

medical examinations, interviews and written tests to assess among other things the knowledge of written/spoken language as appropriate in such manner as shall be determined by the Banks.

- (iii) Any labourer promoted in the manner specified above will be required to serve a period of probation of twelve months which may be extended by the Banks for a further period of up to six months during which, or at the end of which, if the performance of such labourer is found to be unsatisfactory, the Banks may at their discretion revert such peon to his earlier position and salary.
- (iv) The basic salary payable to any labourer promoted in the manner specified above shall be the nearest highest point in the Peon Salary Scale in relation to his basic salary received at such time as a labourer, which will result in an increase of not less than the value of two increments on the labourer scale. Provided further that such promotee shall *not* be placed at Grade II of the salary scale unless he has completed a minimum period of four years on Grade I on the Peon Salary Scale.
- (v) Any labourer who conforms to the above requirements shall be promoted if there are vacancies.
- (vi) The decision of the Banks in respect of selection for promotion shall be final and conclusive.

(c) Where the Union is dissatisfied with regard to a non-promotion concerning minor staff, it is agreed that the Bank concerned would discuss the issue in the Monitoring Committee to be set up under this Collective Agreement.

16. Provident Fund - RATE OF CONTRIBUTION.- The rates of contribution to the Provident Fund by the Banks shall be:

Bank's contribution	...	12% (twelve per cent) of salary
Employee's contribution	...	8% (eight per cent) of salary

Provident Fund contributions shall be on the consolidated salary referred to at Clause 5 hereof and the amount paid for that month as cost of living allowance subject to the Rules of the Provident Fund.

(b) INTEREST ON PROVIDENT FUND CONTRIBUTIONS HELD BY BANKS.- Where Provident Fund monies are invested in the Banks, the Banks shall continue to pay the rate of interest paid on 12 months' fixed deposits for a sum of Rs. 100,000/- published by the N.S.B. prevailing as at the 1st January for the first half of the year and on the rate prevailing on the 1st July for the second half of the year on the net Provident Fund monies invested at the Bank.

(c) DEFICIENCY IN BANK'S CONTRIBUTIONS TO PROVIDENT FUND TO AN EMPLOYEE NOT ENTITLED TO A PENSION.- Where an employee shall cease to be employed by the Banks in circumstances which do not entitle him to a pension or payment in lieu of pension as the case may be, such employee shall be entitled to the difference between the Bank's contributions made to the Fund during his period of service and the employer's minimum rate of contribution he would have been entitled to, in terms of the Employees' Provident Fund Act and its amendments from time to time as a contribution to the Fund by the employer on behalf of such employee. Such deficiency will be the difference between the following minimum rates of contribution under the Act and 10% of basic salary actually contributed by the Banks up to 31st March 1992.

From 1.1.71 to 31.12.80	...	9% of gross salary
From 1.1.81 onwards	...	12% of gross salary

Prior to 31.12.70 the employer's minimum rate of contribution was 6% of total earnings (gross salary) which was less than 10% of basic salary and therefore no deficiency arises.

17. Terminal Benefits - (a) PENSIONS.- An employee shall, upon reaching the retirement age of the Bank and who is in the permanent employment of the Bank at such time, and shall have completed not less than 10 years of actual continuous service (excluding absence/leave without pay), be entitled to a monthly pension computed on the following basis:

$$\frac{\text{No. of completed years Service (max. 35 years) plus 5}}{\text{Retirement age of the Bank}} \times \text{Monthly salary Service payable in the month of retirement} + \text{COLA}$$

(b) PREMATURE RETIREMENT ON MEDICAL GROUNDS/DISABILITY.- An employee who is found to be unable to continue to perform his duties as a result of infirmity/disability, as certified by the Bank's Doctor/Medical Specialist/Government Medical Board, and who is in the permanent employment of the Bank at such time, and shall have completed not less than 10 years of actual continuous service (excluding absence/leave without pay) shall be entitled to a pension computed on the same basis referred to at clause 17(a) above. Provided, however, that where an employee is entitled to compensation by the Bank under any laws in force at the time or an Award of Court, such employee shall only

be entitled to a pension or such compensation as opted by him, but not to both. Provided further that in the case of an employee whose premature retirement occurred in consequence of an accident which entitled him to compensation, the pre-acceptance of pension as provided herein will not restrict the right of such employee in subsequently claiming any balance compensation under any written law.

(c) LUMP SUM GRATUITY IN LIEU OF PENSION RIGHTS.— An employee who is entitled to receive a pension in terms of (a) or (b) above may at his discretion opt for the payment of a lump sum gratuity in lieu of his pension and any other payments arising therefrom. The payment will be computed on the following basis:

$$\text{No. of completed years Service (max. 35 years) plus 5} \quad \times \quad \text{1 month's salary plus 1 month's Cost of Living Allowance calculated for the month of retirement}$$

The above payment shall constitute a settlement in full and final satisfaction of all claims against the Bank on account of the cessation of employment in respect of gratuity, pension, deficiency, if any, in the Bank's contribution to Provident Fund to an employee not paid a pension in terms of Clause 17.

(d) DEATH GRATUITY.— On the death of an employee who has been confirmed and is in the permanent employment of the Bank, the Banks will make a compassionate payment of two months gross salary for each year of completed service subject to a minimum of nine months' gross salary to the legitimate dependents of the deceased employee, as may be determined by the Bank at its sole discretion on the basis of information supplied to them. In the case of the death of an employee who is not confirmed in employment the amount payable will be 50% of that payable to a confirmed employee provided that in the case of an employee who has not been confirmed consequent upon a promotion to a higher grade, the gratuity payable will be calculated as in the case of a confirmed employee. The gross salary for this purpose shall be the last drawn salary plus Cost of Living Allowance.

Provided, however, that in the event of death arising out of and in the course of employment, the dependents shall be entitled to and receive either the death gratuity referred to herein or payment by way of compensation under any laws in force at the time on account of Employee's Compensation or under any other law or an Award of Court, whichever is higher. Provided further that in the case of an employee whose death occurred in consequence, the pre-acceptance of death gratuity as provided herein shall not restrict the right of such dependents in subsequently claiming any balance compensation due to them under any written law.

(e) GRATUITY ON RESIGNATION/TERMINATION PRIOR TO RETIREMENT.— An employee shall, upon resignation/termination of employment prior to retirement in circumstances which do not entitle him to the terminal benefits referred to at the aforementioned Clauses (a), (b), (c) and (d) be entitled to a gratuity computed in terms of the Payment of Gratuity Act (1983), which shall be paid within 30 days of the cessation of employment.

The salary for this purpose shall comprise the salary referred to at Clause 5 and the Cost of Living Allowance referred to at Clause 7(a) hereof.

(f) Completed years of actual service shall include only actual continuous service worked excluding absence/leave without pay, but subject to the provisions of the Payment of Gratuity Act (1983) and Clause 20 thereof.

(g) COMMUTED PENSION.— (i) At the option of the employee at the time of retirement on or after 1st April 2003, 25% of the monthly pension into 120 will be paid to employees who are entitled to a pension, who do not opt for a lump sum payment as provided for in the agreement and who opt for such commuted pension.

(ii) Where an employee commutes his monthly pension in the manner aforesaid, the monthly pension payable to him during the first ten years of retirement will be 75% of the monthly pension he would have been entitled to at the time of retirement if he had not so commuted his pension. After the expiry of the said ten years the amount of the monthly pension so commuted will be restored and added to the monthly pension then being paid.

18. **Medical Scheme.**—(i) REIMBURSEMENT OF MEDICAL EXPENSES FOR NON-HOSPITALISATION EXPENSES

With effect from 2004, the Banks will reimburse an employee up to a maximum of Rs. 8,000/- per annum in respect of medical expenditure incurred by him on his own behalf, on behalf of his spouse or unmarried legitimate children under the age of 18 in respect of routine non-hospitalisation/non-surgical and specialist treatment, and subject to the following:

- (a) All medical claims shall be supported by valid and relevant prescriptions, bills and receipts,
- (b) Prescriptions or Doctor's bills are from a Registered Medical Practitioner,
- (c) The unutilised portion of the allocation for the year could be utilised during a period of three years subject to valid bills being submitted as aforesaid.

(ii) SPECIAL NON-HOSPITALISATION AND NON-SURGICAL EXPENDITURE.– The Bank will reimburse an employee on a non-cumulative basis a further sum up to a maximum of Rs. 4,500/- per annum on account of special non-hospitalisation and non-surgical expenses covering the following items only incurred on behalf of the employee and not on behalf of his family members:

- (a) Spectacles,
- (b) Dentures,
- (c) Hearing Aids.

Subject to valid documentation as in the case of (i) above and subject to the proviso that no claim is made in relation to any particular item more than once in three years and in the case of spectacles it must be supported by a prescription from a Medical Eye Specialist.

(iii) SURGICAL AND HOSPITALISATION EXPENDITURE.– Employees will be reimbursed on account of surgical and hospitalisation (whether Government or Private) expenses incurred on behalf of the employee, his spouse and unmarried legitimate children under 18 years of age, subject to the production of valid documentation covering every claim or expenditure, up to the following limits per annum:

- (a) Hospital or Nursing Room Charges:

Daily Limit	...	Rs. 1,500/-
Government Hospital Allowance	...	Rs. 750/-
- (b) Emergency Treatment Travel expenses (maximum) ... Rs. 1,200/-
 - * The rate is Rs 25/- per kilometer
- (c) Overall Limit for any one event ... Rs. 65,000/-
- (d) Overall limit for any one year ... Rs. 75,000/-

Provided however that in the case of a recurrent illness, i.e., of the same kind, the Bank will make payment on this account only once in a period of three years.

The rate given above will be effective from February 2004.

The Second Schedule hereto sets out the terms on which reimbursement of medical expenditure will be effected.

(iv) MATERNITY GRANT.–

- (a) With effect from the date hereof an employee who is married will be entitled to a grant of Rs. 7,500/- in respect of each of two births of children. If both spouses are employed in the Bank only one shall be entitled to this grant.
- (b) In the case of reimbursement under surgical and hospitalization expenses, the maximum deduction for normal child birth shall be Rs. 7,500/-.

19. **Retirement.**– (a) The age of retirement shall be 55 years, or any other age mutually agreed to between the Banks and its employees, and on reaching the age of 55, or any other age mutually agreed upon, an employee shall *ipso facto* retire and cease to be employed by the Banks and there shall be no obligation on the Banks to give such employee any notice of such retirement.

(b) An employee may also be retired and be eligible for retirement benefits if he is not less than 50 years and has 10 or more years of service, subject to mutual agreement between the employee, his Union and the employer that he should be given such concession and subject to the condition that the refusal by any party to agree to such premature retirement shall not constitute an industrial dispute.

20. **Bonus.**– Without prejudice to the claim of the Banks that bonus payments are exgratia, the Banks will each year pay to every employee covered by this Agreement a bonus of two months' salary as drawn by such employee for the month of December in respect of one complete year of service meaning January to December and proportionately for service less than one year at the rate of one-twelfth of such entitlement in respect of each complete month of service. The salary for this purpose shall include the cost of living allowance payable for that month.

21. **Probation.**– Every employee recruited by the Banks will serve a period of nine months probation subject to the right of the Banks to extend the period of probation by a period of three months.

22. **Release of Parent Union Office Bearers.**— Office bearers of the Union shall be released for Union work without payment of any salary, allowance or any other payment of whatever nature on the following basis:

- (a) The total number of Office Bearers so released shall not exceed one,
- (b) No employee shall be released for more than two years on a single occasion during a period of six years,
- (c) On resumption of work by an Office Bearer who has been released for Union work, he shall receive incremental credit for the period of his absence from work and such absence shall not affect his rights under Clause 17 hereof.

23. **Concessions to Branch Union Office Bearers and General Councillors.**— (a) The Banks shall at their discretion permit the release of not more than two Branch Union Office Bearers at any one given occasion without loss of pay exclusively to enable such Branch Union Office Bearers to be present at inquiries before the Labour Department, Labour Tribunal, Arbitrations, Industrial Courts, and with their respective Bank Managements – Exclusively on matters pertaining to the Banks.

(b) It is agreed that Central Committee Members (General Council) of the Union will be permitted to leave at 12.30 p.m. on 12 days in a year for meetings. In the case of outstation General Council Members, they would be permitted leave for the whole day for 12 General Council Meetings in a year.

(c) It is agreed that a day's paid leave shall be granted on two occasions per year to General Councillors to attend Parent Union General Council Meetings.

(d) It is agreed that Executive Committee members will be released at 3.00 p.m. for meetings of the Executive Committee of the Union. These meetings will not usually be more than on a monthly basis.

24. **Special Leave to Visit Outstation Branches.**— The Banks shall permit office bearers of the Union employed by the Banks paid leave to visit outstation branches calculated on the basis of a day's leave available for each such branch, i.e., if there are X branches the total number of days paid leave available shall also be X. For this purpose an outstation Branch is one situated more than 30 miles from Colombo.

25. **Overtime.**— (a) If required by his employer an employee shall work reasonable overtime which has been authorised by the employer, subject to the provisions of any law for the time being in force.

(b) Overtime work shall be remunerated in accordance with the provisions of the Shop and Office Employees Act.

26. **Annual, Medical and Casual Leave.**— (a) ANNUAL LEAVE

(i) **ENTITLEMENT.**— In respect of each year of employment (which means the period January to December) during which an employee has been in continuous employment he shall be entitled to take in the following year 21 working days paid leave. He shall avail himself of at least 7 days out of the 21 days on successive days and shall in respect of each year avail himself of not less than 14 days out of the said 21 working days.

(ii) At the end of the first year of employment the employee qualifies for proportionate leave as follows:

- (a) The full annual holiday of 21 days if his employment commence on or after 1st January but before 1st April,
- (b) A holiday of 15 days if his employment commenced on or after 1st April but before 1st July,
- (c) A holiday of 11 days if his employment commenced on or after 1st July but before 1st October, and
- (d) A holiday of 6 days if his employment commenced on or after 1st October.

(iii) **AVAILMENT.**— The availment of all annual leave shall be by prior authorisation of the Banks upon the employee's application, given sufficient notice to the Banks, so as to ensure availment at times mutually convenient.

(iv) **ACCUMULATION.**— Annual leave may be accumulated by an employee exclusively for the following purposes:

- (a) For availment in full, immediately preceding retirement by mutual arrangement with the Banks,
- (b) For the purpose of attending on a family member who is seriously ill,
- (c) For travel abroad for which purpose one month's prior notice shall be given,
- (d) For marriage of the employee,
- (e) Prolonged illness of the employee,
- (f) On account of the death of a family member provided that the employee has exhausted his current year's leave,
- (g) For purposes of nursing third and fourth children beyond the Maternity Leave entitlement.