

# COLLECTIVE LABOR AGREEMENT 2008-2009

## CHAPTER I

### CADRE OF EMPLOYEES AND SCALE OF SALARIES

#### Article 1 :

The Cadre of Bank Employees is divided as follows :

- 1- The Cadre of General Management (General Manager, Deputy General Manager, Assistant General Manager)
- 2- The Cadre of Employees

#### Article 2 :

1- The Cadre of Employees is composed of the following :

<u>Technicians</u>	<u>Cadre</u>
Category/ Grade A	Category/ Grade D
Category/ Grade B	Category/ Grade E
Category/ Grade C	Category/ Grade F

- 2- The bank decides the number of levels it wishes to have within every category/grade, provided not to exceed four levels at the utmost. Moreover, the Bank is free to choose the classification that suits the requirements of work. However, the Bank has to define the classification it is adopting, inform its employees about it, and definitely implement it within the two coming years, starting the date of signature of the collective agreement.
- 3- Technicians are those who fill functions, which require some acquired competencies through education, expertise, or training, and who are capable of solving problems and having flexibility while dealing with the clients and supervising the working team.
- 4 - Cadres are those who fill functions which require great responsibilities, a wide knowledge and leadership competencies, and those capable of taking decisions.

#### Article 3 :

The provisions of this agreement do not cover the employees under special contracts with their Banks, whereby no bank is allowed to hire on contract an employee in a grade already stipulated in the afore-mentioned Article (2), since all such grades are governed by the Collective Agreement.

#### Article 4 :

The Bank distributes its employees according to the classification adopted in the present collective agreement, while taking into account the prerequisites of these functions and the competencies of its employees.

It grants grades to the employees, according to the proposed grade system and the functions they are accomplishing, as well as the competencies required for filling them.

Moving from one grade to another definitely requires the capacity to adapt oneself to the requirements of the function and to acquire the competencies, which are suitable to those required for the function.

Old employees, regardless their grades, maintain the same services, benefits, allowances, salaries, annual leave, and medical services as those stipulated before the implementation of the new system of grades.

### **Article 5 : Employment**

Once this Agreement is implemented, every applicant for employment in a bank operating in Lebanon should fulfill the following conditions :

- Shall be a Lebanese National for a minimum of ten years.
  - Should have completed eighteen years of age.
  - Shall produce a copy of Judicial Record.
  - Shall produce a medical certificate.
- Shall submit a personal declaration of the absence of any criminal suits against him/her.

However, in case of employing foreigners, the Bank shall observe the laws in force, regarding employment of foreigners in Lebanon.

### **Article 6: Evaluation of employees' performance**

The Bank periodically evaluates the performance of its employees, whether at least once per year, according to the relevant norms and methods adopted in the banking industry and according to an evaluation system, which is specific to the Bank and announced to the employees.

### **Article 7 : Training of employees**

- 1- Training is one the essential pillars of the system of linking grades to functions. Consequently, the Bank and the employee should agree on granting a fundamental importance to training with all the required seriousness.
- 2- The Bank should establish a training policy, which is suitable for its needs and should keep its employees informed about it.
- 3- In case the banks wish to train their employees, the time allocated to training during the working hours will be counted in the working hours of the employees.
- 4- Banks should encourage training activities organized by the Association of Banks in Lebanon and the Center for Banking Studies, without, however, committing themselves to take part in them.
- 5- Banks should respect regarding the diplomas of the Centre for Banking Studies the common use since the creation of the Centre, according to which the bank pays half of the annual requested fees from the employee upon registration and the employee commits him/herself to pay the second half, provided that he/she recovers it from the bank in case of success or it will be deducted from his/her salary in case of failure in six monthly installments.

## Article 8 : Salaries

Every employee, of whichever category, shall receive a monthly salary payable 16 times a year, in accordance with the following arrangements :

- a) One month's salary payable at the beginning of each month, after the termination of the training period.
- b) One month's salary payable once every three months : these payments shall be effected before the end of March, June, September, and December of each year.
- c) For the employees who have not completed a full year of service, the ratio of the salary, subject of paragraph "b" above shall be determined in proportion to the number of months during which the employee has worked, until the date of payment. Any fraction of a month shall be considered as a complete month.
- d) The sixth month is considered as a substitute to the contract bonus which used to be given to the employee upon the renewal of the collective agreement, as well as to the bonus of the following year.

## Article 9 :

1- The minimum wages for the cadre of employees shall be determined as follows :

### MINIMUM WAGE : (L.L.)

Technician category/grade A	550,000.
Technician category/grade B	750,000.
Technician category/grade C	1,150,000.
Cadre category/grade D	1,650,000.
Cadre category/grade E	2,000,000.
Cadre category/grade F	2,500,000.

2- It is meant by minimum wage the wage that the employee receives directly "upon starting work".

3- The minimum wage of the university graduate of Technician category/grade A is set at "six hundred fifty thousand L.L.".

4- The mentioned minimum wages are to be implemented at the end of the training period, as stipulated in the internal rules of the bank. As for the banks with no such rules, they cannot implement a training period exceeding one year with regards to every employee.

5- For the application of this article, the "salary" shall mean basic salary plus the cost of living allowances. No other allowances or remunerations shall be included in the calculation of the "salary".

6- In applying the norms, the Bank treats in similar manner the Special Banking Studies Diploma (DESB) and the B.A. (Baccalaureate + 3 years), on the one hand, and the Higher Banking Studies Diploma in banking management (DSBG) and the master degree (Baccalaureate + 5 years), on the other hand.

7- Starting 1/1/2009, upon every issue of a new decree to review the minimum wage and the cost of living allowances, both parties will meet to amend the scale of salaries prescribed in

paragraph (1) above, so that the H.C.L. designated by the decree shall be added to the minimum scale of grades enumerated above.

- 8- Starting 1/1/2009, upon the issue of decree determining the minimum wages and the percentages of H.C.L., the banks' employees of whatever category shall benefit from an additional 25% out of the increase stipulated in the decree for the first part of the salary and that is on the remaining balance which does not benefit from the designated increases in the decree.
- 9- Every employee graduating from the "Centre for Banking Studies" shall be granted an exceptional increase to his/her salary of L.L. 100.000. – per month for the holders of Special Banking Studies Diploma (DESB) and of L.L. 200.000. – per month for the holders of Higher Banking Studies Diploma in banking management (DSBG). This increase is applied to the graduates of July 2008 for the DESB and those of 2008 for the holders of DSGB.