

- * medical expenses of upto US\$ 10,000.
- * loss of money insurance of upto US\$ 1,000.
- * personal liability insurance of upto US\$ 500,000.
- * loss or destruction of or damage to baggage of upto US\$ 1,000.
- * funeral and repatriation expenses of upto US\$ 350.

31.3 These group travel benefits also apply to Family members of the Employee including spouse and children (excluding children over age 16 years) and parents, whilst officially accompanying the Employee on business duty-travel at the specific and prior request of the Company.

32. ***Workmen's Compensation.***—

32.1 All locally employed Employees have the benefit of the statutory “Workmen’s Compensation Ordinance”, subject to the terms and conditions and exclusions specified in the Ordinance.

32.2 However, where any payments are made to an Employee under the terms and conditions of the Workmen’s Compensation Ordinance, then such payments will be deducted from any other payments due from the Company under other benefits and insurance policies described in sections 28-29 inclusive of this Agreement.

33. ***Staff Travel Benefits and Concessions.***—

33.1 All Cabin Crew shall be entitled to Privilege travel sub-load tickets on the basis of one set of FoC (free-of-charge) for Employees and qualifying dependents per annum.

33.2 All Cabin Crew shall be entitled to concessional travel sub-load tickets on the basis of ID90s for Employee and their registered dependents

33.3 A set of tickets is defined for an Employee as:

- * For a single Employee it means the Employee plus two dependants,
- * For a married Employee it means Employee plus three dependants.

33.4 The standard list of qualifying dependants is:

- * Spouse,
- * Children (under age 21, or under age 23 if still undergoing full-time education),
- * Parents,
- * Brothers or Sisters (under age 21 and not in full-time employment).

33.5 A detailed staff travel policy document has been circulated to all divisions and departments of the Company.

34. ***Future Promotions.***—

34.1 It is intended that all future promotions will be job related subject to job vacancies, and selections of the person to be promoted will be based upon an appropriate combination of factors including seniority, qualifications, merit, performance, and job requirements. This principle is accepted by all parties.

34.2 If an Employee is promoted or upgraded to the next higher grade, the Employee will receive an increase of 4.0% on their existing monthly basic salary. However, if after this 4.0% increase the resulting basic salary is still lower than the minimum of the salary scale for the new grade, then the basic salary shall be further increased to that minimum level.

34.3 In order for an Employee to be considered for upgrade or promotion to a higher grade, then the minimum job requirements of that higher grade must be met in keeping with the promotion and recruitment procedures of the Company. Any such upgrades or promotions are subject to budget and/or operational requirements and availability of vacancies.

34.4 The check reports that are currently being will be revised and updated to suit the current performance standards.

34.5 Until such time the recruitment policy of the Company (which is currently under preparation) is published, the interview panels to consist of the following:

- * Representative from HR at grade 9 or above,
- * Manager Inflight Service Delivery,
- * An independent grade 9 or above manager from another department.

The Policy should include the above representation.

This would apply in relation to selection interviews for internal promotions in respect of all cabin crew positions.

A copy of the recruitment policy will be provided to the FAU, once developed.

35. Training.–

- 35.1 The Company will endeavour to ensure that all Employees are adequately and properly trained to perform all of their required job functions.
- 35.2 In addition, the Company will provide training opportunities wherever possible and operationally practical for career advancement. The philosophy of the company is to give preference to internal candidates for promotional vacancies.
- 35.3 The selection of an Employee to attend a training course will be based upon an appropriate combination of factors including seniority, qualifications, merit, performance, current job requirements and future job/career requirements.
- 35.4 Training programmes will be published for a period of 14 days, prior to the training programme. In the event there is less than 14 days, Inflight Management will endeavour to inform all cabin crew members of the relevant category who are present in Colombo, by inserting necessary documents into their lockers, using notice boards and the crew web. In the event there are more candidates than the available slots, there after adhere to 35.3.
- 35.5 All existing applicable bonding policies of the Company will continue to apply to all Cabin crew.

36. Bonding.–

- 36.1 At the discretion of the Company, if an Employee is trained by the Company then they may be required to enter into a bonding agreement which states, amongst other things, that they remain in the service of the Company for a stipulated period of time. The Employee may be asked to provide up to two guarantors to this bonding agreement.
- 36.2 If an Employee is dismissed from service or resigns during the subsequent bonded period as specified in the bonding agreement, then the Employee or their guarantors will be liable to pay liquidated damages to the Company within 14 days of termination of employment.
- 36.3 If an Employee who has been dismissed or has resigned is subsequently unable to pay liquidated damages then there will be a surcharge by way of interest at the rate of 30% compound per annum for the period during which the sum due under the bonding agreement remains unpaid.

37. Disciplinary Inquiry Procedure.–

All Cabin Crew will be governed by the Disciplinary Procedure of the Company. The Company shall endeavour to complete all disciplinary inquiries within a period of 3 months from the serving of the charge-sheet. This time-limit shall not apply to cases of fraud and such matters which need to be investigated by outside agencies, departments and such like.

A crew member will not be taken off flying duties unless he/she has been served with a charge sheet. All punishments meted to Cabin crew shall be in keeping with the Company Disciplinary Procedure.

38. Grievance and Dispute Procedure.– In the event of any general dispute or general grievance between an Employee or Employees and the Company arising from the CBA document, the following procedure shall be followed for the settlement of such general dispute, or in resolving such general grievance.

- (a) The Employee (or a representative from the FAU) should normally, in the first instance, discuss the dispute or grievance with their immediate Manager or in their absence the Manager Inflight Service Delivery who will arrive at a satisfactory solution in respect of the grievance or dispute within a period of 14 days from the date of initial discussion. The outcome of the said discussion should be communicated in writing to the FAU and /or to the employee within the said period of 14 days.

- (b) If the grievance or dispute is not satisfactorily resolved, to the satisfaction of the employee, then the Employee (or a representative from the FAU) may discuss the matter with the Manager Inflight Service Delivery, and parties will endeavour to arrive at a satisfactory solution in respect of the grievance or dispute within a period of 07 days. The outcome of the said discussion should be communicated in writing to the FAU and/or to the employee within the said period of 07 days.
- (c) In the event of a grievance or dispute not being resolved at the level of the Manager Inflight Service Delivery, the issue in dispute will then be discussed by the Employee (or a representative from the FAU) with the Head of Human Resources (or his representative), and parties will endeavour to arrive at a satisfactory solution in respect of the grievance or dispute within a period of 07 days. The outcome of the said discussion should be communicated in writing to the FAU and/or to the employee within the said period of 07 days.
- (d) The Company shall at all times (in the meetings mentioned in a, b and c) be represented by a person/s who will be vested with authority to take action and/or decision in relation to the matter in dispute.
- (e) If no satisfactory solution is arrived at, after following the steps outlined above then the issue in dispute will be discussed with the Senior Management. At such discussion, the number of representatives on each side shall not exceed four (4). The Head of Human Resources will arrange such discussions within three (3) days of a request made by the FAU. The Senior Management having regard to the outcome vested in them will arrive at a satisfactory solution in respect of the grievance or dispute within a period of 07 days. The outcome of the said discussion shall be communicated in writing to the FAU and/or to the employee within the said period of 07 days.
- (f) The FAU representation, which wishes to discuss any matter with the Head of Human Resources, will do so only by prior appointment save and except where the matter is very urgent.
- (g) The Company when informing the Employee or the representative of the FAU with regard to the decision or the steps taken in relation to the matter in dispute will at all times material inform the FAU or the Employee concerned in respect of the steps taken to resolve the matter in dispute in its entirety or in part.
- (h) Both parties do hereby agree that steps set out in the above paragraphs shall be concluded within 45 days of the Grievance/ dispute being raised and the said period of 45 days shall be considered a mandatory period to be followed.
- (i) Both parties do hereby agree that in the event the matter in dispute remaining unresolved even after affecting the steps set out in paragraphs (a) – (e) by consensus the said matter shall be by mutual consent, be referred to voluntary Arbitration in terms of section 3 (1) d of the Industrial Disputes Act for Settlement. The FAU retains the right to be represented by an attorney at law at such arbitration proceedings.
- (j) If both parties agree to arbitration they shall agree on a statement of the matter in dispute and if there is no agreement on such statement they shall request the Commissioner of Labour to determine the statement of the matter in dispute after affording the parties an opportunity to state their case in regard to the statement of the matter in dispute. If the parties are unable to jointly nominate an Arbitrator he shall be nominated by the Commissioner of Labour.
- (k) An award made by an Arbitrator in a voluntary arbitration referred in sub-section (i) above hereby shall be final and binding on the parties, save and except on the grounds that the finding is perverse or not consistent with the available evidence.
- (l) The above provisions will not preclude either part from seeking relief in a civil court even without any reference to what is set out in paragraphs (a) – (k).

39. *Signatures of Agreement.*–

39.1 This settlement is signed in Colombo on 3rd September 2004 and witnessed as follows:

39.2

For and on behalf of the Company:

For and on behalf of the Union:

MR. PETER HILL
Chief Executive Officer

MR. PRIMAL DE SILVA
President

MR. SUNIL DISSANAYAKE
Head of Human Resources

MS. JANICE JOACHIM
General Secretary

APPENDIX 'A'

COMPANY PROPOSAL ON SINGLE ROOMS

Reference is made to Para 13.6 of the Collective Agreement. In respect of Provision of single rooms for C3 category, it was decided at the meeting held on 23 August '04 between the FAU and Management to appoint a joint committee comprising of three FAU executive committee members, a management representative each from Inflight Department and Human Resources Division, who would be Manager Inflight Service Delivery and HR Systems and Administration Manager (Total of five members). The objective of this committee is to provide single rooms to Cabin Crew members who are in C3 grade at a cost not exceeding USD 405,000 for the period 01/03/2005 - 31/05/2007. This would be in addition to the budget allocations for Cabin Crew accommodation, for the said period.

The joint committee is appointed only for the above specific purpose and in is addition to the HOTAC Committee stated in Para 13.6.

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My No.: CI/1075

THE INDUSTRIAL DISPUTES ACT, CHAPTER 131

The Collective Agreement entered into between Habib Bank Limited, Habib Bank Plaza 1. 1. Chundrigar Road, Karachi 21 and Local Office at No. 140 - 142, 2nd Crose Street, Colombo 11 of the one part and Ceylon Bank Employees' Union, No. 20, Temple Road, Colombo 10 of the other part on 20th October, 2004 is hereby published in terms of Section 6 of the Industrial Disputes Act, Chapter 131, Legislative Enactments of Ceylon (Revised Edition 1956).

MAHINDA MADIHAHEWA,
Commissioner General of Labour.

Department of Labour
Labour Secretariat,
Colombo 05.
17 December, 2004.

Collective Agreement No. 41 of 2004

This Collective Agreement made this 20th day of October Two Thousand and Four Between *Habib Bank Limited*, a Bank incorporated in Pakistan and having its registered Office at Habib Bank Plaza 1.1. Chundrigar Road, Karachi 21 and approved main place of business at No. 140-142, 2nd Cross Street, Colombo 11, in the republic of Sri Lanka (hereinafter referred to as "*the Bank*") and the *Ceylon Bank Employees' Union*, a duly registered trade union in Sri Lanka having its registered Office at No. 20, Temple Road, Colombo 10, Sri Lanka (hereinafter referred to as "*the Union*").

TITLE.- This Agreement will be known and referred to as the "*Habib Bank Officers' Collective Agreement of 2003*"

WHEREAS the Union made demands for a revision of terms and conditions of employment of the Officer Grades in the Bank and after negotiations the parties in a spirit of goodwill to ensure cooperation between themselves and to guarantee an effective and productive work environment have agreed as follows:

1. **Parties Covered and Bound.**— This Agreement shall cover and bind the Bank, the Union and all members of the Union employed in the following grades:

- * Junior Officer
- * Officer Grade IV
- * Officer Grade III
- * Officer Grade II

in the Bank and hereinafter referred to as “the Employees”.

2. **Duration.**— (a) This Collective Agreement shall operate and bind parties for a period of three (3) years commencing 1st April 2003.

(b) Provided however that during the period of this Collective Agreement the salaries of the Clerical Grades in the Bank are revised as a result of a revision of the Commercial Banks’ Collective Agreement of 2003 the Union shall be entitled to make a request from the Bank for a revision of salaries of the employees covered by this Agreement and the Bank shall discuss such request with the Union with a view to reaching a mutually acceptable settlement.

3. **Earlier Agreement.**— The provisions of this Agreement shall supersede and replace the provisions of the Collective Agreement entered into between the Bank and its Officer Grade employees on 22.08.2000 and the provisions of that Agreement shall stand terminated with effect from 1st April 2003.

4. **General Terms & Conditions of Employment.**— The terms and conditions of this Agreement shall subject as herein provided be deemed to be included in each contract of service whether oral or written between the Bank and each Officer covered and bound by this Agreement which are subsisting as at the date hereof or which come into being during the continuance in force of this Agreement and which are not inconsistent with the terms and conditions contained in this Agreement.

5. **Immediate Increase and Conversion to Salary Scales.**— Every employee in employment as at the date of this Agreement shall receive the following monetary benefits and salary increases.

- (i) A sum equal to 10% of the gross salary (salary plus cost of living allowance) payable to an employee as at March 2003 shall be added to the salary of an employee as at such time
- (ii) To the sum arrived at in terms of sub-clause (i) above, a sum equal to Rs. 1,375 to represent the difference between the CCPI Index of 1900.0 and 2400.0 (the point at which the salary scales set out in Schedule I have been consolidated) shall be added.
- (iii) To the sum arrived at in terms of sub clause (ii) above. Rs. 100.- shall be added on account of the married allowance hitherto payable, which thereafter shall stand withdrawn and, each employee shall be placed on the corresponding point in the category and grade applicable to him on the salary scales in Schedule I, or if there is no such corresponding point, on the next higher point on the said scale.
- (iv) Every employee in employment as at the date of this Agreement shall also receive a further 5% increase calculated on the gross salary as at 31st March 2003 with effect from the 1st April 2004, and thereafter placed on the appropriate point on the scale in Schedule I at the corresponding Rupee point or if there is no such corresponding point, on the next higher point of the said scale.
- (v) Every employee in employment as at the date of this Agreement shall also receive a Further 9% increase calculated on the gross salary as at 31st March 2003 with effect from the 1st April 2005 and thereafter placed on the appropriate point on the scale set out in Schedule I at the corresponding Rupee point or if there is no such corresponding point, on the next higher point of the said scale.

6. **Cost of Living Allowance.**— The Bank shall pay a monthly Cost of Living Allowance to employees with effect from 01.04.2003 at Rupees Two Seventy Five (Rs 2.75) per point increase in the Colombo Consumers’ Price Index beyond the base index figure of 2400.

7. **Gas & Electricity Allowance.**— The Bank shall pay a Gas and Electricity Allowance to employees as follows :

- | | | |
|------------------------|---|----------------------|
| * Junior Officer | - | Rs. 3,250 per mensem |
| * Officer Grade IV | - | Rs. 3,750 per mensem |
| * Officer Grade III/II | - | Rs. 4,250 per mensem |