

COLLECTIVE BARGAINING AGREEMENT

BETWEEN

ENTEBBE HANDLING SERVICES LIMITED

AND

AMALGAMATED TRANSPORT

AND GENERAL WORKERS

UNION

ON

TERMS AND CONDITIONS OF SERVICE
FOR THE UNIONISABLE EMPLOYEES OF THE
COMPANY

FEBRUARY 2013

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A. STATEMENT OF PURPOSE

ARTICLE 1: AFFIRMATION

- a) This Collective Bargaining Agreement is made between Entebbe Handling Services Ltd (ENHAS) here-in-after referred to as “the Company” or its lawful successors on one part and Amalgamated Transport and General Workers’ Union (ATGWU), here-in-after referred to as “the Union” or its lawful successors on the other part.
- b) This Agreement shall govern the Terms and Conditions of Service of all unionisable employees of the Company.
- c) It is mutually agreed that the purpose of this agreement is to attain a continuous improvement in employees’ earning and welfare. It is in the interest of Entebbe Handling Services Limited and the Amalgamated Transport and General Workers’ Union to have stability of production and continuous reliable employment for the mutual benefit of employees, management and the public. To attain this objective, it requires expeditious and peaceful resolution of issues that may arise in the course of management/employee relations. Both parties therefore hereby agree to resolve any differences that so arise, through the process of collective bargaining and/or as may be otherwise agreed between both parties.

B. EMPLOYMENT

ARTICLE 2: ENGAGEMENT

- a) All vacancies in the Company shall, in most cases, be advertised internally followed by external advertising where no suitable candidate has been located through the internal advertisements.
- b) After attending an interview the successful candidate will be engaged subject to passing a pre-placement medical examination by the company doctor.
- c) Upon engagement a letter of appointment shall be given to the successful candidate. The letter shall briefly describe the appointee’s duties, salary and other terms and conditions of service as appropriate. The appointee shall be expected to notify the Company of his/her acceptance of the appointment within one month from the date of receiving the letter of appointment.
- d) ENHAS has a long-standing commitment to providing equal opportunity in the workplace to all employees and qualified applicants in all terms and conditions of employment, including but not limited to, recruitment,

selection, promotion, compensation and benefits. ENHAS provides equal employment opportunities to all individuals in conformity with the relevant laws of Uganda.

ARTICLE 3: CATEGORIES OF EMPLOYMENT

The categories of employment into the service of the Company shall be as spelt out below:

- a) **Permanent Employee**
Is an employee who has been confirmed in his/her appointment upon successful completion of his/her probation period at a salary within the Company's salary scales.
- b) **Contract Employee**
Is an employee engaged for a specific period or project and terms provided for in the contract.
- c) **Seconded Employee**
Is an employee engaged under an agreement between the Company and his/her principal employer.
- d) **Casual Employee**
Is an employee engaged on a day-to-day basis and paid a daily wage to handle work whose volume or nature would not necessitate permanent employment. If there are suitable vacancies, such an employee shall be absorbed/taken on by the Company.
- e) **Temporary Employees**
Is an employee engaged under a letter of temporary appointment to handle work in a temporarily vacant position.

C. PROBATIONARY PERIOD AND INDUCTION

ARTICLE 4: INDUCTION

- a) A newly recruited employee shall be given an appropriate induction course to be followed by necessary on-the job training and/or other courses of training that will enable the employee to perform his/her duties satisfactorily.
- b) The Training Unit of Human Resource Department shall ensure that this procedure is carried out promptly before the employee commences his/her duties.

ARTICLE 5: PROBATION

- a) A newly recruited employee will be required to serve a probation period of six (6) months. During this period a team under the Head of Department shall assess the employee's performance.
- b) During the probationary period either party may terminate employment by giving 14 days notice or 7 days wages in lieu of notice.
- c) If the Company finds it necessary to extend the probation period of the employee this period shall not exceed three months. Probation shall be extended with the agreement of the employee.
- d) All ENHAS staff shall undergo one probationary review period upon hire. Promoted staff shall not serve any probation. Such employees will be referred to as trainees and later can be confirmed in appointment.
- e) Employees who are serving the initial six months probation shall not be eligible to take annual leave. At six months of service a staff member shall be entitled to annual leave.

ARTICLE 6: CONFIRMATION

The Human Resource Manager shall seek confirmation of an employee on probation at least one month before the date of expiration of the probation. Should the Company not raise any case against the confirmation of an employee by the date on which his/her probation expires, the employee shall be deemed confirmed in his/her employment and shall start enjoying all benefits due to a permanent employee of the Company with effect from the due date.

D. HOURS OF WORK

ARTICLE 7: HOURS AND PLACE OF WORK

- a) The company and the union recognise that Air Transportation operates a twenty-four (24) hour cycle. The standard working hours shall not be more than forty (40) hours per week spread over any five (5) days of the week.
- b) Normal office hours will be from 0800 hours to 1700 hours from Monday to Friday with a lunch break of one hour. Saturdays, Sundays and gazetted public holidays are to be regarded as rest days.
- c) Shift workers, will be rostered according to the operational requirements of the Company and shall enjoy two days' rest per week.
- d) The Company reserves the right of where and how an employee is deployed.

E. WORK PERFORMANCE REVIEW PROCESS

ARTICLE 8: STAFF PERFORMANCE APPRAISAL

- a) The Company shall institute and maintain a continuous performance review system that shall, among other objectives, aim at improving the employee's performance.
- b) Each Department shall establish and maintain a departmental staff performance appraisal team comprising of:
 - i. The Head of Department
 - ii. The Head of Division
 - iii. The Employee's Supervisor
 - iv. The Departmental Trainer
- c) The team shall make an assessment of the employee's performance and will meet the employee to discuss the assessment.

F. COMPESANTION

ARTICLE 9: RATES OF PAY/SALARY SCALES

- a) Each employee shall receive the rate of pay corresponding to his/her grade as designated by the Company and as shall be amended from time to time.

ARTICLE 10: SALARY INCREMENT

- a) Employees shall receive annual salary increments within their salary scales unless stopped for disciplinary action. Any action taken shall be conveyed in writing to the concerned employee.
- b) Meritorious salary increments for exemplary performance may be granted to an employee at the discretion of the Company and employee shall be informed in writing.

ARTICLE 11: OVERTIME AND PAYMENTS

- a) Overtime work is a practice that must be discouraged. However, where it is absolutely necessary that overtime must be worked, payment will be 50% on top of the basic hourly rate during the normal working days. Overtime shall be paid only if approved by the Head of department.

ARTICLE 12: GAZETTED PUBLIC HOLIDAYS

- a) Gazetted Public Holidays shall be with full pay, provided that the employee does not absent himself/herself from work without permission during the normal working day proceeding the public holiday.
- b) In the event of a permanent employee being required to work on a public holiday, the Company shall pay him/her a premium rate of 100% on top of the normal hourly rate for the time worked. There will be no day off in compensation on top of this.

ARTICLE 13: ACTING APPOINTMENTS AND ALLOWANCE

- a) Whenever a post falls vacant the most competent employee will, in writing, be appointed to act.
- b) Acting Allowance shall only be paid when a job is vacant and a substantive replacement has not yet been identified. Acting allowance shall be 10% of current salary of staff in acting capacity.
- c) No appointment to act in a substantively vacant post shall be in excess of 6 months. If the vacancy still exists beyond the six months period, the employee who will have acted for that period will be appraised and confirmed in the position or reverted to his/her former position if found unsuitable.

ARTICLE 14: PROMOTION

- a) Upon availability of a vacancy, the Company shall first advertise the same internally. However, the Company reserves the right to promote employees to established posts without prior advertisement.
- b) Promotion shall be based on merit and shall be open to all employees of the Company.
- c) To be eligible for promotion, an employee should have been in his or her present position for at least one year and be qualified to perform the duties and responsibilities of the new position.
- d) The Human Resource Department shall inform the concerned employee about the promotion in writing, stating the effective date.

G. LEAVE

ARTICLE 15: LEAVE GENERAL

- a) Leave is authorised absence from duty, and its objective is to offer diversion, recreation, relaxation and recuperation to the employee with a view to increasing the efficiency, output and enthusiasm when he/she returns on the job.
- b) Leave shall be taken by all staff whenever due. Leave may *inter alia* be classified as: Annual, Sick, Maternity, Paternity, Compassionate, Study and Unpaid.
- c) All employees of the Company are entitled to leave.
- d) Management shall, in consultation with the employees, schedule annual leave and display schedule for information of employees.

ARTICLE 16: ANNUAL LEAVE

- a) Every employee of the Company shall be entitled to a normal annual leave as follows:
 - i. 22 working days per year for the first two years of employment
 - ii. 25 working days per year for the third and successive years of employment thereafter.
- b) Each employee will be entitled to take at least four (4) weeks of uninterrupted leave per year.
- c) No employee shall be allowed to accumulate leave beyond the year of entitlement, except where such accumulation is within the limits of the laws of the country.

ARTICLE 17: ANNUAL LEAVE BENEFITS

- a) An employee proceeding on annual leave shall be entitled to payment of 50% of his/her monthly salary in addition to the normal salary payments for that month.
- b) Leave allowance will be earned even if the leave is postponed.

ARTICLE 18: SICK LEAVE

- a) The company shall grant sick leave to a staff member who is temporarily prevented from attending his or her duties because he or she is ill, injured or undergoes medical treatment. The sick employee shall present a medical certificate signed by the Company Doctor or recognised medical service provider.

- b) The sick employee shall continue to receive his or her applicable benefits and wages/remunerations as follows;
 - i. Full salary for the first three (3) months.
 - ii. Half salary for the next three (3) months following (i) above.
 - iii. 25% salary for the next three (3) months following (ii) above
 - iv. Following (iii) above and the sickness of the staff member persists, Management may consider terminating the employee's services with the Company on medical grounds after consulting the Company Doctor.
- c) An employee who falls sick while away from duty shall, within twelve (12) hours report the circumstances to his/her supervisor or otherwise arrange for the circumstances to be so reported within the aforementioned period and arrange for the medical certificate covering his/her absence from duty to be submitted to his/her supervisor within forty eight (48) hours of the commencement of his/her absence from duty.

ARTICLE 19: SICKNESS WHILE ON LEAVE

- a) Sickness contracted during leave, will not affect the leave but at the expiry of the leave the days of absence necessitated by the sickness if certified by the Company Doctor will be treated as sick leave.
- b) The employee shall be required to produce proof of the sickness to the Company.

ARTICLE 20: MATERNITY LEAVE

- a) A female employee of the Company shall be entitled to sixty (60) working days with full pay as maternity leave. The leave may be taken fifteen (15) days prior to the expected date of delivery or any such date as may be advised by the doctor.
- b) Should the employee require additional treatment/medical care at expiry of the maternity leave, the case shall be treated as sick leave only at the recommendation of the company doctor.
- c) Should the employee require her due Annual leave after the expiry of maternity leave, she shall be allowed to take it.
- d) Should the employee require additional leave after (a), (b) and (c) above, Management may consider and grant such leave as leave without pay.

ARTICLE 21: PATERNITY LEAVE

A male employee will be entitled to five (5) working days as paternity leave per delivery of a child or a miscarriage by his registered spouse.

ARTICLE 22: LEAVE FOR SPECIAL REASONS

- a) Leave with full pay shall be granted under special circumstances as follows:
 - i. Death of a member of immediate family (spouse or child) – five (5) working days
 - ii. Death of close relative (Father, Mother, Sister, Brother, Father/Mother-in-law) – three (3) working days
 - iii. Marriage – five (5) working days
- b) Unpaid leave (LWOP): Leave without pay while maintaining employee status and applicable benefits. Unpaid leave is approved at the discretion of the Chief Executive Officer.

ARTICLE 23: STUDY LEAVE

- a) Management may grant Study Leave to an employee wishing to undertake a course of study not sponsored by the Company. Such study leave shall be unpaid and may not exceed 10 working days per year. Requests for study leave shall be channelled through the head of department and approved by the HR Manager.
- b) Other leave required for the purpose of studying shall be taken from the employee's normal annual leave entitlement.

ARTICLE 24: ABSENCE WITHOUT OFFICIAL LEAVE (AWOL)

- a) A Company employee shall not absent himself/herself from duty without prior permission or reasonable excuse. Should the employee do so, for a continuous period of seven (7) days he/she shall be regarded as having forfeited his/her employment on abscondment with effect from the first day of such absence.
- b) Where an employee fails to report on duty after leave or off-duty the seven (7) days of absence referred to above shall commence from the date he/she was supposed to report for duty.

H. BENEFITS AND ALLOWANCES

ARTICLE 25: TRAINING

- a) The Company shall draw up a detailed manpower training and development programme for the employees.

- b) The training programme shall take into consideration the promotional requirements of employees.
- c) Training shall, as much as possible, not interfere with the employee's rest days.

ARTICLE 26: MEDICAL BENEFITS

- a) The Company shall provide and maintain free of charge to the employee, one (1) registered spouse and four (4) biological/legally adopted children below the age of 21 a designated clinic to attend to medical problems. Registration of spouse and children shall be by production of birth and marriage certificates.
- b) In case the patient's problems cannot be effectively handled by the Company clinic, the patient shall be referred to a hospital or other medical centre at the Company's expense by the Company Doctor ONLY.
- c) In case hospitalisation becomes necessary the Company shall, in consultation with the Company Doctors, make arrangements with appropriate hospitals in country.
- d) The Company shall not meet bills related to accommodation in hospitals privately arranged by the employee.
- e) The Company's responsibility for medical attention and treatment in case of continuous sickness of an employee shall cover the period of sick leave provided for under article 18.
- f) The Company shall refund costs of delivery up to a maximum of 750,000/- of the costs incurred by a female or male employee in connection with child delivery.
- g) The Company shall contribute UGX.150,000 towards purchase of spectacles.
- h) The Company shall contribute UGX.300,000 towards Dental related expenses.

ARTICLE 27: GROUP ACCIDENT INSURANCE

The Company shall provide a twenty-four (24) hour insurance cover against any injury to all its employees. The benefits of this scheme shall be in line with the Workers' Compensation Act.

ARTICLE 28: MEALS PROVISION

- a) The Company shall provide meals to employees while on Company duty irrespective of the nature of deployment i.e. shift, split, dedicated, support, etc.
- b) The meals include breakfast, break-tea/coffee, lunch and supper.
- c) These meals will be provided at no cost to the employee.

ARTICLE 29: STAFF TRANSPORT

The Company shall provide transport to all its employees reporting for and off duty and while on official duties within the vicinity of Entebbe Municipality. The furthest pick up/drop off point for transport to and from duty will be at Bwebajja on the Kampala to Entebbe highway.

ARTICLE 30: WARM CLOTHING ALLOWANCE

An employee proceeding on duty/training to a country where temperate and cold climatic conditions prevail shall be given a warm clothing allowance of three hundred US dollars (US \$ 300) provided that the allowance shall not have been given to the employee in the preceding two years.

ARTICLE 31: SCHOOL FEES ASSISTANCE

- a) The Company shall assist employees with payment of school fees.
- b) Every employee will be paid school fees assistance per school term as indicated in the table below and the amounts shall be reviewed from time to time:

| Scale | Amount per term |
|---------|-----------------|
| 1 – 3 | 250,000/= |
| 4 – 7 | 300,000/= |
| 8 – 10 | 350,000/= |
| 11 – 13 | 450,000/= |

- c) Employees will qualify for this assistance after two (2) years of service.

ARTICLE 32: WEDDINGS

On the occasion of a permanent staff's wedding, staff shall receive a Company contribution as follows:

- Cash contribution of UGX. 400,000 & UGX. 100,000 towards a gift for staff in levels 6 to 13.
- Cash contribution of UGX 350,000 & UGX 50,000 towards gift for staff in levels 2 to 5

ARTICLE 33: BONUS

An annual bonus shall be paid at the discretion of the Board of Directors.

ARTICLE 34: SALARY ADVANCES

Salary advances shall be granted at the discretion of management in the event of unplanned or emergency circumstances. Advance shall not exceed one month's gross salary and shall be recovered in a maximum of four equal instalments. No advance will be granted while a previous one is not yet fully recovered.

ARTICLE 35: LONG SERVICE AWARDS

- a) In order to show appreciation for services rendered by an employee and as an incentive to employees to work diligently so as to serve the Company for a long time, the Company shall make the following Long Service Awards:
- (i) After seven (7) years of service the employee shall receive fifty (50) pieces of three (3)-metre corrugated iron sheets of gauge twenty eight (28) *in kind* and two (2) ton of cement or its equivalent in value at the time.
 - (ii) After fourteen (14) years of service the employee shall receive a new motor cycle.
 - (iii) In addition to the various awards mentioned above the Company shall, at each of the stages, issue the employee with a Certificate of Long Service stating the period served.

ARTICLE 36: EXISTING BENEFITS

No employee shall, as a result of this agreement coming into force, enjoy lower benefits and other conditions of service than he/she has been enjoying, except where such has been expressly agreed upon between the Company and the Union.

J. PROGRESSIVE DISCIPLINARY ACTION

ARTICLE 37: DISCIPLINARY PRINCIPLES AND PROCEDURES

- a) Management believes that as adults, we should self-regulate our behaviour and actions.
- b) In order to harmonize our actions however, Management has put in place some basic guidelines on what we can do and what we cannot do while at work. The main theme of these guidelines is the assumption that as rational human beings, we are capable of differentiating between individual concerns and organizational interests. The ethical code of conduct is attached as Appendix "A".
- c) The immediate supervisor of a staff represents management at that level. The supervisor therefore has the primary duty of developing, disciplining and helping a staff. Staff are expected to be guided and counselled in all matters where they seem to deviate from the expected.
- d) All employees without exception shall be expected to conduct themselves in a manner befitting ENHAS employee. Insulting language from either a superior to a subordinate or vice versa or to a customer shall not be permitted.
- e) Notwithstanding the foregoing generalities, the Company shall be guided by the following principles in the application of disciplinary measures and proceedings:-

- i. Charges to be made in writing

Charges for any offence that warrants a disciplinary action other than a verbal warning shall be made in writing, clearly stating the nature of the offence and inviting the employee to respond to the charge. Disciplinary action will only be imposed in respect of an offence for which an employee has been charged and found guilty.

- ii. Disciplinary action to be taken promptly

The objective of a disciplinary action is mainly to bring about change in the undesirable behaviour. It therefore follows that action on the part of the supervisors and the Disciplinary Panel must be taken promptly and in line with the alleged offence.

- iii. Penalties to be Progressive

Wherever possible, penalties imposed for disciplinary offences should be progressive and strict penalties will not normally be imposed unless the employee concerned has previously received a final written warning

letter concerning his / her conduct. This shall however not apply to proven cases of dishonesty or fraud.

iv. Right to be Heard

Every employee has a right to be heard and to a fair hearing. No disciplinary penalty shall be imposed on an employee before he / she has been given a chance to be heard.

v. Right to Representation

Every employee facing a disciplinary hearing shall have the right to be to be accompanied by a person of his/her choice.

vi. Right to appeal

Every employee shall have the right to reply to any disciplinary charges and to appeal against any disciplinary decision and penalty imposed upon him / her.

f) OFFENCES

These are broadly categorized into Minor Offence and Serious Offence.

i. Minor Offence

An offence that does not directly relate to performance of the job but becomes serious if repeated e.g. late coming, unauthorised absence.

ii. Serious Offence

This kind of offence either directly impacts on job performance or puts in question our integrity e.g. Dishonesty, Fraudulent behaviour, failure to attain performance goals and standards, insubordination, negligence leading to injury/loss, wilful damage to company property, verbal and physical assault of colleagues or supervisor e.t.c

iii. A minor offence would ordinarily attract counselling or caution but if repeated a written warning is issued. Up to a maximum of three warnings can be issued and thereafter termination would be contemplated.

iv. A serious offence attracts harsher measures depending on the gravity of the misconduct. All cases of theft if proven attract summary dismissal. There shall be no second chance for dishonest behaviour

ARTICLE 38: WARNING

Where an employee commits an offence, which is not serious enough to warrant summary dismissal from the Company services under Article 44, the following shall apply:-

- a) Where employee's Head of Department has determined that the employee has committed his/her first minor offence, the Head of Department shall issue to the employee a verbal warning in the presence of the employee's supervising officer and another person of the staff's choice.
- b) Should an identical or similar minor offence be committed by the same employee within 6 months following the warning in (a) above, the Head of Department shall issue to the employee a first warning letter, sending copy to the Human Resources Manager.
- c) Should the employee commit an identical or similar offence the third time or another serious offence within 6 months of the first letter of warning, the Human Resources Manager shall issue a final warning letter.
- d) Should the employee with a final warning commit a similar offence or any other serious offence within twelve (12) months, management may institute a suitable punishment, including terminating the employee's services, provided that the employee shall have been given a hearing.
- e) After completion of the twenty four (24) months between recorded warnings, all warnings on the employee's records shall not be used as a yard stick or be referred to in determining subsequent disciplinary actions.

ARTICLE 39: SUSPENSION FROM DUTY

- a) Company may suspend any employee from duty on suspecting him/her to have committed an offence that requires investigation regardless of his/her position in the company.
- b) Suspension shall be in writing, specifying the cause and a copy of such letter shall be given to the union.
- c) During suspension period an employee shall be paid half of his/her salary. After completion of the investigations by the Company a copy of the report of the findings shall be given to the staff. Thereafter, the Company will institute any action it deems fit against the employee. Should such a decision be disagreeable to the staff, the aggrieved party may appeal.
- d) Whenever an employee on suspension is re-instated his/her dues withheld because of suspension shall be paid to him/her as arrears.

- e) Should it become necessary to terminate the services of an employee who has been on suspension, the effective date of termination shall be the date when the decision for termination is made.
- f) No employee shall be suspended for more than four weeks. Should the Company fail to come with its final findings and action within four weeks of suspension or fail to have any good reason for the delay the employee shall immediately be re-instated to his / her duties without loss of any benefit.
- g) An employee may be suspended from duty without pay as a deterrent disciplinary measure for a maximum of 15 days in 6 months.

I. TERMINATION

ARTICLE 40: TERMINATION OF SERVICE

- a) Either party may terminate the contract of employment between a confirmed employee on permanent terms and the Company by giving the other party written notice of intention to terminate the contract in a manner specified hereunder or by payment of the equivalent in lieu of notice.
 - (i) One month if the service has lasted six months but less than five years.
 - (ii) Two months if the service has lasted at least five years but less than ten years.
 - (iii) Three months if the service has lasted at least ten years or more.
- b) The following reasons shall, inter-alia constitute grounds for termination of services by the company:-
 - (i) Unsuccessful completion of probation period.
 - (ii) Inefficiency in performance of duties; non-compliance with Job Description and laid down work procedure.
 - (iii) Breach of Company Rules and Regulations (Refer to Appendix A).
 - (iv) Loss of trust
- c) Upon termination of services by the company, the employee shall be entitled to the following:
 - (i) Salary and due to allowances up to the date of termination.
 - (ii) Annual leave prorated up to the date of termination. Such payment shall include any outstanding leave allowance.

- (iii) Provident Fund Contribution (subject to introduction of the scheme and the rules governing the Provident Fund Scheme)
 - (iv) Payment at a rate of HALF (50%) months pay per each completed year of service or part thereof.
 - (v) Any outstanding Long Service Awards in accordance with the relevant article.
- d) Upon voluntary resignation the employee shall be due to receive the following:
- (i) Salary and due to allowances up to the date of termination.
 - (ii) Annual leave prorated up to the date of termination. Such payment shall include any outstanding leave allowance.
 - (iii) Provident Fund Contribution (subject to introduction of the scheme and the rules governing the Provident Fund Scheme)
 - (iv) Gratuity benefit as below.
 - 50% of monthly pay per year served to staff who has been in service for five (5) years but less than ten (10) years.
 - 75% of monthly pay per year served to staff who has been in service for ten (10) years but less than twenty (20) years.
- e) The above gratuity benefit is payable subject to the following:
- (i) Compliance with article 40(a) by resigning staff
 - (ii) Attendance report as evidence of regular attendance during the notice period.

ARTICLE 41: RETIREMENT

- a) Retirement shall be considered under the following:
- i. Voluntary retirement after a minimum service of twenty (20) years.
 - ii. Early retirement with benefits will be granted at the discretion of Management.
 - iii. Retirement on medical grounds (Declared unfit to work due to illness or injury by company Doctor).

- iv. Compulsory retirement after an employee has attained the statutory age of 55 years.
- b) Upon retirement for any of the above, the employee shall be entitled to the following benefits:
 - i. Three months written advance notice or salary and allowances in-lieu of notice of retirement.
 - ii. Annual leave prorated up to the date of retirement.
 - iii. Salary and allowances due up to the date of retirement.
 - iv. Provident Fund Contribution (subject to introduction of the scheme and the rules governing the Provident Fund Scheme)
 - v. Payment at a rate of one (1) month per each completed year of service or part thereof.
 - vi. Transport for employee, his/her family and personal belongings at the rate of five hundred thousand shillings (UGX. 500,000) only.
 - vii. Any outstanding Long Service Awards in accordance with the relevant Article.

ARTICLE 42: DEATH

- a) When an employee dies while in the service of the Company, the Company shall provide UGX.1,500,000 as contribution to funeral and burial expenses. The amount above covers treatment of the body, coffin, wrapping materials, grave construction and transporting of the body to final resting place. Thereafter all terms of Article on retirement will apply.
- b) In the event of death of a registered spouse or child the company shall provide the family with a sum of UGX.500,000.
- c) In the event of death of a parent the company shall provide the family with a sum of UGX. 200,000.

ARTICLE 43: REDUNDANCY

- a) For the purpose of this article "Redundancy" shall mean termination of employment of an employee or a group of employees by the Company due to operative or financial problems beyond the Company's control, including restructuring and reorganisation. Such a step shall normally come as a last resort to be taken by the Company only after having failed to avert such problems and after consultation with the Union.

- b) Selection for redundancy will be determined by the assessment of the relative skills, merit and ability of employees.
- c) Should it become necessary for the Company to select employees for redundancy, no employee shall be at a disadvantage because of his/her membership to the Union.
- d) Should there be need to fill any vacancy after redundancy, priority in recruitment shall be given to employees who were affected by the redundancy.
- e) Any employee being declared redundant shall be paid as follows:
 - (i) Three months written advance notice or salary and allowances in-lieu of notice of redundancy.
 - (ii) Annual leave prorated up to the date of redundancy.
 - (iii) Salary and allowances due up to the date of redundancy.
 - (iv) Payment at a rate of one (1) month gross salary per completed year of service or part thereof with the Company. This will be calculated at the employee's salary scale at the time of redundancy.
 - (v) Payment of UGX. 500,000 as transport.
 - (vi) Provident Fund Contribution (subject to introduction of the scheme and the rules governing the Provident Fund Scheme)
 - (vii) Any outstanding long service awards in accordance with the relevant Article.

ARTICLE 44: SUMMARY DISMISSAL

- a) The Company may summarily dismiss from its services an employee who shall be guilty of one or more of the following acts of misconduct:-
 - i. Wilful neglect of Company interests leading to loss or damage of Company property, revenues and/or image.
 - ii. Wilful insubordination or disobedience of lawful orders (i.e. failure to respond to the directives of one's supervisor in so far as those directives reflect the spirit of the employee's job)
 - iii. Being drunk during working hours through consumption of alcoholic beverages or liquors and/or drugs rendering him/her unfit or unable to perform duties properly.

- iv. Fighting while on duty or assaulting others within the Company premises.
 - v. Theft, fraud, or other acts of dishonesty.
 - vi. Wilful or malicious damage to Company property.
 - vii. Conviction for a felony.
 - viii. Unauthorised driving.
 - ix. Abscondment
- b) Upon summary dismissal, the employee shall lose all terminal benefits payable by the Company except the following:
- i. Salary and allowances due up to the date of dismissal.
 - ii. Annual leave prorated up to the date of dismissal. Such payment shall include all allowances.
 - iii. Own contributions to the Provident Fund scheme, if applicable.
 - iv. Any long service awards earned but not yet received by the employee.

ARTICLE 45: APPEALS

While every employee has the right to be heard before a Management decision is taken, the same employee shall receive the right to appeal. In the appeal the staff or ex-employee shall state simply, clearly and in sufficient details all the facts that justify a review of Management’s earlier decision.

| APPEALS PRECEDURE | | |
|-------------------|-------------------------|--------------------|
| SCALE | TO WHOM TO APPEAL | WHO HANDLES APPEAL |
| 1 – 10 | HUMAN RESOURCES MANAGER | MANAGEMENT PANEL |
| 11 – 12 | CEO | MANAGEMENT PANEL |
| 13 | BOARD | BOARD |

ARTICLE 46: CERTIFICATE OF SERVICE

When an employee retires or leaves the Company services either on his/her own accord or his/her services being terminated under the provisions of this agreement he/she shall be issued with a certificate of service.

K. HEALTH & SAFETY

ARTICLE 47: UNIFORM AND PROTECTIVE WEAR

- a) The Company shall provide uniforms and/or necessary protective wear/gear to all employees whose duties require their use in line with the uniform policy.
- b) The number, type and life of uniform and protective wear/gear shall be considered according to requirements such as pregnancy or disability. Any such items issued shall remain the property of the Company as provided for under uniform policy - Appendix "B"
- c) Employees issued with Company uniforms and/or protective wear/gear shall be obliged to respect and keep them in good order and shall ensure that they are not abused in any way.

ARTICLE 48: HEALTH AND SAFETY COMMITTEE

- a) A Health and Safety Committee consisting of not more than seven (7) members drawn from Management and the Union shall be formed to deal with matters concerning health and safety at work the Union shall be represented by three (3) members nominated by the Union.
- b) Among other things the Committee shall be charged with the responsibility of drawing up guidelines on Occupational Health of employees and safety at workplace as may be provided for in the Factories Act and other relevant Government or International regulations/statutes.

ARTICLE 49: HIV/AIDS AND THE WORKPLACE

- a) The Company and the Union recognise HIV/AIDS as a workplace issue with a far-reaching economic and social impact on the employees and the employing organisation. It is therefore, in the interest of both parties that the HIV/AIDS issue is handled in an effective manner as in appendix "C"

ARTICLE 50: RETENTION OF PARTIALLY INCAPACITATED EMPLOYEES

If an employee becomes partially incapacitated arising out of an occupational hazard/accident the Company shall retain the employee in service provided the advice of the Company Doctor is in conformity with such a decision.

L. OTHER INFORMATION

ARTICLE 51: TRANSPARENCY

- a) The Company wishes to develop and follow the principle of transparency in all its operations.
- b) No employee shall be expected to solicit for presents or accept bribes in form of money or other valuables in exchange for any services rendered on behalf of the Company.
- c) The Company may be entitled to terminate the services of an employee proved to have engaged himself/herself in such malpractice.

ARTICLE 52: RIGHT TO STOP AND SEARCH

- a) Both parties recognise the importance and right of security personnel of the Company to carry out the "STOP AND SEARCH" practice.
- b) However, the act of carrying out this practice should be done in the most humane and professional manner possible so as to avoid causing embarrassment to the person being searched.

ARTICLE 53: CHANGE/TRANSFER OF COMPANY/UNION DESIGNATION

- a) In the event of the Union re-registering with the Registrar of Trade Unions under another name or transfers its members to another trade union during the term of this agreement, the agreement shall continue to apply and remain binding on the successor workers organisation.
- b) In the event of the Company re-registering under another name or transferring its business or part of it to another employer during the term of the Agreement, the agreement shall continue to apply and remain binding on the successor employer. The existing employee shall however retain the option to continue with a new employer or to be retired on the existing terms. Thereafter, the employee shall be free to enter a new contract of employment with the incoming employer.

ARTICLE 54: COMPANY FACILITIES

- a) The Company shall be responsible for providing equipment and facilities necessary for the proper conduct of its business.
- b) It is agreed that every worker shall be accountable for the tools/facilities accorded to him/her by the Company that are needed for the proper conduct of work.

ARTICLE 55: NEW TECHNOLOGY

- a) Management shall provide all the necessary literature for information on operation and safety features on the new technology.
- b) Management and Union shall ensure that new technology is introduced for the sole purpose of improving on the quality and productivity.
- c) All employees who may be affected by the introduction of new machines will be retrained and deployed in other departments if fit for a new job.

ARTICLE 56: RECREATION

The Company shall with time develop facilities for recreation activities and sports for its employees.

ARTICLE 57: GENERAL

- a) The Company and the Union agree to adhere to and always make reference to this agreement when handling workers issues.
- b) The Company and the Union desire that every employee of the Company is familiar with the provisions of this agreement and his/her rights and duties provided by the agreement.
- c) The Company shall provide a copy of the agreement to each employee.

ARTICLE 58: MODIFICATION AND AMENDMENT

This Agreement that came into force on the 16th day of November 2005 was amended on the...1ST ... day of ...FEBRUARY... 2013 and shall remain in force until again amended.

Either party wishing to amend or modify the agreement shall give the other a one-month written notice detailing the proposed amendment/modification. In the event of failure to reach mutual agreement to the proposed amendment/modification of the agreement, either party may refer the matter to the Ministry in charge of labour matters for further action.

Notwithstanding the foregoing provisions, the agreement shall remain in force until otherwise agreed upon by both parties, and shall not be affected by actions of any third or other party.

IN WITNESS HEREOF the representative of the parties hereto have set their signatures and seals this 7TH day of ...FEBRUARY 2013.

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