**AGREEMENT ON SERVICE TERMS ANS CONDITIONS FORGENERAL AND ELEMENTARY SERVICE**

**Agreement**

This Contract Agreement hereinafter referred to as **“Agreement”**, is executed between the Food Corporation of Bhutan Limited, represented by the Chief Executive Officer or Director of FCBL, hereinafter referred to as **“Employer”** and Mr/Mrs/Ms.\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, hereinafter referred to as **“Employee”**.

NOW, THEREFORE, the parties hereto agree as follows:

**Date of commencement & Tenure of appointment.**

1. The appointment shall commence from \_\_\_\_\_\_\_\_\_\_\_\_\_\_(insert dd/mm/yyyy)
2. The FCBL hereby agrees to appoint the Employee for a period of \_\_\_\_\_\_\_years renewable for annually based on the performance and approval of the CEO or the Director.
3. The Employee’s service shall be governed by the Service Rules of FCBL.

**GENERAL TERMS OF APPOINTMENT**

1. A candidate shall have attained a minimum age of 18 years and not more than 50 years at the time of recruitment.
2. Physical fitness of the candidate shall be taken into account.
3. Initial appointments shall be made for a period not exceeding two years.
4. A GSP employee shall sign an agreement with the Corporation specifying the terms and conditions at the time of appointment.
5. Performance appraisal of GSP employees shall be done on the agreed core competencies only.
6. A GSP employee shall not be eligible for transfer.
7. A GSP employee shall be retired on completion of 56 years of age at the latest.

**REMUNERATION AND BENEFITS**

**REMUNERATION**

1. 1 The remuneration of a GSP employee shall be paid as per the minimum wage rate approved by the Government and shall be entitled to annual increment based on performance.
2. 2 A GSP employee appointed under this rule shall not be admissible for contract allowance.

**LEAVE AND TRAVEL**

1. A GSP employee appointed under the provisions of this rule shall be eligible for Earned, Maternity, Paternity, Casual, Medical, and Bereavement Leaves, LTC, TA & DA as admissible to Operational Position Category.

**MEDICAL FACILITY**

* The FCB Medical Benefit Rules where applicable shall apply for the GSP employee.

**HOUSING**

* A GSP employee shall make his own arrangements for housing. However, if Corporation accommodation is provided, house rent shall be deducted as per the prevailing rules.

**PENSION, PROVIDENT FUND AND INSURANCE**

* A GSP employee shall not be covered by the National Pension and provident Fund Scheme but shall be covered by the Government Employee Group Insurance Scheme.

**DEDUCTION**

* All statutory deductions shall be levied according to the prevailing government taxation rules.

**RETIREMENT BENEFIT**

* Gratuity shall be paid at the rate of one month’s last basic pay for every complete year of satisfactory service. The gratuity shall also be payable to the nominee(s) of a GSP employee if he expires while in service.

**EXTENSION**

1. Extension of contract for GSP employee shall be granted by the authority which is vested with the powers to recruit.
2. GSP employee’s contract may be extended / renewed with the consent of both the employer and the employee concerned for terms not exceeding two years at a time.
3. Extension shall be granted only to those having a clean service history, which shall not contain any record of indiscipline, adverse report, misdemeanor, or any act that is considered as violation of the FCB Service Code of conduct and Ethics.
4. Performance shall be the main criterion for extension.

**TERMINATION OF CONTRACT**

1. A minimum of one month’s notice shall be issued by any party intending to terminate the contract before expiry of the term. Basic pay of the employee concerned for the period of the stipulated notice period shall be paid by the defaulting party in the event of failure to give the required period of notice.
2. The Services of a GSP employee shall be terminated without any notice or payment of compensation thereof, if the employee is found guilty of an administrative offence by the disciplinary authority.
3. A GSP employee shall be removed at any time as per Section 82 of the Labour and Employment Act of Bhutan 2007, if his service is not required and/ or when the Corporation decides to outsource the service.

In Witness whereof I, Regional Manager, for and on behalf of the Food Corporation of Bhutan and Mr/Mrs/Ms: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, have hereto set our hands on \_\_\_\_\_\_\_\_\_\_\_\_\_\_ (insert dd/mm/yyyy).

**SIGNED BY:**

Affix

Legal

Stamp

**Regional Manager (Name and Signature of the Employee)**

**Food Corporation of Bhutan Limited**

**In the presence of:**

**Witness Witness**

Signature:………………………. Signature:……………………

Address: ………………………. Address:……………………..