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The Gazette of the Democratic Socialist Republic of Sri Lanka
EXTRAORDINARY

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No. 2125/50 - THURSDAY, MAY 30, 2019

(Published by Authority)

PART I : SECTION (I) — GENERAL

Government Notifications

My No: CI/1260

Collective Agreement No. 34 of 2018

THE INDUSTRIAL DISPUTES ACT, CHAPTER 131

THE Collective Agreement entered into between Hatton National Bank PLC, No. 479, T.B. Jayah Mawatha, Colombo 10 of the one part and the Ceylon Bank Employees Union, No. 20, Temple Road, Colombo 10 of the other part on 12th October 2018 is hereby published in terms of Section 06 of the Industrial Disputes Act, Chapter 131, of the Legislative Enactments of Ceylon (Revised Edition 1956)

A. WIMALAWEERA,
Commissioner General of Labour.

Department of Labour,
Labour Secretariat,
Colombo 05,
21st May, 2019.

THIS Collective Agreement made this 12th day of October 2018 between Hatton National Bank PLC, a Bank duly registered in Sri Lanka and having its registered office at 479, T.B. Jayah Mawatha, Colombo 10 (hereinafter referred to as “the Bank”)

*of the one Part
and*

The Ceylon Bank Employees’ Union, a Trade Union duly registered in Sri Lanka and having its registered office at 20, Temple Road, Colombo 10, (hereinafter referred to as “the Union”)

of the Other Part

Whereas the Union made demands for re-negotiation of the Collective Agreement entered into on 11th November 2015 which came into effect on 1st April 2015 and subsequent to negotiations between the Bank and the Union,



agreement has now been reached between the said two parties for the purpose of ensuring better employee terms and conditions, cooperation between the Bank, the UNION and the employees and maintaining an efficient and productive working environment, the matters agreed upon are set out hereunder;

1. Parties to be covered and bound

This Agreement shall cover and bind Hatton National Bank PLC (the Bank), the Ceylon Bank Employees Union (the Union) and members of the Union employed on monthly contracts of employment by the Bank and who are presently employed in any of the categories mentioned in the First Schedule hereto (hereinafter referred to as the employees). This Agreement shall not cover and bind any employee who is an officer, staff officer, secretary, executive or any other staff on special rates of pay.

2. Date of Operation and Duration

This Agreement shall come into force on the 1st April 2018 and shall continue until either party terminates it by written notice in terms of the Industrial Disputes Act but no such notice shall be given before the 31st March 2021. The Union shall, however, have the right to commence negotiations for a revised Collective Agreement at any time on or after 1st July 2020.

3. Earlier Agreements

This Agreement shall supercede any other Collective Agreement entered into or binding on the parties hereto and such earlier Agreements shall stand repudiated in respect of the parties hereto.

4. Matters Covered and Bound

- (a) This agreement shall be in full and final settlement of all matters covered herein as well as of all the matters raised by the Union and in respect of which negotiations took place between the parties before the conclusion of this Agreement and the Union agrees that it will not during the continuance in force of this Agreement raise any of the matters which were discussed and negotiated between the parties preceding this Agreement except to the extent agreed.
- (b) It is agreed by the parties covered and bound by this Agreement that in relation to present employees they shall not during the continuance in force of this agreement seek to vary, alter or add to all or any of

the terms and conditions of employment or benefits presently applicable or enjoyed as provided for in this agreement other than by mutual agreement.

5. Consolidated Salary

The parties have agreed to consolidate the basic salary and the fixed payment made in lieu of cost of living allowance, to be included in the pay slips of employees and thereafter continue as a consolidated salary with effect from 1st April 2018. Accordingly, an employee covered by this Agreement and in service as at the date of this Agreement shall, from the 1st of April 2018 be placed on the said new consolidated salary. Parties also agree that with effect from the date of this agreement the starting consolidated salary for Bank Associates will be Rs.61,000/- per month and will be applicable during the operational period of this collective agreement.

6. Salaries

For the placement of an employee covered by this agreement on the new consolidated salary with effect from 01.04.2018, the following provisions shall apply.

- i. A sum equal to 4% of the consolidated salary (Salary plus fixed payment made in lieu of cost of living allowance) payable to an employee as at 31st March 2018 shall be added to the salary of an employee as at such time.
- ii. Every employee in employment and covered by this Agreement shall also receive a further 4% increase calculated on the consolidated salary as at 31.03.2019, with effect from 01.04.2019.
- iii. Every employee in employment and covered by this Agreement shall also receive a further 4% increase calculated on the consolidated salary as at 31.03.2020, with effect from 01.04.2020

7. Allowances

(a) Cost of Living Allowance

As referred to in clause 5 above the fixed payment in lieu of Cost of Living Allowance granted to employees will be increased upto Rs. 36,000/- and consolidated with the basic salary with effect from 01st April 2018. Thereafter, the pay-slips of employees will indicate a consolidated salary consisting of the basic salary and the fixed payment made in lieu of cost of living allowance and continue as a consolidated salary.

However, notwithstanding the consolidation, the union may refer to the cost of living allowance in its proposals submitted for the revision of the collective agreement, during future negotiations as referred to in clause 2 of this agreement.

Provided however, in the event of the Department of Census & Statistics publishing a linking factor pertaining to the rate of payment in relation to the Colombo Consumer's Price Index (Base year 2002) and the CCPI (Base year 2006/2007) and if union makes a request for a meeting to discuss the modalities of making this payment in respect of employees who are receiving the payment in lieu of Cost of Living, the Bank would be open to do so.

(b) Cashiers' Risk Allowance and Tellers' Allowance

- i) Where a Cashier is called upon to bear the risk, he shall be paid a monthly allowance of Rs 1,500/-, subject to his having worked at least 5 days in that capacity for a month. If he has worked less than 5 days in that capacity, he shall receive Rs 650/- only.
- ii) Any employee who has to bear the risk of authorising payment of cash against cheques in his capacity as a Teller shall be entitled to a Tellers' Allowance on the under-mentioned formula:
 - a) Where the limit of authorisation is up to Rs. 500,000/-, the daily allowance shall be Rs. 150/- up to a maximum of Rs. 2,250/- per month. Provided, however, that a person will be entitled to the maximum payment if he has worked for not less than 15 days as a Teller, during the month.
- iii) No employee who in the course of a single month has acted both as a cashier and a teller and is eligible for the above allowances shall be entitled to a sum in excess of Rs 2,750/-.
- iv) The Cashiers' Risk Allowance and the Tellers' Allowance will not be included for the purpose of computing consequential benefits.
- v) No person who functions as a Teller shall, in addition, be entitled to the Cashiers' Risk Allowance for the days on which he so functioned as a Teller.
- vi) Insurance claim procedure covering cash shortages as listed in the manual of operations will not be

changed without informing the Union during the tenure of the Collective Agreement.

(c) Disturbance Allowance

An employee called upon to report for work before 7.00 a.m. shall receive Rs 500/- per day, and if required to report before 6.30 a.m. shall receive Rs 750/- per day.

8) Incremental date and Annual Increments

The employees covered and bound by this agreement will be eligible to receive performance based annual increment on the following basis.

Outstanding - 1-1.24 - Achievement above 121%	-Rs. 1,500/-
Exceed Expectation - 1.25-1.74 - Achievement between 106% to 120%	-Rs. 1,000/-
Meet Expectation - 1.75- 2.49 - Achievement between 95% to 105%	-Rs. 800/-
Below Expectation - 2.50 - 3.49 - Achievement between 75% to 94%	-Rs. 500/-
Does not meet expectation- 3.50 - 4.99 - Achievement below 74%	-Rs. 270/-

The annual increments set out above will be granted on 01st July of each year commencing from year 2019. The union shall be engaged in deliberations in the event of any changes to existing performance appraisal scheme and thereafter the new scheme will be informed to the employees.

9) Pension payments to employees who have retired from service

Any employee who has retired from service between 1st April 2018 and the date hereof shall be entitled to his pension calculated on the basis of the salary in terms of clause 6(i) hereof.

10) Promotion to Grade II

Subject to provisions of clauses 11, 12, 13 and 14 hereof, an employee who completes 6 years in Grade I shall automatically be promoted to Grade II in his category, subject to the right of the Bank to defer such promotion for a period of one year by way of punishment for misconduct after an inquiry and an employee so promoted shall receive an increase of Rs.600/- when placed in Grade II.

11) Accelerated Promotion

i) From Grade I to Grade II

Employees who sit for and successfully pass the Institute of Bankers Examination will be considered for placement on Grade II, subject to the conditions

referred to at (a) and (b) hereunder, provided, however, that their past record of overall performance, attendance and conduct as assessed by the Bank justifies such consideration.

- a) On successful completion of examinations leading to the full Associateship of the Chartered Institute of Bankers (London) or the Institute of Bankers of Sri Lanka (DABF) plus three complete years of service with the Bank in which such employee serves, or
- b) On successful completion of the examinations leading to Stage I/Banking Certificate of the Chartered Institute of Bankers (London) or Intermediate Examination of the Institute of Bankers of Sri Lanka (IABF) plus four complete years of service with the Bank in which such employee serves.

12) Promotions from Grade II to III

The following principles shall apply to the promotion of an employee from Grade II to Grade III

- a) An employee who is eligible under following criteria (b) will be considered for promotion to Grade 3 subject to an application being made by the employee.
- b) An employee eligible to make such application will be -
 - i) An employee who has served for a minimum period of six years in Grade II, or
 - ii) An employee who has successfully completed Part I of the Chartered Institute of Bankers (London) or the Intermediate Examination of the Institute of Bankers, Sri Lanka Examination (IABF) in which event the minimum period of service will be five years in Grade II or four years post-qualification experience in Grade II whichever is lower, or
 - iii) An employee who has completed all stages of the Examination leading to the full Associateship of the Chartered Institute of Bankers (London) or the Institute of

Bankers, Sri Lanka (DABF) in which event the minimum period of service will be four years in Grade II or three years post-qualification experience in Grade II, whichever is lower

- .c) Promotion to Grade III will not be automatic but will depend on a consistently good record of work, conduct, attendance and punctuality.
- d) An employee will be considered for promotion from the first date of the month succeeding the month in which the application is made.
- e) On promotion to Grade III an employee will receive an increase of Rs.700/-.
- f) The Union will have the right to make representations to the Bank in respect of any particular non-promotion although such cannot be the subject matter of an industrial dispute.

13) Promotions from Grade III to Grade IV

The following principles shall apply to the promotion of an employee from Grade III to Grade IV

- a) An employee who is eligible under following criteria (b) will be considered for promotion to Grade 4 subject to an application being made by the employee.
- b) An employee eligible to make such application will be -
 - i) An employee who has served for a minimum period of six years in Grade III, or
 - ii) An employee who has successfully completed Part I of the Chartered Institute of Bankers (London) or the Intermediate Examination of the Institute of Bankers, Sri Lanka Examination (IABF) in which event the minimum period of service will be five years in Grade III or four years post-qualification experience in Grade III, whichever is lower, or
 - iii) An employee who has completed all stages of the Examination leading to the full Associateship of the Chartered Institute of Bankers (London) or the Institute of

Bankers, Sri Lanka (DABF), in which event the minimum period of service will be four years in Grade III or three years post-qualification experience in Grade III, whichever is lower.

- c) Promotion to Grade IV will not be automatic but will depend on a consistently good record of work, conduct, attendance and punctuality.
- d) An employee will be considered for promotion from the first date of the month succeeding the month in which the application is made.
- e) On promotion to Grade IV an employee will receive an increase of Rs.800/-
- f) The Union will have the right to make representations to the Bank in respect of any particular non-promotion although such cannot be the subject matter of an industrial dispute.

14) Re-designation of Business Support Associates, Telephone Operators/Receptionists to Bank Associates

- i. A Business Support Associate shall be considered for re-designation as a Bank Associate provided such employee possesses the following eligibility requirements:
 - a) Three years service and passing Part I of the Institute of Bankers of Sri Lanka Examination (IABF).
 - b) On completion of the Final Examination of the Institute of Bankers (DABF).
 - c) Five years service and the relevant qualifications for entry as a Bank Associate.
 - d) Five years service without requisite qualifications for entry as a Bank Associate but subject to success at a written examination conducted by the Bank.
- ii. Based on requests received from Telephone Operators/ Receptionists for re-designation as Bank Associates, the Bank shall consider such requests provided the employee possesses the following eligibility requirements.

- a) Five years in the Bank and the successful completion of Part I of the Institute of Bankers' Examination (IABF).

- iii. Employees who satisfy such eligibility requirements stated at 14(ii)(a) above will be required to successfully complete an examination that will be conducted by the Bank and the decision on re-designation shall be subject to a good record of overall performance and an interview by the Bank.
- iv. Any employee re-designated as a Bank Associate in terms of the preceding clause will be eligible for promotion to grade 2 in accordance with the provisions of clauses (10) and (11) hereof and the period of service as required in the said clauses will relate to the period such employee has served in the re-designated capacity of Bank Associate.

15) Change of Designations

The following re-designations introduced with effect from 01st April 2015 will remain unchanged.

<i>Category</i>	<i>Designation</i>
Banking Assistant Grade 1	Bank Associate
Banking Assistant Grade 2	Bank Associate
Banking Assistant Grade 3	Senior Bank Associate
Banking Assistant Grade 4	Senior Bank Associate
Typist Grade 1	Business Support Associate
Typist Grade 2	Business Support Associate
Typist Grade 3	Senior Business Support Associate
Typist Grade 4	Senior Business Support Associate

The union will be engaged in deliberations in the event of any change of job duties.

16) Minor Staff Promotions

Without prejudice to the right of the Bank to recruit staff at their discretion, the Bank will consider minor staff for promotions subject to the following criteria:

- a) *Peon to Bank Associate*
 - i. The number of vacancies in the Bank Associate cadre will be announced internally by advertisement by Staff Notice

annually. Such notice shall stipulate the job requirements of the vacancy advertised, *i.e.*, educational qualifications, age, and any other particular criteria required for such job as determined by the Bank.

- ii. Any peon or labourer whose record of service, conduct and attendance has been satisfactory, with more than four years of service with the Bank who has necessarily completed the first part of the Chartered Institute of Bankers (London) or Intermediate Examination of the Institute of Bankers of Sri Lanka (IABF) will be eligible to apply and will be considered for such Bank Associate position. The selection process will include medical examinations, interviews, written tests *etc.*, as determined by the Bank.
- iii. Any peon whose record of service and conduct has been satisfactory, with more than five years' service with the Bank, shall be exempt from the minimum education qualifications stipulated in the Notice and may apply for such vacancy and will be considered in the manner specified at paragraph (ii) above.
- iv. Any peon promoted in the manner specified above will be required to serve a period of probation of twelve months which may be extended by the Bank for a further period of up to six months during which, or at the end of which, the Bank may at their discretion revert such peon to his earlier position and salary.
- v. The basic salary payable to any peon promoted in the manner specified above shall be given an increase of Rs.750/-. Provided further that such promotee shall not be placed at Grade unless he has completed a minimum period of four years on Grade I on the Bank Associate Grade.
- vi. Any Peon or Labourer who conforms to the above requirements shall be promoted if there are vacancies.
- vii. The decision of the Bank in respect of selection for promotion shall be final and conclusive.

b) Labourer to Peon

- i. The number of vacancies in the Peon cadre will be announced internally by advertisement by Staff Notice annually. Such notice shall stipulate the job requirements of the vacancy advertised, *i.e.*, educational qualifications, age, *etc.*, and any other particular criteria required as determined by the Bank.
 - ii. Any labourer with more than four years service whose record of service, conduct and attendance has been satisfactory will be eligible to be considered for the post of peon in response to the above mentioned notice. The selection process will include 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 Bank.
 - 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 Bank 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 Bank 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 given an increase of Rs.700/-. Provided further that such promotee shall not be placed at Grade II unless he has completed a minimum period of four years on Grade I on the Peon Grade.
 - v. Any labourer who conforms to the above requirements shall be promoted if there are vacancies.
 - vi. The decision of the Bank 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.

d) Promotions - Electricians

Following principles shall apply to the promotion of the Electricians.

i) Promotions from Grade I to Grade II (Asst. Supervisor)

Employees who sit for and successfully complete the final examination leading to the National Certificate of Technology in Electrical Engineering conducted by the Department of Technical Education & Training or an equivalent examination and who have completed four years of service with the Bank will be considered for placement on grade II of the Electricians service provided however that their past record of overall performance attendance and conduct as assessed by the bank justifies such consideration.

Alternatively, in the absence of such exam those who complete six years in Grade I will be placed on Grade II of the Electrician's service. On promotion an employee so promoted shall receive an increase of Rs.400/- when placed in Grade II.

ii) Promotions from Grade II to Grade III (Supervisor)

a) All promotions to Grade III will be after an application is made by an employee to the Bank. Promotion consequent upon an application will be effective from the first of the month succeeding the month in which the application is made.

b) An employee eligible to make such application will be -

i) An employee who has served for a minimum period of six years in Grade II, or

ii) An employee who has successfully completed the final examination leading to the National Certificate of Technology in Electrical Engineering conducted by the

Department of Technical Education & Training or an equivalent examination with five years post qualification experience in Grade II, or

iii) An employee who has completed all stages of the examination leading to the Diploma in Technology of the Open University or equivalent with six years service in Grade II or three years post-qualification experience in Grade II.

c) Promotion to Grade III will not be automatic but will depend on a consistently good record of work, conduct, attendance and punctuality.

d) On promotion to Grade III an employee shall receive an increase of Rs.500/-

e) The Union will have the right to make representations to the Bank in respect of any particular non-promotion although such cannot be the subject matter of an industrial dispute.

iii) Promotions from Grade III to Grade IV (Senior Supervisor)

a) All promotions to Grade IV will be after an application is made by an employee to the Bank. Promotion consequent upon an application will be effective from the first of the month succeeding the month in which the application is made.

b) An employee eligible to make such application will be -

i) An employee who has served for a minimum period of six years in Grade III, or

ii) An employee who has successfully completed the final examination leading to the National Certificate of Technology in Electrical

Engineering conducted by the Department of Technical Education & Training or an equivalent examinations with six years service in Grade III or five years post-qualifying experience in Grade III.

in Technology of the Open University or an equivalent examination with a minimum period of three years service in Grade III.

- c) Promotion to Grade IV will not be automatic but will depend on a consistently good record of work, conduct, attendance and punctuality.
- d) On promotion to Grade IV an employee shall receive an increase of Rs.550/-
- e) The Union will have the right to make representations to the Bank in respect of any particular non-promotion although such cannot be the subject matter of an industrial dispute.

- c) Promotion to Technical Assistant will not be automatic but will depend on a consistently good record of work, conduct, attendance and punctuality.
- d) On promotion to Technical Assistant an employee shall receive an increase of Rs.600/-
- e) The Union will have the right to make representations to the Bank in respect of any particular non-promotion although such cannot be the subject matter of an industrial dispute.

iv) Promotions to the Grade of Technical Assistant

- a) All promotions to the post of Technical Assistant will be after an application is made by an employee to the Bank. Promotions consequent upon an application will be effective from the first of the month succeeding the month in which the application is made.
- b) An employee eligible to make such application will be -
 - I. An employee who has served for a minimum period of six years in Grade IV, or
 - II. An employee who has successfully completed all stages leading to the Diploma in Technology of the Open University or an equivalent examination, whilst serving in Grade IV, or
 - III. An employee who has successfully completed all stages leading to the Diploma

v) Promotions from Technical Assistant to Junior Technical Officer

- a) All promotions to the Junior Technical Officer will be after an application is made by an employee to the Bank. Promotions consequent upon an application will be effective from the first of the month succeeding the month in which the application is made.
- b) An employee eligible to make such application will be -
 - i) An employee who has successfully completed all stages leading to the Diploma in Technology of the Open University or an equivalent examination with three years service in the grade of Technical Assistant.
 - ii) Promotion to the post of Junior Technical Officer will not be automatic but will depend on a consistently good record of work, conduct, attendance and punctuality.

iii) On promotion to the Junior Technical Officer, an employee shall receive an increase of Rs1,200/-.

c) The Union will have the right to make representations to the Bank in respect of any particular non-promotion although such cannot be the subject matter of an industrial dispute.

vi) Promotions from the Junior Technical Officer to the Technical Officer

- a) Without prejudice to the right of the Bank to recruit staff at their discretion, the Bank will consider Junior Technical Officers for promotions to the grade of Technical Officer subject to the requirements applicable to the recruitment of Technical Officers to the Bank. The minimum service requirement will be three years as Junior Technical Officer with an excellent record of service.
- b) The salary scale applicable to this Grade will be the scale applicable to Junior Executive Grade I.
- c) The Union will have the right to make representations to the Bank in respect of any particular non-promotion although such cannot be the subject matter of an industrial dispute.

17) Provident Fund

a) Rate of Contribution

The rates of contribution to the Provident Fund by the Bank 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 subject to the Rules of the Provident Fund.

b) Interest on Provident Fund Contributions held by Bank

Where Provident Fund monies are invested in the Bank, the Bank 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. or HNB which ever is higher 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 Bank 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 consolidated salary

From 1.1.81 onwards - 12% of consolidated 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.

18) Retirement

- (a) The age of retirement shall be 55 years, or any other age mutually agreed to between the Bank 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 Bank and there shall be no obligation on the Bank 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.

subsequently claiming any balance compensation under any written law.

19) 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:

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

(b) *Premature Retirement on Medical Grounds/
disability*

An employee entitled to a pension in terms of (a) above 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) is entitled to a pension computed on the same basis referred to at clause 19(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

(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:

No. of completed years Service (max.35 years) plus 5	X	1 month's consolidated salary in the month of retirement
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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 19.

(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 consolidated salary for each year of completed service subject to a minimum of nine months' consolidated 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.

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 Employees' 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 consolidated salary referred to at Clause 5.

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 19 thereof.

(f) Commuted Pension

- i. An employee entitled to a pension and who has not opted for the lump sum gratuity in lieu of such pension may at the time of retirement opt for a commuted pension and in such event, a sum equal to 25% of the monthly pension into 120 will be paid by way of 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.

20) Medical Scheme

i. Reimbursement of Medical Expenses for Non-Hospitalisation Expenses

The Bank will reimburse an employee up to a maximum of Rs 35,000/- 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 21 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. The maximum validity period of Medical Bills and receipts will be four years from the date of issuance.
 - (b) Prescriptions or Doctor's bills should be from a Registered Medical Practitioner.
 - (c) The unutilised portion of the allocation for the year could be utilised in the future years without any restrictions subject to valid bills being submitted within a period of time as aforesaid.
- ii) The Bank will further reimburse a sum upto a maximum of Rs.20,000/- on a non-cumulative basis for Medical Reports in respect of a Annual Health Checkup for the employees over 35 years of age. Further, spouse of an employee who are over 35 years of age will be entitled for Annual Health Checkup within the same limit entitled to the employee subject to the following.
- a) The entitlement could be utilized within a calendar year.
 - b) The medical tests specified in the Annexure I and any other medical tests prescribed by a Registered Medical Practitioner must be carried out concurrently to be entitled for reimbursement.
 - c) The Claim Form accompanying the valid and relevant prescriptions, bills and receipts should be forwarded to the Talent Rewards & Benefits Division, Head Office for payment.
- (iii) Special Non-Hospitalisation and Non-surgical Expenditure

The Bank will reimburse an employee on a non-cumulative basis a combined allowance maximum upto Rs.35,000/- for undermentioned purposes on behalf of the employee and not on behalf of his family members:

(a) Spectacles

(b) Dentures & Nerve Filling

(c) Hearing Aids

Subject to valid documentation as in the case of (i) above and subject to the provisions that no claim is made in relation to any particular item referred in iii (a) & (c) more than once in three years and in the case of spectacles it must be supported by a prescription from a Medical Eye Specialist. Further, employees will be able to make claims on dentures and nerve filling for any number of occasions within the stipulated limit. Provided further however, in the case of employees over the age of 47 years, a claim for spectacles may be allowed once in two years.

(iv) 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 21 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 | Standard A/C Room charge per day |
| Government Hospital Allowance.. | Rs 5,000/- per day |
| (b) Emergency Treatment Travel expenses (maximum)
*The rate is Rs 50/- per kilometer | Rs.4,000/-

Or

Rs 5,000/- subject to Submission of valid receipt |
| (c) Overall limit for any one year | Rs 250,000/- |

Hospitalization charges on normal birth will be permitted from the Bank's Surgical & Hospitalization Expenses Scheme.

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

(v) Maternity Grant

(a) An employee who is married will be entitled to a grant of Rs 12,000/- in respect 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 hospitalisation expenses, for maternity, an employee shall not be entitled to the grant in terms of (a) above.

21) Bonus

Without prejudice to the claim of the Bank that bonus payments are ex-gratia, the Bank will each year pay to every employee covered by this Agreement on the following basis 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 consolidated salary drawn by such employee for the month of December.

Year	Fixed Bonus	Bank Performance Bonus
2018	1.75 months	0.75 month
2019	2 months	0.50 month
2020	2 months	1 month

The bonus payable on Bank Performance will accrue to eligible employees of the Bank in any particular year only if the Bank achieves an increase in NPAT of the corresponding financial year by minimum of 15% as against previous year.

22) Probation

Every employee recruited by the Bank will serve a period of nine months probation subject to the right of the Bank to extend the period of probation by a period of three months.

23) Release of Parent / Branch Union Office Bearers

Office bearers of the Parent Union or the Branch 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 in terms of this Agreement or any other Agreement 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 relating to terminal benefits.

24) Concessions to Branch Union Office Bearers and General Councilors

- (a) The Bank shall at its 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 Bank.
- (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 out station Central Committee Members, they would be permitted leave for the whole day for 12 Central Committee Meetings in a year.
- (c) It is agreed that a day's paid leave shall be granted on two occasions per year to Central Committee Members to attend Parent Union Central Committee Meetings.
- (d) It is agreed that Executive Committee members will be released as appropriate for meetings of the Executive Committee of the Union. These meetings will not usually be more than on a monthly basis.

- (e) The Bank agrees to release once every 02 years for the Delegates Conference of the Union all such delegates in the employment of the Bank up to a maximum of 01 day provided however, that the number to be released shall be discussed and agreed between the branch union and the management and such release will not result in a disruption to the operations of the Bank.

25) Special Leave to visit Outstation Branches

The Banks shall permit branch union office bearers or the central committee members of the branch union employed by the Bank 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. The release of Central Committee Members or branch union office bearers shall not exceed six employees at any given time in terms hereof and/or under any other Agreement between parties.

26) 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.

27) 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 commenced 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 Bank upon the employee's application, giving sufficient notice to the Bank, 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 Bank.
- (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.

Provided that in the case of (b) to (d) the approval of such leave shall be at the discretion of the Management. Family member for purposes of (b) above shall mean spouse, children or parents.

Provided also that such accumulation will be restricted up to a maximum of seven (7) days per year and provided further that such total accumulation shall be restricted to a maximum of ninety (90) days.

(b) Medical Leave

(i) Entitlement

An employee shall be entitled to not less than twenty four (24) days leave exclusive of weekly or other holidays in any one year, in case of sickness on full pay, subject to the conditions in sub-clause (ii) hereof.

(ii) Availment

The Bank will be entitled to refuse to grant pay for any days of absence on grounds of sickness not supported by a Certificate from a Registered Medical Practitioner.

- (a) where such period of absence exceeds two consecutive days including weekly or other holidays,

or

- (b) where the number of days already allowed on full pay on grounds of sickness, uncertified by a Medical Practitioner, is in excess of twelve (12) days in any one year.

(iii) Accumulation

An employee who takes less than his entitlement in any one year as prescribed above shall be entitled to avail himself of the balance of his entitlement for such year in any succeeding year or years, subject to the following provisions:

- (a) in no case shall the entitlement to medical leave on full pay, by reason of such accumulation, exceed one hundred & twenty (120) days, and
- (b) the accumulated medical leave may only be availed of on account of prolonged illness, hospitalisation or similar circumstances, supported by a Certificate from a Registered Medical Practitioner,

- (c) where an employee has exhausted his current year's sick leave as a result of prolonged illness such as an infectious disease or prolonged hospitalisation an employer may permit him to set off any further absence on grounds of ill health against such accumulated sick leave up to the extent of the leave taken for such earlier prolonged illness.
- (iv) The Bank will be entitled, after inquiry and advising the employee concerned, to refuse to pay and/or take any action as appropriate in situations where the absence on grounds of sickness not supported by a Certificate from a Registered Medical Practitioner, occurs in the following circumstances:
- (a) Where the Bank has reasonable cause to suspect the *bona fides* of the application and/or reason for absence of an employee, or
- (b) Where the absence of the employee on grounds of sickness immediately follows or precedes any weekly or other holiday and the Bank has reasonable cause to suspect the *bona fides* of the application and/or reason for absence of the employee.

(c) *Casual Leave*

An employee shall be entitled to a maximum of seven (7) days casual leave in each year of employment. All casual leave shall be by prior approval of the Bank, unless the reason for such absence is justified to the satisfaction of the Bank as being in circumstances that could not have been foreseen by such employee.

28) Suspension

- (i) Where an employee is suspended pending a disciplinary inquiry on investigations, he will, subject to the provisions of Sub-clauses (ii) and (iii) below, receive half his salary from the date of suspension up to six months and full pay thereafter, subject to the condition that the delay was not due to the employee concerned.

- (ii) Where the suspension is on account of charges involving financial dishonesty such as fraud or misappropriation, the employee will not be entitled to any salary during the period of suspension unless the inquiry is not concluded within six months of the date of suspension in which event he will receive half his consolidated salary during his suspension beyond the said six months period. Provided that if the delay beyond six months is due to the employee's own conduct or due to the employee being in custody or remand thereby making it impossible for the Bank to hold or conclude the inquiry, half such salary as aforementioned will not be payable.
- (iii) In cases not involving financial dishonesty as aforementioned, where the employer is prevented from concluding the inquiry within six months of suspension for reasons beyond the employer's control such as where the employee makes repeated requests for postponements or where he is remanded or in Police custody or where the matter is under investigation by the Police, the employee will continue to receive half his salary and will not receive full pay in these circumstances.

29) Disciplinary Procedure

Where the Bank proposes to take disciplinary action against an employee except, however, in the case of oral warning, letters of advice, caution or warnings for minor offenses, the following procedure shall apply:

- (a) Irrespective of whether such employee has been suspended, the employee shall be furnished with a show cause letter which shall set out the particulars of the charges against such employee and such show cause letter shall give the employee not less than ten (10) calendar days within which to tender his explanation in writing to the charges preferred.
- (b) Within ten (10) calendar days after the date of the show cause letter the employee shall tender in writing to the Bank his explanation to the aforesaid charges provided however that if in the circumstances it is reasonable the employee may request the Bank for an extension of time within which to tender the written explanation and where such request is made, the Bank shall normally grant such request for such further

period of time as is considered necessary by the Bank in the circumstances.

- (c) If where the employee tenders his explanation within the period of time allowed to the employee to show cause and the Bank is satisfied with such explanation, the Bank shall withdraw the charge/s against the employee and if the employee is under suspension, the Bank shall forthwith reinstate the employee and shall pay to such employee his salary and entitlements in respect of the period of such suspension.
- (d) Where the employee tenders his explanation within the time allowed to him to show cause and the Bank is not satisfied with such explanation, the Bank shall, subject to Sub-clause (k)(iii) hereof, hold an inquiry into the charges against such employee.
- (e) The Bank shall commence an inquiry as referred to in Sub-clause (d) hereof within 21 working days from the date of receipt by them of the written explanation to the show cause letter unless it is not possible to do so for reasons beyond the Bank's control, or by reason of the employee's own conduct or seeking, or by reason of unforeseen circumstances.
- (f) The Bank will permit a member of the Branch Union of the same Grade or of a Higher Grade than the accused employee or an office bearer of the Branch Union irrespective of grade (in which case the Bank reserves to itself the right to prevent the person carrying on the defense for unacceptable conduct) or a Central Committee Member of the Union employed in the Bank to defend the accused employee at a domestic inquiry provided the defending employee has not obtained a legal qualification. The defending employee will not suffer any loss of salary for absence from work on this account. The Bank will further allow another member of the Branch Union to be present at the inquiry as an Observer without loss of salary for absence from work. The accused employee shall submit to the Bank in writing the name of the defending employee and Observer not less than 48 hours before the time appointed for the commencement of the inquiry. The defending employee shall be entitled to examine the witnesses for the accused employee and cross examine witnesses for the Bank. The Inquiring

Officer will be entitled to require a defending employee or Observer who obstructs the inquiry to withdraw therefrom and the defending employee or Observer shall forthwith comply with such requirement. The absence of a defending employee or Observer from the whole or any part of an inquiry for any reason whatsoever shall not vitiate such inquiry, not the proceedings thereat, nor the findings pursuant thereto. The Observer shall not be entitled to participate in the proceedings but he may answer any question which the Inquiring Officer may ask him.

- (g) The Union will be entitled to a copy of the proceedings of the inquiry conducted subject to the Observer and the accused employee signing proceedings as a correct record. After the proceedings have been certified and a copy issued to the accused employee for all purposes thereafter the proceedings shall be taken as a true copy of such proceedings before the Inquiring Officer. In respect of any document marked at an inquiry, the Bank will release copies of such documents to the Union with the proceedings, provided however, that the Bank may refuse to release any such documents provided such documents in its opinion are of a confidential nature
- (h) The Inquiring Officer shall maintain his impartiality and shall not attempt to act the role of the prosecution as well.
- (i) Within thirty (30) working days after the conclusion of the inquiry the Bank shall inform the employee, in writing, of the findings in respect of the charges and of the punishment, if any, imposed by the Employer.
- (j) Where the Bank fails to inform the employee as aforesaid within the said period of thirty (30) working days except for reasons beyond the control of the Bank or by reason of the conduct of the employee, such employee shall not be punished thereafter in respect of such charges and no inference adverse to the employee shall be drawn in respect of such charges.
- (k) Notwithstanding the preceding provisions, the Bank shall not be required to hold a domestic inquiry in any of the following circumstances:

- (i) Where the employee fails to tender his written explanation before the expiry of the time allowed to show cause in which event the Bank shall be entitled to take disciplinary action on the basis that such employee had no cause to show.
 - (ii) where the employee makes a written admission of the charges against him.
 - (iii) where the Bank proposes to warn an employee, but without prejudice to the Union's right to request the Employer thereafter to hold an inquiry in which event the fact that the inquiry did not commence within twenty one (21) working days after receipt of the employee's explanation shall not be material or relevant.
 - (l) The findings of a domestic inquiry and the punishment if any imposed by the Bank shall be final and binding on the Bank and the employee and the Union, unless the employee or the Union shall within three (3) months from the date on which the Bank had notified such employee of the findings or punishment, raises a dispute in respect of such findings and/or punishment.
 - (m) Where an employee is under suspension and the Bank makes order that -
 - (i) the employment of the employee shall be terminated, then the termination of such employment shall take effect as from the date of suspension or such later date as the Bank may determine; provided further that the Bank shall not be entitled to recover from the employee any payment made in respect of salary to the employee in respect of such period of suspension, if any such payment has been made.
 - (ii) the employment of the employee shall not be terminated, then the employee shall be employed forthwith and shall be paid the entirety of his salary in respect of the period of suspension without prejudice to the right of the Bank to impose such other punishment other than termination, which may include the whole or part of the period of suspension pending inquiry, on the basis of the findings of the inquiry.
 - (n) The observance by the Bank of sub-clauses (e), (i) and (j) shall not be necessary where an inquiry is not held in view of the fact that the matter under inquiry is being referred, or has been referred, to the Police or other authorities for investigation or inquiries or in view of the fact that criminal charges are pending against the employee.
 - (o) The above provisions shall only apply in respect of inquiries that commenced after the date of signing of this Agreement.
- 30) Technology**
- (i) The Third Schedule hereto contains matters relating to new Computer Based Banking Technology agreed upon between the parties.
 - (ii) The Bank will furnish the Union on request information relating to new computer hardware to be introduced by the Bank, *i.e.*, published manufacturer's specifications relating to equipment. The Bank will be under no obligation to provide information relating to software.
 - (iii) The Union will be free to make representations on matters relating to the introduction of new Computer Based Banking Technology in the Bank other than on matters covered in this Agreement and subject to sub-clause (ii) above.
 - (iv) Notwithstanding the provisions of (iii) above, the Union will not be entitled to raise any industrial dispute on matters relating to Computer Based Banking Technology, will not resort to any industrial action in that regard and any representations/dispute in that connection shall not fall within the meaning of an industrial dispute under the laws of Sri Lanka.
 - (v) It is agreed that any matter raised by the Union relating to the adverse effects of the use of computers shall be referred to the Monitoring Committee set up under the Collective agreement for resolution. In the event of the Monitoring Committee not being able to satisfy the Union, such matter shall be referred to the Department of Health and Safety of the Labour Department and the recommendation given by the Doctor-in-Charge shall be accepted by both parties and where changes are necessary in terms of such recommendation the Monitoring

Committee shall prevail on the Bank concerned to implement such changes.

31) Trade Union Action

(a) *Matters Related and Covered in the Agreement*

The Union and its members covered and bound by this Agreement jointly and severally agree with the Bank that during the continuance in force of this Agreement they shall not engage in any strike or other form of Trade Union action including go-slow, boycott or demonstrations or picketing or any form of collective action against the Bank in respect of any dispute related to this Agreement.

(b) *Matters Not Related and Not Covered in this Agreement*

The Union and its members covered and bound by this Agreement jointly and severally agree with the Bank that during the continuance in force of this Agreement they shall not engage in any strike or other form of Trade Union action including go-slow, boycott or demonstrations or picketing or any form of collective action against the Bank in respect of any dispute that may arise on any matter not related to this Agreement until -

- (i) The Branch Union of the Bank has exhausted all forms of conciliation to resolve such dispute amicably with the Bank, at which stage the Branch Union shall notify the Bank in writing of its intention to refer such matter to the Parent Union (the Ceylon Bank Employees' Union).
- (ii) The Parent Union (the Ceylon Bank Employees' Union) has intervened in the matter and has exhausted all forms of conciliation to resolve such dispute amicably with the Bank and/or the Employers' Federation of Ceylon.
- (iii) In the event of there being no settlement at the level of conciliation aforesaid, the Parent Union has to give notice in writing of not less than fourteen (14) days of the fact that there has been no satisfactory settlement of the dispute and that it wishes

to resort to trade union action. Such notice shall be given to the Bank, the Employers' Federation of Ceylon and to the Commissioner General of Labour.

- (iv) A dispute arising out of failed negotiations for a fresh Collective Agreement after 31st day of March 2021, cannot be construed interpreted and/or implied by the Employer as a dispute related and covered by this Agreement.

32) Union Check-off Facilities

During the continuance in force of this Agreement and provided the Union has not less than forty (40) percent membership among the employees covered by this Agreement the Bank shall continue to grant check-off, provided, however, that the Bank reserves the right to stop, suspend, or discontinue such facility in the event of the Union violating any of the provisions of this Collective Agreement in relation to the Bank.

33) Implementation and Interpretation of this Agreement

- (i) Where either the Union or the Bank are dissatisfied with the manner in which the Collective Agreement is being implemented or where there is a complaint regarding the adverse effects of computer technology change such matter shall be dealt with by a Monitoring Committee set up by the Bank consisting of two representatives from the Bank and two representatives from the Union. The Bank or the Union may request that a matter be placed before the Monitoring Committee by communication addressed to the Employers' Federation of Ceylon setting out the cause of complaint.
- (ii) Any dispute over the interpretation of the Agreement shall be settled by voluntary arbitration under Section 3 of the Industrial Disputes Act, 1950.

34) Consequences of Termination of Agreement

On the termination of this Agreement all terms, conditions, benefits, facilities and concessions enjoyed by the Union and/or its members shall *ipso facto* cease.

35) Definitions

In this Agreement, unless the context otherwise requires, the following words and phrases shall have the following meanings:

Bank	Hatton National Bank PLC
Employee	an employee covered and bound by this Agreement.
Employer	Hatton National Bank PLC
Parent Union	The Ceylon Bank Employees' Union.
Branch Union	The Branch Union of the Ceylon Bank Employees' Union at Hatton National Bank PLC
Dispute	A dispute shall have the same meaning as an Industrial Dispute in the Industrial disputes Act and shall include any dispute arising between the Bank and the Branch Union of the Ceylon Bank Employees' Union at Hatton National Bank PLC.
Salary	Shall mean the consolidated salary as defined in Clause 5.

Words importing the masculine gender shall include the feminine

Words importing the singular number shall include the plural and *vice versa*.

FIRST SCHEDULE

1. Bank Associates
2. Business Support Associates
3. Telephone Operators
4. Peons
5. Lift Operators
6. Plumbers
7. Drivers
8. Labourers
9. Electricians
10. Technical Assistants
11. Junior Technical Officer
12. Court Clerks

Second Schedule

- 1) a) The benefits of the Scheme will accrue to the employee but will cover those persons specified in Clause 20 (iv) of the Agreement. It shall be the duty of the employee to enroll members of his family immediately on becoming eligible to be included in this Scheme.

No reimbursements will be made in respect of members of the family who have not been enrolled.

- 2) Reimbursements will only be effected on hospitalization involving at least one night's stay in a hospital.

- 3) The Bank must be notified promptly, and in any event not later than on the first business day following admission to hospital.

- 4) The Bank will be entitled to take out Insurance Policies covering reimbursements under this Scheme and the employee shall be required to make declarations (including completion and signing of Insurance Proposal forms) and submit documentation required by Bank/Insurers in a proper form and timely manner to enable the Bank to obtain reimbursement from the Insurance Companies. The Bank will advise by internal circular issued from time to time the documentary requirements and time limits within which documents should be submitted. Where an employee does not comply, he will not be entitled to benefits under this Scheme.

- 5) Employees shall uphold the principle of *uberrima fide* when making declarations and submitting claims under this Scheme and any deviation would disqualify the employee from receiving any benefit under this Scheme. In addition, the employee will be liable to disciplinary action in accordance with provisions set-out in this Agreement.

- 6) a) The Bank will circulate by internal circular published from time to time a list of Hospitals / nursing homes, expenses incurred at which, will be eligible for reimbursement under the Scheme. Additions and/or deletions to this list will also be made by internal circular.

- b) If for reasons of geographical location any employee believes he may not be in a position to use any of the Institutions given in the list, he

may apply to the Bank in writing within 30 days of publication of the list of amendments to the list referred to in the preceding sub-paragraph, requesting special dispensation to use a named Institution or Institutions and the Bank shall consider such application on a case by case basis and, where deemed appropriate, will grant such special dispensation, provided however, that the decision of the Bank on this matter shall be final and conclusive.

7) Exclusions

The Scheme shall not cover benefits/expenses:

- a. Arising from an injury sustained or a sickness contracted outside Sri Lanka or for treatment outside Sri Lanka.
- b. Occasioned by or happening through
 - i) The participation by the employee or other eligible family members in War, Invasion, Act of Foreign Enemy, Hostilities (whether war be declared or not), Civil War, Rebellion, Revolution, Insurrection, Mutiny or Usurped Power, Military, Popular Rising or while serving as a member of any Defence, Police, Security Force, Home Guard *etc.*
 - ii) Attempted suicide, Alcoholism, Venereal Disease, Insanity and Illnesses resulting from Acquired Immune Deficiency Syndrome.
 - iv) Earthquake, Volcanic Eruption or Tidal Wave.
- c Incurred whilst travelling in an aircraft other than as a ticket holding passenger in a fully licensed standard type of civil aircraft operated by a recognized Airlines on a regular route or in a fully licensed standard type of civil aircraft having two or more engines operated by a recognized Air Charter Company or owned by a Commercial or Industrial firm and piloted by a Pilot holding a Commercial Pilot's License.
- d. In respect of Eye Tests or Dental Treatment.

e. Arising from any physical defect or infirmity which existed prior to confirmation in the Bank's service.

8) The benefits under this Scheme shall not be cumulative and the words "any one Year" in Clause 20(iv) of the Agreement shall be deemed to be the period 1st January to 31st December. In the case of employees who join during the course of a year the overall limit and event limit up to the period ending the next 31st December will be pro-rated to the number of full months of service up to 31st December.

9) In respect of claims for hospitalization which span the end of any year, reimbursement will be made out of the entitlement of either or both years, subject, however, to the event limit specified in Clause 20(iv) of the Agreement.

10) Bank shall review the permission of Hospitalization Charges on Normal Delivery and relaxation of children age limit to 21 years and recurrent illness clauses prevailed in 2009 Collective Agreement, in the event scheme is undertaken by the insurance provider.

The Third Schedule

The parties agree to the following conditions in relation to the introduction of new Computed Based Banking Technology by the Bank covered and bound by this Agreement.

- 1) Wherever practical, the Bank will endeavour to ensue that jobs are designed to include a mix of VDU/non VDU tasks which seek to provide variation in visual and mental demands upon the operator.
- 2) The workload of operators of VDUs will be regularly reviewed by Management for the purpose of ensuring proper safety and effectiveness of the operation.
- 3) The Banks agree to provide VDU operators with adequate training within the parameters of their job description to ensure the safety and health of employees.
- 4) a) In selecting VDUs the Bank will attempt to obtain equipment which will ensure the following:

- i. Screens that give clear stable images
 - ii) Proper sitting of keyboards so as to ensure the reduction of stress and improved maneuverability.
 - iii. Equipment which is quiet in operation so that the level of noise is kept to a reasonable limit.
- b) The Bank will undertake proper servicing and maintenance to ensure optimum functioning of the VDUs.

The Bank will pay attention to the proper positioning of screens, keyboards and provide facilities for placing documents and ancillary equipment in a manner to facilitate the work of employees.

The Bank will endeavour to provide lighting facilities to minimize visual fatigue in the operation of VDUs

Employees whose main or primary function, as decided by the Management of the Bank, is the operation of a VDU, will be permitted to visit, at the cost of the Bank, an Optician selected by the Bank to have his eyesight examined prior to his commencing employment on a VDU. In the event of an adverse report being obtained from the Optician, the employee should inform the Bank immediately.

Where an employee whose main or primary function, as decided by the Management of the Bank, is the operation of a VDU, and he is already using spectacles, when he is called upon to operate a VDU for the first time, he will be permitted, at the expenses of the Bank, to be examined by an Optician nominated by the Bank for the purpose of obtaining an opinion as to whether any modification is necessary to his lenses. The cost of such examination and modification to the lenses if necessary will be borne by the Bank on the following basis :

- (i) The cost of the examination will be met by the Bank outside the limits prescribed by the Medical Assistance Scheme herein.
- (ii) The cost of modification of the lenses will be met within the Medical Assistance

Scheme, but if such cost should exceed the limits prescribed by the Scheme, the Bank will bear such additional cost as well.

- 5) Accepting the fact that continuous work at a terminal by a data entry operator causes a certain amount of strain, the Bank is agreeable to a reasonable pause in entering information at or about the end of each period of 2 hours so long as there is no disruption of the smooth flow of work and so long as such pause does not exceed 10 minutes.
- 6) The provisions of this Agreement will apply to employees whose main or primary function, as decided by the Management of the Bank, is operating a VDU. Provided however the Union will be entitled to make representations as to whether the main or primary function is the operation of a VDU subject to there being no industrial dispute being raised on this issue.
- 7) The Bank agrees that they will not seek to retrench employees who become redundant solely and exclusively in consequence of the introduction of new Computer Based Banking Technology. Instead, the Bank may avail itself of any one or more of the following options.
 - a) The aforementioned excess employees may be transferred to other sections/ departments to perform work which is within their skill and capacity without reduction in salary and allowances which are in force at such time in relation to such employees. This option refers to a transfer other than within the scope of employment which the Bank would under normal circumstances be entitled to effect.
 - b) The Bank may, on a transfer within the scope of (a) above, re-train an employee if the employer considered it necessary.
 - c) The Banks will be entitled to negotiate with employees who are redundant for the reasons contemplated in this Agreement, with a view to achieving a cessation of employment on terms mutually agreed upon and this will not amount to retrenchment within the meaning of this Schedule.

8) For the purpose of this Agreement, retrenchment will mean an involuntary termination of the employees made redundant consequent upon the introduction of new Computer Based Banking

Technology. It will not include a situation where such redundant employees voluntarily leave the service of the employer on terms mutually agreed upon.

Annexure I

HEALTH CHECKUP FOR STAFF MEMBERS OVER 35 YEARS OF AGE

CLAIM FORM

Branch/Department :

EPF No. :

Name with initials

(Mr/Mrs/Miss) :

Age

Category

Amount.....

(Please tick "X")

Haemogram	
Haemoglobin	
P.C.V.	
R.B.C.	
MCHC MCV MCH	
Total W.B.C.	
E.S.R	
Peripheral Smear	
Biochemical Parameters	
Fasting & PP Blood Sugar	
Urea	
Creatinine	
Uric Acid	
Lipid Profile	
Total Cholesterol	
HDL Cholesterol	
LDL Cholesterol	
Triglycerides	
Total Cholesterol/HDL Ratio	
Liver Function Tests	
Total Protein	
Albumin	
Globulin	
SGPT	
Alkaline Phosphatase	
GGTP	
SGOT	
Serum Bilirubin	
General Tests	
VDRL	
Blood Grouping & Rh typing	
Complete Urine Analysis	
Stools Test	
Pap Smear for women/P.S.A. for men	
E.C.G.	
Chest X-Ray	
Ultrasonogram of the Abdomen	
Cardiac Stress Analysis (CSA/TMT)	
Pulmonary Function Test [PFT]	

I certify that this claim and the bills submitted therewith are genuine in respect of expenditure incurred by me. I also declare that I have not made a claim under the Health Checkup for the past 12 months.

.....
Signature

.....
Date

In witness hereof the said parties have set their hands hereunto on this 12th day of October 2018 at Colombo.

.....
For and on behalf of
Hatton National Bank PLC

Name : L Chiranthi Cooray (Mrs)
Designation : Chief Human Resource Officer/
DGM - HR

.....
Vajira Ellepola,
Deputy Director General
Employers' Federation of Ceylon

Witness :

.....
D. I. V. Senadhira,
Head of Human Capital Management
Hatton National Bank PLC

.....
J. A. D. S. Ayoj,
Assistant Manager,
Talent Rewards & Benefits
Hatton National Bank PLC

.....
For and on behalf of
Ceylon Bank Employees' Union

Name : Channa Dissanayake
Designation : President

.....
Ranjan Senanayake,
General Secretary,
Ceylon Bank Employees' Union.

.....
Kushan Wijayapala,
Treasurer,
Ceylon Bank Employees' Union,

.....
M. R. F. Perera,
President,
Ceylon Bank Employees' Union,
Hatton National Bank PLC Branch.

.....
Prabhath Abeysooriya,
Senior Vice President
Ceylon Bank Employees' Union,
Hatton National Bank PLC Branch.

My No: CI/1789

THE INDUSTRIAL DISPUTES ACT, CHAPTER 131

THE Collective Agreement entered into between Housing Development Finance Corporation Bank of Sri Lanka, Sir Chiththampalam A Gardiner Mawatha, Colombo 02 of the one part and the Ceylon Bank Employees Union, No. 20, Temple Road, Colombo 10 of the other part on 04th December 2018 is hereby published in terms of Section 06 of the Industrial Disputes Act, Chapter 131, of the Legislative Enactments of Ceylon (Revised Edition 1956)

A. WIMALAWEERA,
Commissioner General of Labour.

Department of Labour,
Labour Secretariat,
Colombo 05,
21st May, 2019.

Collective Agreement No. 46 of 2018

COLLECTIVE AGREEMENT 2018 - 2020

By and Between

HOUSING DEVELOPMENT FINANCE
CORPORATION BANK OF SRI LANKA

Sir Chiththampalam A Gardiner Mawatha, Colombo 02

*of the One Part
And*

CEYLON BANK EMPLOYEES' UNION
No.20, Temple Road, Colombo 10

of the other part

This Collective Agreement is made on this 04th day of December 2018 by and between the HDFC Bank of the one part (hereinafter referred to as "the Bank") and the Ceylon Bank Employees Union of the other part (hereinafter referred to as "the Union").

The HDFC Bank and the Ceylon Bank Employees Union hereby agree as follows:

TITLE : This Agreement will be known and referred to as COLLECTIVE AGREEMENT OF "HOUSING DEVELOPMENT FINANCE CORPORATION BANK with THE CEYLON BANK EMPLOYEES' UNION FOR THE

PERIOD COMMENCING FROM FIRST JANUARY TWO THOUSAND AND EIGHTEEN TO THIRTY FIRST DECEMBER TWO THOUSAND AND TWENTY (01. 01. 2018-31.12. 2020)"

1. EMPLOYER TO BE COVERED AND BOUND

This Agreement shall cover and bind the HDFC Bank, which is a party to this Agreement

2. EMPLOYEES TO BE COVERED AND BOUND

This Agreement shall cover and bind members of the Ceylon Bank Employees' Union in employment with the Bank and who are employed in any of the categories of whom a salary scale has been prescribed in this Agreement in the "Annexure 1" attached hereto.

3. DATE OF OPERATION AND DURATION

This Agreement shall deem to be in force from the First day of January Two Thousand And Eighteen (1st January 2018) and thereafter continue to be in force, unless it is determined by either party giving six months (6) notice in writing to the other, provided however, that no party shall give such notice to the other party before the 1st day of July 2020 and such notice shall not expire before the 31st day of December 2020.

4. MATTERS COVERED AND VARIATION OF TERMS AND CONDITIONS OF EMPLOYMENT AND BENEFITS.

- (a) This Agreement shall be in full and final settlement of all matters covered herein as well as of all the matters raised by the Union in relation to the period commencing from 2018 to 2020 and in respect of which negotiations took place between the parties before the conclusion of this Agreement and the Union agrees that it will not during the continuance in force of this Agreement raise any of the matters which were discussed and negotiated between the parties preceding this Agreement other than the matters relating to non salary benefits which shall be discussed by the Management of the Bank with the Ceylon Bank Employees Union and reach finality on or before 31st January, 2019. After an agreement has been arrived at, as regards non-salary benefits, the terms and conditions of same shall be annexed to this agreement, which shall form an integral part thereof.

- (b) The Union and its members shall not during the continuance in force of this Agreement seek to vary, alter or add to all or any of the terms and conditions of employment or benefits applicable or enjoyed as provided for in this Agreement other than by mutual agreement with the Bank.

5. SALARY COMPONENTS

As from 01.01.2018 each employee covered and bound by this Agreement shall be paid upon and subject to the other terms and conditions herein contained a monthly salary which comprises the following components:

5.1 Fixed Component

The fixed component comprises the following items:-

- (i) Revised basic salary as set out in the "Annexure 1" hereto. (Increments will be granted continuously notwithstanding the maximum point given in the salary scales).
- (ii) The revised basic salary in "Annexure 1" hereto will be paid in the years 2018, 2019 and 2020 on compounding basis, in the following manner:
 - a. 70% with effect from 01st January 2018
 - b. 15% out of the gross salary as at 31-12-2018, with effect from 01st January 2019
 - c. balance amount to match the industry level, with effect from 01st January 2020
- (iii) In the event, the Bank achieves the minimum capital requirement of Rs. five (05) Billion on or before 31st December 2018, the Bank shall pay the revised salary in Annexure 1 hereto, as follows:
 - a. 70% with effect from 01st January 2018
 - b. balance 30% with effect from 01st January 2019

5.2 Allowances

- (a) In addition to the basic salary, the following allowances will be paid, effective from 01.01.2018:
 - (i) Cost of Living Allowance based on the CCPI varying in the particular month.
 - (ii) Rent Allowance as per item (b) below
 - (iii) 10% on the aggregate of the Basic salary + Rent Allowance + Cost of Living Allowance.
- (b) The rent allowance will be 20% of the Basic Salary.

5.3 Variable Component

Basis of determination of variable component which consist of cost of living allowance shall be determined in the course of time.

6. ANNUAL INCREMENT

The annual increment payable to the employees for the period 2018 to 2020 shall be on the basis specified in the revised salary scale in "Annexure 1" hereto.

7. CONVERSION OF THE BASIC SALARY

- (a) The Basic Salaries of all employees will be converted to the revised scale by applying the step for step (point by point) method of conversion.

e.g. An employee who had been on the 5th step of the scale as at 31.12.2017 will be placed on the 5th step of the relevant revised scale with effect from 01.01.2018.
- (b) Non-Banking stream personnel shall also be placed at the appropriate revised salary scale on the same basis.

8. RETIREMENT BENEFITS

The payment of revised salary scale on staggered basis, as stated in 05.1 (ii) and (iii) above, shall not affect the retirement benefits of the employees who have retired in and or due to retire in 2018 and 2019. The revised

salary scale will be considered for computation of retirement benefits.

9. CONVERSION OF ANOMALIES

The HDFC Bank and the Ceylon Bank Employees Union jointly agree to execute the Collective Agreement for the year 2018 - 2020 subject to the rectifying of possible anomalies associated with calculation of increments in the salary scales as corrected by other three government Banks (Bank of Ceylon, Peoples Bank, and National Savings Bank) that would arise subsequently to this revision.

Any anomalies that would arise consequent to this revision shall also be examined by a Committee comprising of representatives of the HDFC Bank and the Union and will be rectified suitably.

10. PAYMENT OF PERFORMANCE BONUS FOR THE YEAR 2018

A performance bonus for the year 2018 shall be paid as stated below, considering the performance of the Bank for the last nine months (01/01/2018 to 30/09/2018):

(i) One Month Salary

One month gross salary (basic + COLA+ 20% allowance + 10% allowance) as at 31/12/2017.

No other additional performance bonuses will be paid for the year 2018.

11. NEW CRITERIA FOR PERFORMANCE BONUS

With effect from the year 2019 onwards, performance bonuses for the respective financial years, shall be paid to the employees, who are eligible for a performance bonus, on the basis stated below:

The Bank has to achieve a minimum Return On Assets (ROA) of 1% for the respective financial year. 50% of the actual profit after tax (PAT), in excess of the PAT

calculated at ROA of 1% shall be paid as an incentive profit bonus to eligible employees for the relevant financial year.

The criteria adopted by the Bank, for payment of performance bonus for the year 2016 onwards, under Board Minute bearing reference No. B.P 22/212/2017 is cancelled.

12. TAXES ON EMOLUMENTS

PAYE tax on emoluments of staff shall be borne by the Bank. (Except for the employees where their letter of employment state otherwise)

13. OTHER COMMITMENTS

The Union further agrees to assist and support the Management of the Bank in every manner to obtain the maximum contribution of its members to achieve the targets set out in the Business Plan / Strategic Plan of the Bank.

14. Where the existing terms and conditions of employment of an employee covered and bound by this agreement and any existing concessions extended to the members of the Union are more favourable than the terms and conditions provided for in this agreement, then nothing in this agreement shall in any way affect or prejudice such existing terms and conditions of employment and such concessions shall continue to exist, notwithstanding anything to the contrary contained herein.

Where an employee was immediately prior to the date hereof entitled to or becomes entitled to on or after that date, under or by virtue of any law, contract, agreement, award or custom to any rights or privileges more favourable than those to which he/she would be entitled under this agreement, nothing in this agreement shall be deemed or construed to authorize or permit the Bank to withhold, restrict or terminate such right or privilege.

For and on behalf of the

HDFC BANK

CEYLON BANK EMPLOYEES' UNION

.....
Palitha Gamage General Manager/CEO
HDFC Bank

.....
Channa Dissanayake,
President

.....
M.K. Nambiyarooran,
Chief Operating Officer.

.....
Ekeswara Kottegodavithana,
Snr. Asst. Secretary.

Witnesses to the above Signatories

.....
Nimali Boteju
Chief Manager,
Human Resources & Admin.,

.....
Dinesh Senanayake,
Secretary,
HDFC Bank Branch Union

Annexure I

HDFC BANK OF SRI LANKA

Salary Revision Effective From 01.01.2018 to 31.12.2020

<i>Post / Grade</i>	<i>Salary Scale (Rs)</i>
Chief Manager - Grade 1	122,105 - 540 x 12 - 164,585/-
Senior Manager - Grade 11	94,065 - 2,150x20 - 137,065/-
Manager - Grade 11(1)	76,820 - 1,770x20 - 112,220/-
Senior Executive - Grade 11(2)	63,185 - 1270 x 20 - 88,585/-
Executive - Grade 11(3)	49,195 - 840x20 - 65,995/-
Junior Executive - Grade IV	43,440 - 650x20 - 56,440/-
Secretaries - Grade V(1)	36,125 - 390 x 20 - 43,925/-
Secretaries - Grade V(2)	34,085 - 300x20 - 40,085/-
Banking Assistant - Grade VI (3)	39,065 - 440 x 20 - 47,865/-
Banking Assistant - Grade VI (2)	35,070 - 380x20 - 42,670/-
Banking Assistant - Grade VI (1)	32,480 - 280x20 - 38,080/-
Peon / Driver - Grade VII (1)	30,335 - 280x20 - 35,935/-
Peon / Driver/ Maintenance Tech.	28,790 - 230x20 - 33,390/-
Business Promotion - Grade VII (3) Assistants/ Peon / Driver /Maintenance Tech -	27,190 - 170x20 - 30,590/-
Multi - Duty Assistant 1	26450 - 160x20 - 29650/-

HDFC BANK

.....
Palitha Gamage
General Manager/CEO

.....
M.K. Nambiyarooran
Chief Operating Officer

CEYLON BANK EMPLOYEES' UNION

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Channa Dissanayake,
President

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Ekeswara Kottegodavithana,
Snr. Asst. Secretary,