THE REPUBLIC OF UGANDA

IN THE INDUSTRIAL COURT OF UGANDA AT KAMPALA

LABOUR DISPUTE No 132/2015

ARISING FROM MGLD No.304.

BWENGYE HERBERT……. CLAIMANT

VERSUS

ECOBANK (U) LTD …….. RESPONDENT

AWARD

BEFORE

1. **THE HON. CHIEF JUDGE, ASAPH RUHINDA NTENGYE**
2. **THE HON. JUDGE, LINDA LILLIAN TUMUSIIME MUGISHA**

Panelists

1. EBYAU FIDEL

2. MS. NGANZI HARRIET MUGAMBWA

3. MS. ROSE GIDONGO

This claim was brought for a declaration that the claimants termination and or dismissal was wrongful unfair and unlawful, for an order for payment of Ugx 1,076,400,000/- as wages due to the claimant from the date of unfair termination to his attainment of retirement age, for an order for payment of Ugx. 215,280,000/-being total contribution to NSSF and the provident fund to which the claimant was entitled from the date of unfair termination to retirement age of

60 years, an order for severance allowance, general damages, for mental torture, emotional unrest, inconvenience, punitive damages for the high handed manner in which the claimants termination occurred, interest at a commercial rate and costs of the suit.

BRIEF FACTS:

The claimant was employed by the respondent as a relationship manager from the 5/07/2010 until 1/10/2014 when he was terminated. According to the claimant he had recommended a client, Prime IK, for the issuance of a Performance Guarantee reference (EUG/PP/390/13) dated 17/10/2013 of Ugx. 108,469,285/-and an Advance Payment Guarantee reference(EUG/PP/391/13) dated 17/10/2013, of Ugx. 216,938,570/= to enable them undertake construction of Publicand Institutional toilets for the Ministry of Water and Environment worth Ugx. 1,084,692,846/-. The Guarantees were approved and an offer letter was made to the client on the 26/09/2014. The guarantees were set to expire on 25/03/2014 and 25/03/2014 respectively.

However on the 24/04/2015, the Ministry called for the refund of the monies relating to the two guarantees against the nonperformance of Prime IK Limited.

He was dismissed on 1/10/2014 after the disciplinary hearing found him guilty of a) breaching the banks policies in relation to tampering and altering guarantee documents, b) failing to adequately follow up the customer in the period of default as required, c) misleading the banks credit committee on the capability of the customer to pay the additional facility and refusal to cooperate with and write a statement to the investigators despites several reminders.

ISSUES:

1. **Whether the Claimant was lawfully dismissed?**
2. **Whether there are any remedies available for the parties?**

SUBMISSION

1. **Whether the Claimant was lawfully dismissed?**

It was submitted for the claimant that he was dismissed for amending the datesfrom 25/03/2014 on the performance guarantee and 25/03/2014 on the Advance payment Guarantee to 31/04/2014 and 31/05/2014respectively. He also changed the figures stated on both guarantees without authorisation, leading to loss to the Bank. According to Counsel the dismissal was wrongful because the Respondents had not complied with Section 68 of the Employment Act and **MAGARA OLIVE VERSUS UMEME LIMITED HCCS NO. 39 OF 2010, 4.**

He argued that the guarantees in question that is, the initialAdvance payment security Guarantee and amended copy thereof marked CE3 and CE4 and the initial performance guarantee and amendment thereof marked CE5 and CE6 respectively both on the claimants trial bundle, were one of the terms and conditions of a contract between Ministry of water and Environment and Prime IK Limited. The guarantees were to enable PrimeIK secure advance payment before it commenced of the construction of institutional toilets in Buwama, Kayabwe and Bukakata towns works by IPK the respondent's client.

Relying on the testimonies of CW1,CW2 and CW3, he argued that the claimant had been authorized to make the changes on the dates and amounts on the guarantees by authorized officers; the Country risk head one Govina Deo, Johnson

Galabuzi, the claimants supervisor and head of SME and Local Corporates and one Okello Alex Paul the head of EWRR as per exhibit CE7. He further stated that the signatories one Annette Kihuguru and Annette Mwiriza had been informed about the changes and they had not objected to or raised any complaints regarding the changes.

Counsel contended that respondents had neither adduced any evidence discrediting the authenticity of the amendments nor called Govina, Galabuzi or Okello as witnesses to rebut the claimant's evidence. He also argued that the investigative report had not included any statement from the trio or any of the signatories denying the amendments and besides they were all the claimants' superiors. He concluded that the amendments having been authorized,they were authentic.

Counsel insisted that Galabuzi and Okello had not been mis-directed by the claimant as claimed and Exhibit D3 the signatory book, which was relied on to discredit their authority, authenticated Galabuzi's signature as a signatory listed under category "A" in the book.

Counsel insisted that contrary to the respondent's allegations the claimant had followed the proper procedure in processing the issuance of credit documents and RW2sassertion that there had been no process flow was untenable because the process flow she referred to under D12, was not applicable in 2013 because D12 was dated 2014. Counsel further submitted that the claimant having not been part of the ALLEUG_CALL group had not received the mail dated 16/07/2013 from Govina Deo to ALLEUG-CALL on the Bank processes regarding issuance of credit documents. Counsel concluded therefore that the respondents had failed

to prove that the claimant had knowledge of the alleged Bank process on the issuance of credit documents as applicable to the transaction giving rise to the instant case. He also argued that the claimant had not violated exhibit (e) on the procedure on how to amend guarantees because it was not clear when the document came into force and it had not explicitly provided for the procedure which RW2 had elaborated in Court.

Counsel insisted that the reflection on the bank system were further confirmation that the claimant had followed all procedures contrary to RW2s testimony.

With regard to the claimantsfailure to exercise due diligence when assessing the capability of Prime IK, counsel asserted that management had approved them as viable clients and therefore the claimant could not be heldaccountable for their inadequacies and besides the final decision in respect of loan restructuring was with management, who had approved the restructuring of Prime IKs loan facility.

With regard to the amendments causing loss to the Bank, Counsel submitted that the respondents had not adduced evidence to show how the claimant had caused this loss. It was his submission that once the amendments were made the bank released Ugx 183, 846,246 to the company as advance payment but part of this money was used to offset an outstanding loan that the company had with the bank. The Bank subsequently made no further advances to the company leading to under performance and eventual termination of the construction contract, leading to the calling of the guarantees by the Ministry.Counsel asserted that the respondents had security for the guarantees which could have been sold to recover this money but they did not.

With regard to the manner in which the claimant was dismissed, it was counsel's submission that the respondents had violated Section 68 and section 73(1) Employment Act 2006 by not following the principles of natural justice and equity as enshrined in article 42 of the Constitution of Uganda. Counsel contended that the claimant had been invited for a hearing on the 19/09/2012 but his response to the charges were not considered, the other persons involved in the transaction to wit; Govina, Mwiriza, Kihuguru, Galabuzi and Okello were not investigated and or called to testify. According to him the investigation only focused on the claimant excluding others who had a role.

The Respondents in reply did not dispute that the claimant was their employee until his termination. According to Counsel, the Claimant was terminated for gross negligence and willfully and knowingly breaching the Bank policies.

Counsel submitted that the claimant had to demonstrate that there was no justifiable reason for his dismissal or that the due process was not followed before he could claim unlawful termination. It wasCounsels submission that the claimant was lawfully dismissed with payment in lieu of notice. He distinguished Termination and dismissal as prescribed under the employment Act and case law as follows:

Whereas Section 2 of the Employment Act defines termination to mean the discharge of an employee from employment at the initiative of his/her employer for justifiable reasons other than misconduct such as expiry of contract, attainment of retirement age, etc. Under the same section termination has the meaning as assigned under section 65 of the employment Act. Section 65(1) stipulates in part that:

1) ***Termination shall be deemed to take place in the following circumstances-***

<u>Where a contract of service is ended by the employer with notice;</u>

Where the contract of service, being a contract for a fixed term or task, ends with the expiry of the specified task and is not renewed within a period of one week from the date of expiry on the same terms or the terms not less favourably to the employee…"

He submitted that dismissal on the other hand was restricted to misconduct (including poor performance). Counsel argued that a dismissal is done after a disciplinary hearing, and what constitutes misconduct depends on the nature of the job in question and the terms of the contract. He relied on**BARCLAYS BANK OF UGANDA VS GODFREY MUBIRU SCCA NO1 OF 1997.** He noted that in **LAWS VS LONDON CHRONICLE (1959) WLR 698** it was observed that one isolated misconduct was sufficient to justify summary dismissal. The test is:

"Whether the conduct complained of is such as to show the servant to have disregarded the essential conditions of the contract of service,"

According to Counsel,save for the mandatory right to be heard now reserved by section 66 of the Employment Act, the rest of the common law meaning of dismissal was left intact by the Act.

Counsel also submitted on the legal question relating to **"*what form the right to fair hearing should take in employment matters?"***

Court should endorse the following:

"1. In employment cases the employer accusing the employee of wrong doing only need to be fair and reasonable and give the employee the opportunity to be heard or to defend himself. BENON KANYANGOGA & ORS VS BANK OF UGANDA LDC 080/2014.

2. ***An employer is fair and reasonable if he or she investigated the allegations, notifies the employee of the allegations against him/her and generally accords he employee a right to be heard.***
3. ***The employer need not prove the case against the employee beyond reasonable doubt. We believe that it is enough if the employer is, on the facts, reasonably convinced that the employee did wrong.***
4. ***A disciplinary committee of an employer is not a court of law and is not expected to operate at the standards of a court of law."***

He cited **GRACE MATOVU VS UMEME LIMITED LDC OO4/2014, MUGISHA JOHN BOSCO VS CENTENARY RURAL DEVLOPMENT BANK HCCS No. 162/2008,GUMISIRIZA CAROLINE KALISA VS HIMA CEMENT LIMITED HCS084/2012**

On whether there was verifiable misconduct on the part of the claimant Counsel submitted that according to the summons to attend a disciplinary hearing dated 12/09/2014 and the minutes of the disciplinary hearing dated 19/09/2014, the allegations that the claimant breached the bank policies in relation to a) tampering and altering guarantee documents, b) failure to adequately follow up the customer in the period as required of default, c) misleading the banks credit committee on the capability of the customer to pay the additional facility and d) refusal to co-operate with and write a statement to the investigators /auditors

despite several reminders, attracted dismissal in accordance with the respondents sanction Grid exh.13 of Patricia Omallah's statement.

a) *Failure to adequately follow up the customer in the period of default as required and misleading the banks credit committee on the capability of the customer to pay the additional facility"*

Counsel argued that the claimant under paragraph 4 of his witness statement had stated he was Prime IKs relation manager and his duties included appraising , review and recommending credits and follow up on the facilities including guarantees, managing local Corporates portfolio by identifying potential defaulting accounts and making timely recommendations for remedial actions. Counsel contended that evidence on the record showed that the claimant contrary to his witness statement had failed to exercise these duties in regard to Prime IK. Counsel made reference to the investigation report which showed that the customer was indebted to the bank for more than 2 years and the claimant had not made any follow up on him during this period. He submitted that the claimant had admitted that at the time the customer had applied for Ugx. 200m loan he had been indebted to the bank by Ugx. 150m for 2 years. He contended that instead of causing the customer to pay, the claimant spearheaded a restructuring of the customer's loan facility. He asserted further that the report showed that the claimant had not exercised due diligence as a customer relations manager to ensure that the customer had the ability to execute the contract between him and the Ministry of works a fact that had been confirmed by the claimants witness one Dennis Okaka. It was his submission that CW2 one Keijuka Edwarda majority shareholder in Prime IK was not a credible witness, because he

had given contradictory evidence regarding the Advance Payment Guarantee and the Performance Guarantee, although he had conceded to being heavily indebted to the bank for a long time. Further CW2 had testified that a bank Official used to ***"generate paper work"*** for him to get another loan of Ugx 200m because his indebtedness could not perform the contract. Counsel believed that the bank official was the claimant. He opined that the claimant did not monitor the customer and to report risk signs to the senior business and risk manager leading to loss to the Bank.

Counsel refuted the claim that the claimant was not responsible for restructuring loans or approving additional financing yet his role as he had stated it under para 4 of his statement and clause 3.8 of the respondents Credit policy and Procedure manual the claimant was to:

a) ***To ensure that all extensions of credit are to customers who comply with established target market criteria and approved business plans.***
b) ***To ensure that all extensions of credit are structures in accordance with established risk acceptance criteria.***
c) ***Obtain all financial and other information required to approve and monitor credit exposures***
d) ***Conduct all due diligence, on the customer and identify early warning signs.***

According to Counsel the claimant had not done any of the above and instead hehad made representations to the effect that the customer was compliant to the extent of recommending him to the credit committee for an additional Ugx. 100m

facility. Counsel concluded the claimant had therefore breached a number of policies that warranted his dismissal.

With regard to tampering with the Guarantee documents, Counsel submitted that the claimantsmislead Court to believe he had been authorized to make the alterations on the guarantees by the Risk head Govina Deo, and their authenticity had been confirmed by Galabuzi and Okello.

With regard to whether the claimant had followed bank procedure, he argued that on the 17/10/2013, the respondents issued the Advance Payment Guarantee No EUG/PP/391/13 for Ugx. 216,938,570/- which would expire on the 25/03/2014, and a Performance Guarantee No. EUG/390/13 expected to expire on the 25/03/2014, undertaking to pay Ugx, 108,469,621/=. Both were signed by the head Domestic Bank/Executive Director, Ms. Annette Kihuguru and the respondents Company secretary Mwiriza Mukunda Annette in accordance with the respondents authorized signatories book. Both initialed on the first page before signing the last page.

Counsel further submitted that according to the undisputed evidence of Harriet Abbo and Dennis Okaka, the amended APG and PG were discovered during the disciplinary committee procedure and after the Ministry had called on them. It was found that the APG and PG in the Bank file were different from the ones the Ministry had called on. The dates on the APG and the PG had been altered from 25/03/2014 to 31/04/2014 and 25/03/2014 to 31/05/2014 respectively and the amounts on the PG from Ugx. 108,461, 621/- to Ugx. 108,461,285/-. The claimant had not denied making these alterations although his defence was that he had done so with the authorisation of Govina and Galabuzi. Counsel contended that

guarantees are strict documents with fixed time lines and that was why the respondents had put in place strict procedures which had to be followed. According to counsel the claimant had not denied knowledge of these procedures. He had not adduced evidence to show that he had followed the procedures especially with regard to ensuring that the initial signatories one Kihuguru and Mwriiza had been informed. He only admitted to not taking the altered guarantees back to them for signing. There was no evidence that the altered guarantees had been entered on the system.It was counsels' submission that the claimant had not followed the procedure as communicated to ALLUG-CALL group which he was part of before altering the Guarantees thus committing the Bank to a longer period and by the nature of the documents the bank had to pay. He Cited **EDWARD OWEN ENGINEERING Co. LTD VS BARCLAYS BANK INTERNATIONAL & ANOR [1977]1 QB 159** at 169.

Counsel further contended that the claimant as liaison between the respondent and the customer was aware that such documents could only be countersigned by 2 signatories under category A of the signatory book of which Okello was not included and that the confirmation letter was not a guarantee.

Counsel was of the strong view that there was sufficient evidence to show that the claimant had breached the respondent'spolicies and therefore deserved to be dismissed in accordance with Section 68 of the Employment Act 2006.

On the right to a fair hearing, it was submitted for the respondent that the claimant had been subjected to procedural fairness through a fair hearing process. In Counsel view the assertions that the claimant had not been given an opportunity to respond to the allegations against him, that key witnesses to wit;

Kihuguru, Okello, Mwiriza and Galabuzi had not been called and that investigation only targeted him alone, were all weak and untenable. Counsel invited court to consider the wide coverage of the investigation report to disprove the claimant's assertion that it had only targeted him. Besides the record showed that the claimant had refused to furnish a written explanation to the investigators. This could have been sufficient response. In light of **GENERAL MEDICAL COUNCIL VS SPACKMAN (1943) ALLER 337,** counsel asserted that the claimant had been given a fair and adequate opportunity to be heard. Counsel relied on **CAROLINE KARIISA GUMISIRIZA VS HIMA CEMENT LIMITED, MUGISHA JOHN BOSCO VS CENTENARY RURAL DEVELOPMENT BANK, HCCS 162 /2008, BENON KANYAGOGA AND GRACE MATOVU LDC 004/2014 (Supra)** *whose holdings were to the effect that administrative tribunals such as disciplinary committees were not required to strictly adhere to the procedures applied in Courts of law. What was required was for the accused person to be notified of the allegations against him/her and him/her to be given ample opportunity to respond.*

It was Counsels submission that in the instant case the claimant was given an adequate opportunity to be heard. An investigation was carried out and he was asked to make an explanation. He was summoned for a hearing before an impartial panel. Counsel concluded that both on process and substance the claimant was rightly dismissed.

DECISION OF COURT:

Issue 1. Whether the Claimant was lawfully dismissed?

After carefully analysing therecord, evidence adduced, both submissions and the law we found that, it was not disputed that the claimant was employed as

theRespondents RelationshipManager and according to paragraph 4 ofthe claimants witness statement, key among his contractual obligations as Relationship Manager were to:

- ***Establish, develop and maintain a portfolio of local and corporate clients within the domestic banking segment by maximizing lifetime value of new and existing clients with acceptable risk portfolio requirements by conducting thorough due diligence and making recommendations that meet the clients' needs.***
- ***Appraise, review and make recommendations of credits and follow upon facility and legal documentation and disbursements of approval of facilities.***
- ***Manage local and corporate portfolio by identifying potential defaulting accounts and making recommendations for remedial action like restructuring suspension of interest and full recovery of outstanding debt.***

It is clear from these roles that the claimant had to act for and on behalf of the respondent and was obliged to undertake extra care to ensure that in addition to building a robust portfolio of clients he ensured that they are had acceptable risk portfolio requirements.

We believe that the transaction relating to Prime IK which is the basis of this case fell within the ambit of this role. Our understanding of the claimant's responsibilityas a relationship manager to Prime IK therefore was that he had the responsibility of ensuring that Prime IK had the capacity to meet his obligations relating to facilities extended to him by the bank. The bank therefore had trust and confidence in the claimant to ensure that clients Prime IK were complaint and

viable customers. The claimant was therefore required do thorough due diligence before making any recommendations to management regarding Prime IK.The Respondents decision on any matter concerning the client was therefore heavily dependent on the claimants assessment and judgement and recommendationbecause of the trust and confidence they had in him to execute his responsibility with due diligence.

Did the claimant exercise due diligence?

Employees must be careful when carrying out their work and must be reasonably competent at their job. The evidence on the recordand the testimonies of the claimant and the respondent's witnesses, showed that although Prime IK was not performing very well having failed to service his loan for over 2 years, theclaimant had notwithstanding recommended him for more facilities and in the form ofan Advance Payment Guarantee and a Performance guarantee to enable him execute a contract with the Ministry of Works and Transport and also by regularly restructuring his loan facility.There was no evidence to indicate that the claimant had broughtPrime IKs non – compliance to the attention of management. There was undisputed evidence however which showed that the claimantregularly restructured the client's loanfacility and made recommendations for him to be given additional facilitiesbefore he settled outstanding obligations including recommending him to be granted the guarantees in question.

It was further not disputed that because of Prime IKs indebtedness the Advance Payment Guarantee and the Performance Guarantee did not meet their purposes because they were used to settle the outstanding loan facility instead of kick starting the construction of the toilets. This led the Ministry to call on the

guarantees to the detriment of the Bank which had to pay the money. There was no evidence to show that the claimant had advised the credit committee about the client's indebtedness or that he had made effort to recover the outstanding loan notwithstanding that the client had already been penalized. In his testimony the claimant denied responsibility for the loss because he was not signatory to the guarantees although he was the one whorecommended Prime IK as a viable client.

These facts clearly indicate that the claimant had been negligent in carrying out his work and he had showed a lack of competence when he failed to ensure that Prime IK had an acceptable risk portfolio to meet his obligations with the bank, before presenting him to the credit committee as a viable customer. The committees decision to grant prime IK the Guarantees in our opinion was based on the trust and confidence they had in the claimant to execute his responsibility as Relationship Manager, in accordance with his contractual obligations to exercise due diligence to ensure the customer had an acceptable risk portfolio. Because the claimant failed to exercise proper care and skill required of a Relationship Manager, hefundamentally breached his contract of employment and therefore the Respondents were justifiedto dismiss him.

Did the claimant follow bank procedures?

We have already found that it the claimant had failed to exercise proper care and skill required of a relations manager therefore fundamentally breached his contract of employment.

We think that the claimant's denial of any knowledge about the proceduresfor amending guarantees was further confirmation of his lack of competence. One of

his key roles was to *"**Appraise, review and make recommendations of credits and follow up on facility and legal documentation and disbursements of approval of facilities."***We do not think that the claimant could possibly execute this responsibility without following particular procedures and as a professional he was expected to be reasonably competent and therefore aware of the procedures to follow in carrying out his work. The claimants' assertion that he was not aware of the procedures left no doubt in our minds that he had not exercised due diligence on executing his role regarding Prime IK and thus caused financial loss to the Respondent Bank.We agree with Justice Kanyeihamba's decision in **BARCLAYS BANK OF UGANDA VS GODFREY MUBIRU, SCCA No.1 OF 1998,** that:

"Managers in the banking business have to be particularly careful and exercise a duty of care more diligently than manager of most businesses. This is because banks manage and control money belonging to other people and institutions, perhaps in their thousands and therefore are in a special fiduciary relationship…Moreover , it is my opinion that in the banking business any careless act or omission , if not quickly remedied , is likely to cause great losses to the bank and its customers …." Also see **JANATA BANK VS AHMED [1981] ICR 791."**

The record showedthat on the 17/10/2013, the respondents issued an advance payment guarantee No EUG/PP/391/13 for Ugx. 216,938,570/- which would expire on the 25/03/2014, and a Performance Guarantee No. EUG/390/13 expected to expire on the 25/03/2014, undertaking to pay Ugx, 108,469,621/=. Both were signed by the head Domestic Bank/Executive Director, Ms. Annette

Kihuguru and the respondents Company secretary Mwiriza Mukunda Annette on the same day 17/10/2014, in accordance with the respondents authorized signatories book. Both initialed on the first page before signing the last page. No evidence was adduced to prove that the initial signatories Annette Kihuguru and Mwriza Mukunda Annette had been informed about the alterations on the guarantees or that they had accepted them. We do not think that the fact that they had not been called to testify exonerated the claimant. The burden lay on the claimant to prove that they had accepted the changes as authentic. He had not done so. If they had indeed been informed we saw no reason why they would not have authenticated the changes themselves instead of junior staff such as Galabuzi and Okello. There was no evidence to justify the authentication of the changes by Galabuzi and Okello who were junior Officers, when the initial signatories were in the know. In the absence of evidence to show that the initialsignatories were notified of the changes made on the Guarantees and to justify the authentication by Glabuzi and Okello, we were believed that the alterations had been made without authorisation and in so doing the claimant had willfully disobeyed the Respondents set procedures and therefore breached his contract of his employment. See **LAWS VS LONDON CHRONICLELTD[1959] 1 WLR 698**

Fair hearing

Section 68 provides that:

"Proof of reason for termination"

(1) In any claim arising out of termination the employer shall prove the reason or reasons for the dismissal, and the employer fails to do so the

dismissal shall be deemed to have been unfair within the meaning of section 71.

(2) The reason or reasons for dismissal shall be matters, which the employer at the time of the dismissal, genuinely believed to exist and which caused him to dismiss the employee.

(3) In deciding whether an employer has satisfied this section, the contents of a certificate such as is referred to in section 61 informing the employee of the reasons for termination of employment shall be taken into account."

It is clear from the record that the claimant was informed about the infractions leveled against him in the summons issued to him that an investigation was carried out and the claimant was asked to make an explanation via e- mail and he was summoned for a disciplinary hearing. There was no evidence adduced to show that he was denied of an opportunity to defend himself. Whereas Counsel for the respondents asserted that the claimant had refused to respond to the investigation report. The claimant testified that he had given an explanation to the queries raised by the bank.The disciplinary committee then found him culpable and decided to dismiss him.

We are persuaded by Counsel for the respondents argument that the right to a fair hearing should entail the employer informing the claimant about the reasons he is considering for his or her dismissal, granting the employee opportunity to be heard and or defend him or herself and the employer need not prove a case against the employeebeyond reasonable doubt. It is enough for the employer based on the facts of the case to show he or she was convinced the employee had committed a wrong. We believe that in this case the Respondents complied with

these principles as provided under Section 68 of the Employment Act, 2006 , **GENERAL MEDICAL COUNCIL VS SPACKMAN (1943) ALLER 337, CAROLINE KARIISA GUMISIRIZA VS HIMA CEMENT LIMITED, MUGISHA JOHN BOSCO VS CENTENARY RURAL DEVELOPMENT BANK, HCCS 162 /2008, BENON KANYAGOGA** and **GRACE MATOVU LDC No.004/2014(Supra).** The hearing need not conform to the standards of a court of law. We found that the claimant was given a fair hearing and none of his rights were not infringed in any way.

In conclusion we found that by recommending a non-viable client, Prime IK to the Respondent's Credit co

mmittee to be granted an Advance Payment Guarantee and Performance Guarantee and making changes/amendments on the guarantees without notifying the initial signatories, or getting proper authorisation, the claimant had fundamentally breached his contract of employment.

The Respondents were therefore justified to dismiss him and the dismissal was done in accordance with the principles of natural justice as provided for under Section 68 of the Employment Act and the Authorities already sited above.

The dismissal was therefore substantially and procedurally correct. In the circumstances the claim fails and the claimant is not entitled to any of the remedies sought.

No order as to costs is made.

Delivered and signed by:

1. **THE HON. CHIEF JUDGE, ASAPH RUHINDA NTENGYE .....**

2. THE HON. JUDGE, LINDA LILLIAN TUMUSIIME MUGISHA…….

Panelists

1. EBYAU FIDEL ……

2. MS. NGANZI HARRIET MUGAMBWA …….

3. MS. ROSE GIDONGO ……

DATE: ……