the Industrial Relations Court under section eighty-four of the Industrial and Labour Relations Act, 1997.

“**Deadlock**” means a situation arising out of a collective dispute where the parties to the dispute have exhausted the procedure, whether formal or otherwise, mutually agreed to by the parties for the settlement of the dispute, where reconciliation has proved unsuccessful and where either or both parties are of the opinion that further negotiations are unlikely to lead to the settlement of the dispute.

“**Child**” – means any child of the employee not having reached his/her 21st birthday, not formally employed. A child includes legally adopted persons registered with the ZSIC Life Limited.

“**Dependent**” – means a person wholly dependant on the employee and is:-

- i not over the age of 21 years
- ii either normally resident with the employee or maintained by him/her in full-time education and
- iii registered with the ZSIC Life Limited.

An employee shall be allowed to replace a dependant who falls off due to age or death but that the maximum number of dependants at any given time shall be Four (4).

“**Eligible employee**” means a unionisable employee other than a member of the Management of the undertaking.

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“Employee” means any person who has entered into, or works under a contract of employment with an employer whether such contract is expressed or implied, oral or written, or serving a probationary period of employment.

“Employer” means any person who, or body of persons, firm, company, Group or public authority which has entered into a contract to employ any person and includes any agent, representative or manager of such person, body of persons, firm, company or public authority who is placed in authority over the persons employed;

“Lock-out” means the closing down of a place of employment or the suspension of work, or the refusal by an employer to continue to employ any number of persons employed by him/her, as a result of a dispute, and done with a view of compelling those persons, or to aid another employer in compelling those persons or aid him/her, to accept terms or conditions of employment or terms of conditions affecting employment.

“Member” means a member of the union as defined by ZUFIAW constitution.

“Officer of a trade union” means a duly elected or appointed office holder of a trade union including a trustee, but does not include its employee;

“Probation” means the period from the commencement date to the date the appointment or employment is confirmed in writing to the employee by the ZSIC Life Limited or the period specified in the contract as the probation period.

“Proper Officer” means a Labour Officer

Recognition Agreement” means an agreement as described in part VII of the Industrial and Labour Relations Act 1993.

“Strike” means the cessation or withdrawal of labour contrary to the terms and conditions of contract by a body of persons employed in any undertaking acting in combination; or a concerted refusal under a common understanding of any number of persons who are so employed to continue to work or provide their labour.

“Trade Union” means an organization of employees which is registered as a trade union under the Industrial and Labour Relations Act 1993 and whose principal objects regulate collective relations between employees and employers or between employees and organizations of employers or between employees and employers;

“Undertaking” means any company, firm, trade, business industry or any other kind of enterprise, any statutory board, Group or any local or public authority or any branch or autonomous division thereof.

3.0 OBJECTIVES

It is hereby realized and agreed that the advancement of employees and indeed their livelihood depends on the success of the company. The company must look to it's employees to manifest loyalty and devotion and to maintain a high standard of efficiency and hard work. The company in turn is concerned about the well-being of all its employees. Both the company and the Trade Union have mutual **obligations** which may be summarized as follows:-

- (i) Determination of an equitable pay structure in the light of prevailing circumstances thus leading to reduction of loss of time through wage disputes.
- (ii) Improvement of workers morale and industrial relations
- (iii) Increase in work output and performance

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- (iv) Reduction in labour turnover, in particular, by providing a conducive working environment and offering competitive terms and conditions of service.

4.0 EMPLOYEES OBLIGATIONS

- (i) The employee shall at all times competently, faithfully and diligently perform such duties as the ZSIC Life Limited may place over him/her and shall faithfully, observe all rules of the ZSIC Life Limited.
- (ii) The employee shall obey and comply with all written and unwritten lawful orders and directions given by the ZSIC Life Limited or by its Board of Directors or such persons as the ZSIC Life Limited may place over him/her and shall faithfully, observe all rules of the ZSIC Life Limited.
- (iii) The employee shall be considered to be an employee of the ZSIC Life Limited for the duration of his/her employment and shall be so obliged.
- (iv) The employee shall work in such places in Zambia or elsewhere as the ZSIC Life Limited may from time to time direct.
- (v) (a) The employee shall not either during his/her employment or after it has ended divulge to any person and shall use his/her best endeavours to prevent the publication or disclosure of any information concerning the ZSIC Life Limited or any of its secrets which may come to his/her knowledge during the course of his/her employment herein except under the order of the Court or other Law enforcement Agency, the employee is obligated to disclose such information.

(b) Where the employee has been ordered or summoned as herein before provided, he/she shall consult either with the ZSIC Life Limited, Company Secretary or the Managing Director & Chief Executive Officer prior to attending such court or complying with such order as the case may be. Such summons or Court order shall be left with the Company officials aforementioned.
- (vi) The employee shall give full and proper information to such persons as the ZSIC Life Limited may require him/her to give in the skills for which the employee is employed.

5.0 RECRUITMENT POLICY

- (i) Recruitment of personnel shall remain the prerogative of Management. It is the ZSIC Life Limited policy to give priority for appointment to existing staff by way of internal advertisements. However, when there is no suitable qualified staff to fill a particular post, the ZSIC Life Limited shall advertise the vacancy in the press.
- (ii) Engagement of personnel is subject to the passing of medical examinations done by a recognized and accepted medical practitioner at such clinic or hospital as the ZSIC Life Limited may direct. The cost of such medical examinations shall be borne by the ZSIC Life Limited.
- (iii) When engagement takes place, the ZSIC Life Limited shall inform the person in writing of the conditions applicable to his/her employment.

6.0 PROBATIONARY PERIOD

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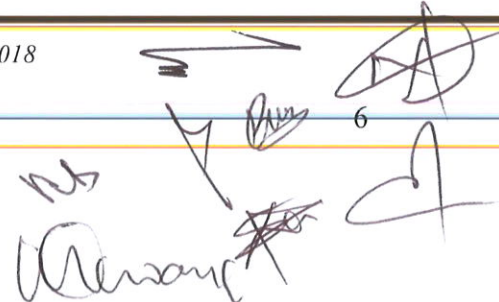
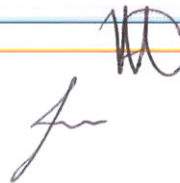
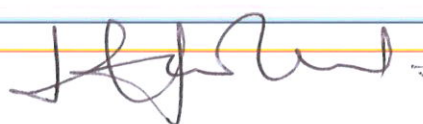
- (i) All employees shall serve a probationary period of a minimum of three (3) months and a maximum of six (6) months. However, at the end of the maximum probationary period of six (6) months, the ZSIC Life Limited reserves the right to either confirm or terminate employment.
- (ii) The ZSIC Life Limited reserves the right to extend the probationary period. In the event of an extension of the probationary period and by or before the end of such extension, the ZSIC Life Limited shall have the right to either confirm or terminate the employment. Such extension of the probationary period shall be final and for not more than 3 months, where upon the ZSIC Life Limited shall either confirm the employee or terminate employment.
- (iii) **TERMINATION OF EMPLOYMENT**
 - i. During the probationary period either party may terminate employment giving one day's notice or payment of equivalent salary in lieu of notice.
 - ii. Upon confirmation of appointment, employment may be terminated by either party giving thirty (30) days' notice, or payment of a month's salary in lieu of notice.
 - iii. Where Management terminates a contract of service of an employee other than for disciplinary reasons the prevailing conditions of Early Retirement or Redundancy shall apply.

7.0 SALARY AND ANNUAL INCREMENTS

- (i) For a new entrant, grade and salary shall be prescribed by the Management in accordance with the Job Grading structure and Salary Structure, who shall have the power to appoint such an employee to a particular grade and determine his/her entry point.
- (ii) Employees shall be classified and receive annual basic salaries and annual increments in accordance with these conditions.
- (iii) All increments shall be awarded upon the recommendations of the Managing Director, Departmental Head or Branch Manager, after he/she has taken into account the employee's performance and diligence during the preceding twelve months, subject to approval by Management. Management shall endeavor to ensure that increments are based on performance appraisals taking into account each employee's Job description and targets set at the beginning of each year as agreed between the employee and the supervisor.
- (iv) Any stoppage of Annual increment shall be supported by a report submitted by the Departmental Head or Branch Manager to Management.
- (v) All employees shall be subjected to performance appraisals for the annual increment.
- (vi) Salaries shall be paid monthly in arrears but not later than the last calendar day of the current month.

8.0 APPOINTMENT AND DEPARTMENTAL TRANSFERS

All appointments and departmental transfers shall be carried out in accordance with the approved establishment and at Management's discretion.



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9.0 TRAINING

- (i) The Union and the ZSIC Life Limited fully realize the importance of training local Human Resource in the running of the ZSIC Life Limited as a whole. In view of this, the ZSIC Life Limited undertakes to do all in its power to train its employee's for current and higher responsibilities.
- (ii) Whenever training is deemed necessary, employees shall be sent to colleges and institutions of learning on such terms as guided by the ZSIC Life Limited Training & Development Policy.
- (iii) All training matters shall be conducted in accordance with the provisions of the Training & Development Policy in force at all times.
- (iv) The ZSIC Life Limited shall recognize and accept qualifications relevant to the job attained through private studies. Acceptable qualifications shall be from institutions recognized by the Examinations Council of Zambia, Ministry of Education or designated Government body.
- (v) When one obtains certification for an extra qualification relevant to his/her job but can not be promoted due to limited positions, he or she should be given a notch related salary increment as follows:-

- Certificate/Advanced Certificate	3 Notches
- Diploma/ Advanced Diploma	4 Notches
- Degree	5 Notches
- Masters	6 Notches

10.0 HOURS OF WORK

- (i) All employees shall be required to work a forty (40) hour week spread over five (5) days, except for security employees who shall be required to work forty eight (48) hours per week or shift work as and when dictated by operational requirements.
- (ii) When required to work a shift system the total hours worked during the rotation period of a shift cycle shall not exceed an average of forty (40) hours or forty eight (48) hours per week for other employees and security staff respectively.

10.1 OVERTIME

- (i) All employees may be required to work reasonable amount of overtime as and when the need for the said overtime is dictated by the operational requirements.
- (ii) Notification of overtime requirements shall be made within reasonable time by the Departmental/Sectional Head of the employee concerned.

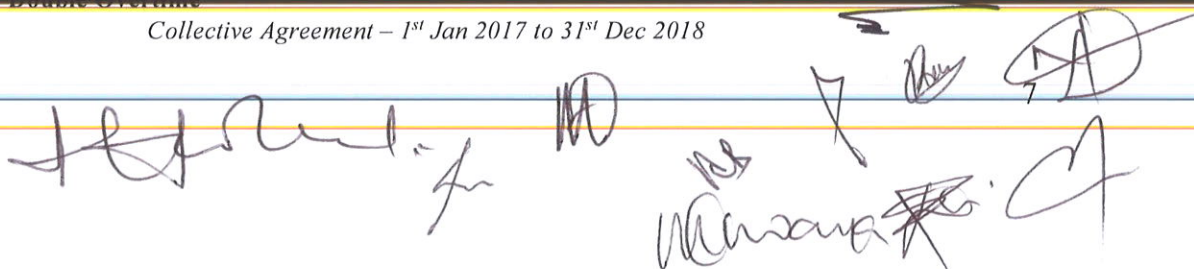
The hours worked in excess of forty (40) hours per week and forty eight (48) hours for security staff shall be paid as overtime on the following rates:
- (iii) No overtime shall be paid or authorized without prior approval by the supervisor.

10.2 Ordinary Overtime

All hours of overtime worked over the regular scheduled hours during the week shall be paid at time and a half (i.e. Normal rates plus 50 per cent).

10.3 Double Overtime

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All hours worked on Saturdays and Sundays or gazetted public holidays shall be paid at double the normal rate (i.e. Normal rates plus 100%)

Employees on shift work qualify for overtime payment only for work performed beyond either forty (40) or forty eight (48) hours and on allocated weekly rest days but shall not be allowed to work for more than twelve (12) hours continuously.

Refusal by the employee to work overtime when requested to do so without valid reason or excuse acceptable to Management may be considered as wilful neglect of the Company duties and shall lead to disciplinary action being taken against any such employee.

The company shall pay a rate of Kwacha One Hundred and Fifty (K 150.00) per day in lieu of the Statutory overtime rates stipulated in Clause 10.0 (ii), 10.2 and 10.3.

Security personnel who work shifts as above shall be entitled to a monthly shift allowance to be determined from time to time.

11.0 LEAVE

- (i) The leave entitlements according to grade are indicated below ;
- (ii) All Unionized Employees, i.e. employees in Grades ZS 8 to ZS 11, shall accrue three (3) days per month.

(iii) The maximum number of leave days an employee can accrue shall be as follows:-

ZS 10 – ZS 11 inclusive Ninety (90) working days

ZS 8 – ZS 9 inclusive One Hundred and Eight (108) working days.

(iv) Although every endeavour shall be made to meet individual leave requirements, the granting of leave shall be subject to operational requirements.

11.1 ANNUAL LEAVE

- (i) An employee shall be entitled to Annual leave once a year. Approved leave shall be exclusive of Saturdays, Sundays and gazetted Public Holidays. As a requirement of the Employment Act, every employee will take vacation leave once every year.
- (ii) Commutation of leave days will be allowed only when proceeding on annual leave.
- (iii) An employee will be required to leave a minimum balance of Five (5) days to his/her credit when either proceeding on leave or commuting. Commutation shall be given at the discretion of Management once within Twelve (12) calendar months, provided that where extenuating circumstances exist, Management may allow such commutation before the twelve calendar months.
- (iv) Travel on Leave Allowance shall be paid to employees who proceed on annual leave of not less than Fifteen (15) days to enable them meet travel expenses to their destinations. The rate of travel on leave allowance shall be Twenty (20%) gross of annual basic salary across the board.

11.2 SICK LEAVE

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Subject to the provision of Section (54) of the Employment Act an employee who according to the judgement/ examination of a registered medical practitioner is unable to fully execute his work by reason of sickness or incapacitation/ and accident shall on production of a medical certificate be granted paid sick leave as follows:

- (i) During the probationary period and after completion of one month's continuous service and up to a maximum of Thirty (30) days.
- (ii) The sick leave pay entitlement for permanent employees shall be up to a maximum Six (6) months on full pay and thereafter the next Six (6) months on half pay.
- (iii) When an employee exhausts his sick leave due to prolonged sick absence as contained in option 11.2 (ii), Management shall request for a medical review / examination to ascertain the fitness to continue working from a Medical practitioner as contained in Section 36(2) of the Employment Act.
- (iv) If an employee absents himself/herself from work even for one day on account of sickness he/she shall be regarded as absent unless a medical certificate/ sick off certificate is obtained from a registered Medical practitioner except for female employees who shall be entitled to one day's absence from work each month without having to produce a medical certificate/ sick off certificate, but should give prior notification of their absence.

11.3 COMPASSIONATE SICK LEAVE

Management, at its own discretion, shall grant an employee compassionate leave of absence of up to Ten (10) days without loss of pay to enable him/her nurse a sick spouse or child hospitalized. The leave shall be granted on production of documentary recommendation from a medical practitioner of a medical institution registered with the Medical Council of Zambia.

11.4 MATERNITY LEAVE

- (i) Female employees shall be granted maternity leave on the following conditions:-
 - (a) The total period of absence shall not exceed One Hundred and Twenty (120) days including intervening holidays, Saturdays and Sundays on full pay against a medical certificate after delivery signed by a registered medical practitioner. (The number of maternity days shall be subject to change in the event of Legislative amendments).
Thereafter the employee may take all or part of the accrued leave if any due and when this is exhausted any leave taken shall be unpaid at the discretion of Management.
 - (b) 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 sick leave.
 - (c) On completion of maternity leave the employee shall return to her former position except in the event of promotion, transfer, or demotion for disciplinary reasons.
 - (d) An employee shall only qualify for paid maternity leave at intervals of two (2) years beginning from the last day of the previous maternity leave or Twelve (12) months from the date of engagement.
 - (e) Female employees shall be granted time off to breast feed their child up to Six (6) months after birth for One and a half hours (1.5) from 12:30 to 14:00 hours daily.

11.5 PATERNITY LEAVE

- (i) Male employees shall be granted paternity leave on the following conditions:-

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- (a) A total of Five (5) days paternity leave should be authorized for the birth of a child upon production of a birth certificate or record from a recognized and registered Clinic or Hospital.

11.6 UNPAID LEAVE

- (i) At the discretion of Management, unpaid leave up to a period of Three (3) months may be granted. Before any period of unpaid leave commences, all Annual leave due to the employee shall be taken.
- (ii) The maximum period of absence, which shall be permitted at any time, is Three (3) months, which Three (3) months will be cumulative total of all Annual leave due to date plus the granted period of unpaid leave.
- (iii) Annual leave shall not accumulate during the period of unpaid leave enjoyed by the employee.

11.7 SPECIAL LEAVE

- (i) At the discretion of Management and in consultation with the Departmental Manager concerned, an employee who is required by law to attend court proceedings may be granted paid special leave for the number of days required.
- (ii) Special Leave shall on written application and supported by documentary evidence be granted on compassionate grounds on the death of a member of the employee's registered immediate family.

For the purpose of special/compassionate leave, immediate family is defined as:-

- (a) wife or husband of the employee
- (b) child of the employee
- (c) brother or sister of the employee
- (d) mother or father of the employee
- (e) Three (3) registered dependants

- at death of a registered spouse – Fourteen (14) consecutive days.
- at death of a registered parent and child – Ten (10) consecutive days
- at death of a registered brother/ sister – Seven (7) consecutive days
- at death of a registered dependent – Five (5) consecutive days.

11.8 STUDY LEAVE

Study leave shall be granted to an employee who fulfils the following conditions:-

- (i) He/she is nominated by the ZSIC Life Limited to attend a course of study.
- (ii) He/she attended the course at his/her own request with the approval of Management.
- (iii) A confirmed employee taking a recognized professional course shall be granted a maximum of Twenty (20) working days study leave per annum in order to prepare and sit for an examination.
- (iv) An employee shall be granted unpaid study leave at the discretion of Management up to a period of Two (2) years.

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- (v) At the conclusion of a study program, an employee shall be required to submit examination results and certificates to the Human Resources department with a copy to the respective Head of Department.

11.9 LEAVE OF ABSENCE FOR UNION ACTIVITIES

A unionized employee shall be granted leave of absence with full pay to attend to or participate in the activities of the union in accordance with the provisions of the Recognition Agreement.

12.0 OUT OF POCKET ALLOWANCE

An out of pocket allowance will be paid to an employee who travels away from normal station on Company business and the Company has provided accommodation.

The allowance which will be at the rate of Kwacha Two Hundred and Fifty (K250.00) per night will be paid to cover for incidental expenses.

13.0 SUBSISTENCE ALLOWANCE

- (i) Subsistence Allowance shall be paid to an employee to cover the expenses he/she has to meet when he/she travels away from his/her normal station on authorized company business and where the ZSIC Life Limited arranges no accommodation. This allowance shall not be paid to employees who stay in accommodation provided by the ZSIC Life Limited i.e. Hotels, lodges, motels, rest houses, etc.
- (ii) Subsistence Allowance shall only be paid when an employee stays away over night. Payment will be made at the rate of Kwacha Seven Hundred and Fifty (K 750.00) per night across the board. This amount will cover accommodation, food, incidentals and other related expenses.

In the event where the Company Subsistence Allowance is paid, no Out of Pocket Allowance shall be paid.

14.0 HOUSING ALLOWANCE

Housing Allowance will be paid at the rate of Fifty percent (50%) of monthly basic salary without ceiling across the board.

15.0 DISTURBANCE ALLOWANCE

- (i) Disturbance Allowance shall be paid to compensate an employee in part for the unavoidable incidental expenses, which he/she has to meet when he/she is transferred from one station to another.
- (ii) The rate of disturbance Allowance shall be Twenty percent (20%) of annual basic salary across the board for employees on transfer, with Goods in Transit Insurance taken out by the employees at the expense of the ZSIC Life Limited.
- (iii) Disturbance Allowance shall not be paid to an employee who is transferred at his or her own request.
- (iv) When the ZSIC Life Limited has transferred an employee, the ZSIC Life Limited shall provide temporary accommodation commensurate with the grade for a period not exceeding Fourteen (14) days to enable the employee secure accommodation. During this period, the Companies shall pay the employee Out of Pocket Allowance provided

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under Clause 12.0 and extend accommodation at Management's discretion in extreme cases up to Twenty (20) days only without the allowance.

16.0 ACTING ALLOWANCE

When an employee is required in writing by Management to act on behalf of another member of staff who is senior to him or her and so long as he or she has the basic qualifications prescribed for the higher grade and he or she performs this duty for a period of not less than fifteen (15) days, then he or she will be entitled to receive the difference between his or her salary and that of the incumbent, or equivalent of Six (6) notches which-ever is higher.

17.0 RESPONSIBILITY ALLOWANCE

When an employee is assigned to carry out duties of a position where substantive appointment is not possible for lack of necessary qualifications, or where an employee is required to perform additional duties or combine his or her duties with the duties of an employee who is in the same grade with him or her, provided he or she performs these duties for a period of not less than Fifteen (15) days, he or she will be entitled to a Responsibility Allowance instead of an Acting Allowance. The allowance will be Twenty Percent (20%) of the employee's salary.

18.0 LUNCH ALLOWANCE

Lunch Allowance shall be paid only when an employee is required to travel locally on company business to any place for work (beyond 25KM from their station) and the employee is not claiming a subsistence allowance, or when an employee is duly authorized/compelled to work over the Lunch break due to the nature of work

The Allowance shall be calculate at the rate of Kwacha Ninety (K 90.00) per day

19.0 TRANSPORT ALLOWANCE

Transport Allowance shall be paid only when an employee is duly authorized to work late hours or during weekends and gazetted holidays, at a rate of Kwacha One Hundred and Thirty (K 130.00) per day.

20.0 EDUCATIONAL LOAN

The Companies shall assist employees pursuing relevant courses of study in forms of advances and loans where an employee does not qualify for sponsorship.

- (i) Advances will be recovered in Six (6) months instalments. Advances whose recovery period exceeds Six (6) months shall attract an interest at a rate of Ten percent (10%) on the principal advance amount whilst;
- (ii) Educational loans shall be recoverable over a period of Thirty Six (36) months or the duration of the course and granted at Management discretion.
- (iii) Employees who access educational loans for the full cost of study will be bonded for the duration of the course period in accordance with the ZSIC Life Limited Training & development Policy.
- (iv) In the event of any employees who have accessed such loan resigns or leave the company prior to the expiry of the bondage period, they shall be required to refund the company the full cost of the loan obtained.

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21.0 CAR LOAN

A confirmed employee may be granted a loan to purchase a motor vehicle on the following conditions;

- (i) Full purchase price of the car
- (ii) Repayment in Ninety Six (96) monthly instalments.
- (iii) Employer shall not issue loan for purchase of vehicle older than 10 years.
- (iv) Absolute ownership to be in the name of any of the ZSIC Life Limited.
- (v) Car to be comprehensively insured and the owner must have Personal Accident and Sickness Insurance cover.
- (vi) Employee must have capacity to pay as required by the Employment Act.
- (vii) From the date of collection of the cheque, the employee will be expected to complete all the purchasing formalities within One (1) month.
- (viii) The interest rate on the Car loan shall be at Eight percent (8%) on reducing balance.

22.0 MATERIAL LOAN

- (i) Employees who have been confirmed to permanent and pensionable positions shall be eligible for loans to purchase household furniture, in the ZSIC Life Limited both shall be eligible for material loans.
- (ii) The amount of loan shall be full purchase price of the item repayable over a period of Twenty Four (24) months with an interest rate of Three percent (3%). These loans shall be granted subject to an employee's ability to pay as required by the Employment Act.
- (iii) For the purpose of material loans, Television, Radio, Furniture, and Cookers shall be treated as separate items thus
- (iv) All material loans shall be full purchase price repayable over a period of Twenty Four (24) months.

23.0 STAFF MORTGAGE SCHEME

Employees who meet the minimum requirement for this scheme may be granted a loan in accordance with rules and regulations governing the Staff Mortgage scheme.

24.0 PERSONAL LOAN

- (i) Employees who have been confirmed to permanent and pensionable positions may be entitled to personal loan to purchase clothes to wear at the office.
- (ii) The amount of loan shall be full purchase price of the item repayable over a period of Eighteen (18) months.

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(iii) This loan shall be granted subject to an employee's ability to pay as required and also at Management's discretion.

25.0 HOUSE AND SPECIAL LOAN

(i) HOUSE LOAN

(a) A House loan may be granted to an employee to purchase or construct a house.

b) The repayment period for purchase or construction of a house shall be Ninety-Six (96) monthly instalments.

(c) Interest on house loans shall be at six percent (6%) on reducing balance.

(d) The ZSIC Life Limited may arrange a mortgage scheme facility for the purpose of affording employees house ownership.

(e) Once the mortgage scheme is arranged and in place, all matters relating to house loans will be transferred and taken care of by the Mortgage scheme.

(f) The repayment period and interest will be as per scheme rules so provided.

(ii) SPECIAL LOAN

(a) A Special loan shall be paid to an employee to improve an existing building structure i.e. wall fence, erection of a gate, installation of electricity, purchase of roofing sheets, connection of water etc.

(b) The repayment period for improving on an existing structure shall not be more than Thirty Six (36) monthly instalments with no interest.

26.0 SALARY ADVANCE

(i) GENERAL ADVANCE

At the discretion of management and subject to the employee's capacity to pay;

(a) A reasonable amount may be paid as salary advance to an employee.

(b) Such advance will be recovered in Three (3) instalments or up to 6 instalments at Management's discretion with no interest.

(c) Only One (1) salary advance will be permitted at a time unless extenuating circumstances subsist.

(ii) SCHOOL REQUIREMENTS ADVANCE

At the discretion of Management, advance of salary to purchase school requirements every term will be approved and granted to employees on the following conditions;

(a) Such advance will be granted subject to an employee's ability to repay.

(b) Such advance will be recovered in Three (3) monthly installments.

27.0 RIGHT TO RECOVER ASSETS DUE TO THE COMPANY

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The ZSIC Life Limited shall be entitled, on the termination of an employee's service for any reason whatsoever, to recover all outstanding monies due and assets from the employee's terminal benefits and other entitlements.

28.0 MEDICAL SCHEME BENEFIT

- (i) The ZSIC Life Limited will take up a non-contributory medical insurance policy to cover for out patient treatment and hospitalization of employee, spouse, child and Four (04) registered dependants.
- (ii) Such arranged medical schemes will be communicated to employees with their governing rules.
- (iii) The cover will be a maximum of Kwacha Twelve Thousand (K 12, 000.00) per annum for outpatient treatment and up to a maximum of Kwacha Fifteen Thousand (K 15, 000.00) per annum for hospitalization.
- (iv) Only employees shall be allowed optical treatment and services under the medical scheme.

29.0 FUNERAL GRANT

- (i) In the event of death of employee, the employer will pay funeral grant of Kwacha Five Thousand Five Hundred (K 5, 500.00) cash plus standard coffin and funeral parlour service.
- (ii) In the event of death of a spouse, the funeral grant will be Kwacha Five Thousand Five Hundred (K 5, 500.00) cash plus standard coffin and funeral parlour service.
- (iii) In the event of death of a child, the funeral grant will be Kwacha Four Thousand Five Hundred (K 4,500.00) cash plus standard coffin and funeral parlour service.
- (iv) In the event of death of registered dependants, the grant will be Kwacha Four Thousand (K 4,000.00) cash only for only Four (4) registered dependants only.
- (v) In the event of death of biological parent, brother/and sister the grant will be Kwacha Three Thousand Five Hundred (K3, 500.00) cash only.
- (vi) In the event of a Still Birth, the grant will be Kwacha Two Thousand (K2, 000.00) cash only.

30.0 JOB EVALUATION SCHEME

- (i) The ZSIC Life Limited and the Union have agreed that grading of posts within the agreed grades shall be done by means of job evaluation.
- (ii) The Job Evaluation Scheme shall be a continuous exercise and shall be administered by the Human Resources Division.

31.0 EMPLOYEE RECOGNITION AWARD

An employee who completes Ten (10), Fifteen (15), Twenty (20) and Twenty- five (25) years of unbroken dedicated service with the Company shall be entitled to a long service award to be determined by Management in consultation with the Union. Such awards shall also include such criteria as hard work, most disciplined, most improved and other criteria determined by Management and shall be presented during Labour Day Celebrations of each year.

32.0 MERITORIOUS AWARD

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Management in consultation with the Union will recognize outstanding achievements by employees from time to time and be given a meritorious award.

33.0 RECORD OF SERVICE

An employee leaving the Company service shall be given a record of service in terms of the Employment Act Cap 512.

34.0 UNIFORM AND PROTECTIVE WEAR

The Company shall provide uniform to certain categories of workers, e.g. Cleaners, Office Messengers, Drivers, Security Guards etc and shall be replaced from time to time as may be necessary or as a result of wear and tear. ZSIC Life Limited shall pay a Laundry Allowance at the rate of Kwacha One Hundred & Fifty (K 150.00) per month to employees in this category.

35.0 REDUNDANCY BENEFIT

In the event of redundancy being inevitable or occurring inevitable, and in accordance with the law, the following formula shall apply;

- (i) Twenty-six (26) months' salary across the board and that the monthly salary to refer to will be the salary in the month of separation.
- (ii) Two (2) months' salary for each completed year of service for the first ten (10) years, plus,
- (iii) For the next Ten (10) years, Three (3) months' salary for each completed year of service in excess of first Ten (10) years, plus
- (iv) Three and a half (3.5) months' salary for each completed year in excess of Twenty (20) years, plus
- (v) Three (3) months in lieu of notice to terminate employment, plus
- (vi) Repatriation Allowance

36.0 EARLY RETIREMENT AND MEDICAL DISCHARGE BENEFIT

In the event of the above occurring and in accordance with the Law, the following formula shall apply;

- (i) Twenty-six (26) months' salary across the board and that the monthly salary to refer to will be the salary in the month of separation.
- (ii) Two (2) months' salary for each completed year of service for the first ten (10) years, plus,
- (iii) For the next Ten (10) years, Three (3) months' salary for each completed year of service in excess of first Ten (10) years, plus
- (iv) Three and a half (3.5) months' salary for each completed year in excess of Twenty (20) years, plus
- (v) Three (3) months in lieu of notice to terminate employment, plus

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(vi) Repatriation Allowance

37.0 VOLUNTARY SEPARATION BENEFIT

Voluntary Separation shall be at the discretion of Management. Where the Companies has separated an employee, the following formula shall apply;

- (i) Twenty-six (26) months' salary across the board and that the monthly salary to refer to will be the salary in the month of separation.
- (ii) Two (2) months' salary for each completed year of service for the first Ten (10) years, plus,
- (iii) For the next Ten (10) years, Three (3) months' salary for each completed year of service in excess of first Ten (10) years, plus
- (iv) Three and a half (3.5) months' salary for each completed year in excess of Twenty (20) years, plus
- (v) Three (3) months in lieu of notice to terminate employment, plus
- (vi) Repatriation Allowance

38.0 NORMAL RETIREMENT BENEFIT

Employees who retire upon reaching the age of Sixty (60) would be entitled to the following:

- (i) Twenty (20) months' salary across the board for employees who have clocked Ten (10) years of service and above the monthly salary referred to shall be the salary at the time of separation. plus,
- (ii) Three (3) months' salary across the board for employees who have clocked less than Ten (10) years of service and the monthly salary referred to shall be the salary at the time of separation. plus,
- (iii) Repatriation Allowance.

39.0 REPATRIATION BENEFIT

All employees on Early Retirement, Normal Retirement or Medical Discharge and immediate families of the deceased will be repatriated. Repatriation shall be conducted by renowned removal firms by the Company at full cost.

- (i) Those opting for cash, the Company shall pay a lump sum of Kwacha Six Thousand (K 6,000.00)

40.0 STAFF PENSION FUND

- (i) All employees as defined in the following sub-section shall be required to join the ZSIC Staff Pension Scheme.
- (ii) Employees shall be eligible for membership of the Staff Pension Fund if he or she;
 - (a) has been confirmed in his/her appointment.

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- (b) is not serving on a temporary basis.
 - (c) is not older than Forty five (45) years.
 - (d) the normal retiring age of employees shall be Fifty five (55) years.
- (iii) Employees who separate from the Company for any reason whatsoever shall receive their pension benefits in accordance with Scheme rules and as guided by the Pensions Insurance Authority (PIA).
- (iv) Management will help in transferring the employee's contributions for those who opt to request for it, to their new employers on resignation.

41.0 GROUP LIFE ASSURANCE BENEFITS (GLA)

In line with the provisions of the Group Life Assurance Scheme administered by the ZSIC Life Limited, the death benefit to the beneficiaries of the estate shall be Three (3) times the employee's Annual salary.

42.0 GROUP PERSONAL ACCIDENT (GPA)

All employees shall be entitled to Group Personal Accident cover at Five (5) times of each employee's annual basic salary. This cover shall be non contributory.

43.0 NATIONAL PENSION SCHEME AUTHORITY (NAPSA)

In accordance with statutory regulations, membership of the National Pension Scheme Authority is compulsory for all employees. Contributions to this Fund shall be as of then obtaining or as amended from time to time.

44.0 CHRISTMAS GIFT

Management at their discretion, but in consultation with the Union, shall consider paying a Christmas Gift. (Discretion shall mean that Management shall have the final decision)

45.0 GENERAL SALARY INCREMENT

- (i) A general salary increment shall be negotiated for annually. All eligible employees of the ZSIC Life Limited shall receive a general salary increment of K 533.00 on the basic pay, effective 1st January 2017.
- (ii) In addition to the general increments so awarded, employees shall be awarded increments based on individual performance appraisals.
- (iii) **Cost of Living Allowance** - All eligible employees of the ZSIC Life Limited shall be paid a Cost of Living Allowance amounting to K 1, 650.00 gross per month, effective 1st January 2017. The Cost of Living Allowance shall;
 - (a) be retained as a separate item on the employee's pay slip,
 - (b) not be merged to the employee salary,
 - (c) not be a focus of negotiation in 2017 and
 - (d) not be part of the wage opener in 2017

Collective Agreement – 1st Jan 2017 to 31st Dec 2018

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46.0 WAGE OPENER

It is further agreed that the following items will be discussed and negotiated upon, annually:-

- (i) Basic Pay
- (ii) Funeral Grant
- (iii) Travel on Leave Allowance
- (iv) Normal Retirement Benefits

47.0 DISCIPLINE AND GRIEVANCE PROCEDURE CODE

The Union acknowledges that it is the function of the employer to maintain order, discipline and efficiency and to discharge, suspend or penalize employees for proper cause in accordance with the ZSIC Life Limited Disciplinary & Grievance Procedure Code.

The ZSIC Life Limited Disciplinary & Grievance Procedure Code in force shall be read together with this Collective agreement and will form an appendix. (APPENDIX C)

48.0 INTERPRETATION

The provision of these conditions shall in all cases and in all respects be interpreted in accordance with the Laws of the Republic of Zambia. Disputes or differences which arise at any time hereafter between the parties hereto shall be settled in accordance with the Laws of the Republic of Zambia.

49.0 DATE AND VALIDITY OF THE AGREEMENT

The Agreement shall remain in force for a period of Two (2) years, commencing 1st January 2017 to 31st December 2018.

The Agreement may be amended by mutual consent of the parties and shall remain in force, unless:

- (i) Cancelled by mutual agreement or
- (ii) Terminated by either party by giving Three (3) months notice.

50.0 APPENDIX

The following documents will form part of this Collective Agreement and whenever they are being interpreted, will be read as one;

- (i) Salary Structure (APPENDIX A)
- (ii) Job Grading Structure (APPENDIX B)
- (iii) Disciplinary and Grievance Procedure Code. (APPENDIX C)
- (iv) Human Resources policies such as Workplace Wellness Policy, Training & development Policy, Recruitment Policy etc.

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In **WITNESS whereof** the parties have set their hands at Lusaka on this 09 day of May Two Thousand and Seventeen (2017) in the presence of the subscribing witnesses.


**FOR AND ON BEHALF OF THE
ZSIC LIFE LIMITED**


Peter Lukwesa
Managing Director

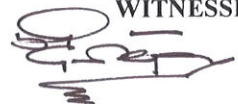
**FOR AND ON BEHALF OF THE
ZAMBIA UNION OF FINANCIAL
INSTITUTIONS AND ALLIED
WORKERS**



Msiska Chingati
ZUFIAW Secretary General

WITNESSES



Fackson Ngulube
Director-Group Risk and Pension
Business


WITNESSES

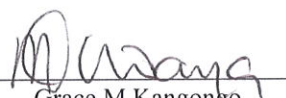

Mutelo Mabenga
Deputy General Secretary-Finance &
Investments


Mwiya.S.Mondwa
Acting Director-Finance and
Administration


Chabakola Kasukumya
Branch Chairperson - Lusaka


Mwewa Kyamulanda
Director-Treasury and Investments


Richard Ntebetela
Branch Representative -Kitwe


Grace.M.Kangongo
Director-Technical Services and
Actuarial


Chisenga Kubaya
Branch Secretary - Ndola

