

COLLECTIVE AGREEMENT

Between

LANKAPUTHRA DEVELOPMENT BANK LIMITED
34, Maitland Crescent, Colombo 07
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 12th day of January, 2010, by and between the Lankaputhra Bank Limited 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")

TITLE : This Agreement will be known and referred to as **COLLECTIVE AGREEMENT OF "LANKAPUTHRA BANK LIMITED with THE CEYLON BANK EMPLOYEES' UNION FOR THE PERIOD COMMENCING FROM FIRST JANUARY TWO THOUSAND NINE TO THIRTY FIRST DECEMBER TWO THOUSAND ELEVEN (01. 01. 2009 – 31. 12. 2011)"**

01. EMPLOYER TO BE COVERED AND BOUND

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

02. EMPLOYEES TO BE COVERED AND BOUND

This Agreement shall cover and bind members of the 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 attached hereto.

03. DATE OF OPERATION AND DURATION

This Agreement shall deem to be in force from the First day of January Two Thousand Nine (1st January, 2009) and thereafter continue to be in force, unless it is determined by either party giving six months 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, 2011 and such notice shall not expire before the 31st day of December, 2011.

04. 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 2009 to 2011 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.
- (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.

05. SALARY

As from 01.01.2009 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 saw set out below;

Grade Designation	Salary Structure
10 General Manager	<u>150,000 - 180,000</u> 1,500 x 20
09 Assistant General Manager	<u>100,000 - 125,000</u> 1,250 x 20
08 Senior Manager	<u>85,000 - 105,000</u> 1,000 x 20
07 Manager	<u>65,000 - 83,000</u> 900 x 20
06 Assistant Manager	<u>40,000 - 56,000</u> 800 x 20
05 Executive/Personal Assistant	<u>35,000 - 49,000</u> 700 x 20
04 Junior Executive/Management Trainee	<u>30,000 - 42,000</u> 600 x 20

03	Development Assistant & Allied / Banking Assistant/Secretary	<u>25,000 - 35,000</u> 500 x 20
02	Driver	<u>20,000 - 28,000</u> 400 x 20
01	Office Assistant	<u>15,000 - 21,000</u> 300 x 20

06. ALLOWANCES

In addition to the basic salary, the following allowances will be paid, effective from 01.01.2009

(a) Traveling Allowance

A monthly traveling allowance as stipulated below will be paid to the relevant categories of employees;

Manager	15,000
Assistant Manager	12,500
Executive/Personal Assistant	10,000
Junior Executive/Management Trainee/ Development Assistant & Allied Banking Assistant/Secretary)	7,500
Driver/Office Assistant	5,000

(b) Refreshment, Traveling, Subsistence & Lodging Allowances

The above allowances will be paid as set out in the Staff Circular No. HR/CIR/06/11 dated 11th October, 2006, annexed to this agreement as Annexure I

07. CONVERSION OF THE BASIC SALARY

- (a) The Basis Salaries of all employees will be converted to the revised scale by applying the step to step (point by point) method of conversion, thereby the employees to receive the incremental credit, depending on the number of years service.

e.g.

An employee who had been on the 5th step of the scale as at 31.12.2008 will be placed on the 5th step of the relevant revised scale with effect from 01.01.2009.

- (b) In the event of the initial salary of an employee exceeding the structured salary scale, the difference of the salary already received will be paid as a special allowance outside the basic salary.

08. BONUS

An amount equivalent to two months salary will be paid as bonus to all employees in service as at 31st December. In the event of an employee being recruited during the year, he/she will be paid the bonus on a prorate basis. 50% of the bonus will be paid as an advance, in the month of April, each year.

09. LEAVE

Leave entitlement of all employees will be as follows;

- a) 07 days Casual Leave, which could be utilized up to a maximum of 2 days at a given time.
- b) 14 days Sick Leave, which could be availed of without medical certificate up to a maximum of 2 consecutive days.
- c) 21 days of annual leave, out of which 7 days should be utilized on consecutive days and the balance 7 days during the year. 7 days could be accumulated for purpose of utilization prior retirement or for purpose of emergency, subject to a maximum of 90 days.

10. MEDICAL ASSISTANCE

the existing surgical & hospitalization insurance scheme as stipulated in Staff Circular No. HR/CIR/09/29 of 1st January, 2009, annexed hereto as **Annexure II**, will be operative for purpose of staff medical assistance scheme. .

11. LOANS SCHEMES

(i) Staff Personal Loan Scheme

Staff Personal Loans will be granted in terms of the existing staff personal scheme as stipulated in Staff Circular No. HR/CIR/09/31 of 1st April, 2009, annexed hereto as **Annexure III**, subject to the amendments that, the loan will be granted at the rate of interest of 8% and the collateral amended to include only DPN, and assignment of gratuity.

(ii) Housing Loans

Housing Loans will be granted in terms of the existing housing loans scheme as stipulated in Staff Circular No. HR/CIR/09/41 of 30th December, 2009, annexed hereto as **Annexure IV**.

12. 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.

13. Where an employee was immediately prior to the date hereof entitled to or becomes entitled on or after that date under or by virtue of any law, contract, agreement, award or custom to any rights or privileges more favorable 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

LANKAPUTHRA BANK LTD

CEYLON BANK EMPLOYEES' UNION

.....
Upali Liyanage
Chairman

.....
President

.....
General Manager

M. Sukumaran

.....
General Secretary

Witness to the above Signatories

.....
Sumeda Edirisuriya
Chief Financial Officer

.....
Udai Ranatunga
President
CBEU - LDB Branch Union