

**AMI INSURANCE LIMITED**  
**GENERAL**  
**COLLECTIVE EMPLOYMENT AGREEMENT**  
**1 MAY 2005 – 30 APRIL 2007**

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# AMI INSURANCE LIMITED

## COLLECTIVE EMPLOYMENT AGREEMENT

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### PART ONE: APPLICATION AND OPERATION OF AGREEMENT

#### 1.0 Preamble

This agreement is made pursuant to Part 5 of the Employment Relations Act 2000.

#### 1.1 Parties

The parties to this agreement are:

- AMI Insurance Limited hereafter referred to as “AMI” or “the Company”
- Finsec hereinafter referred to as “the Union”.

#### 1.2 Term of Agreement

This Agreement shall commence on 1 May 2005 and will continue in force until its expiry on 30 April 2007. On expiry, the term of the next Agreement shall by default be for one year.

#### 1.3 Company Policy

1.3.1 AMI may, from time to time make policy decisions concerning employment issues which are not expressly provided for in this Agreement.

1.3.2 Each employee shall comply with Company policies so determined.

1.3.3 Company policy determined in such manner may be varied at the sole discretion of the Company. All employees will receive advice of such changes.

#### 1.4 Confidentiality

An employee shall not at any time during his/her employment or after it has terminated, use, discuss or disclose to any person not authorised to receive it, confidential information relating to the Company’s suppliers, Company policy, Company manuals, processes, software, management information systems, materials, costs or secrets relating to any of the business or affairs of AMI.

## **1.5 Intellectual Property**

AMI shall have sole and absolute right to any intellectual property, copyright, patentable proprietary material or otherwise which may be developed or produced by an employee or employees during the course of, or arising out of, employment with AMI.

## **1.6 Conflict of Interest**

No employee will enter into any other agreement of employment or relationship or activity which could bring the employee into conflict with her/his obligations under this agreement or adversely affect the employees duty of fidelity to AMI. Any breach of this clause will be treated as serious misconduct and may result in summary dismissal.

## **1.7 Disputes**

Part 9 and Part 10 of the Employment Relations Act shall apply in the resolution of any employment relationship problems or disputes about the interpretation, application or operation of this Collective Agreement.

## **1.8 Personal Grievances**

The procedure for the resolution of a personal grievance is attached to this Agreement as Schedule C.

## **1.9 Continuity**

For the purpose of service related benefits, service with AMI shall not be deemed to be broken, either by reason of the sale or transfer of the business to a new employer who continues to employ the employee, or where AMI transfers the employee to an associated or subsidiary organisation operating as a legal entity.

## **PART TWO: JOB CLASSIFICATIONS, REMUNERATION AND HOURS OF WORK**

### **2.0 Coverage**

2.0.1. This agreement applies to persons employed by AMI carrying out the work performed in any one of the following job classifications

- Customer Services Officer
- Senior Customer Services Officer
- Customer Services Manager
- Call Centre Customer Services Officer
- Call Centre Team Leader
- Call Centre Team Leader Support
- Call Centre Training & Development Officer
- Receptionist/Cashier
- Accounting Services Officer
- Mail Room Clerk
- Information Support Help Desk
- Computer Operations and Administration
- Claims Collection Officer
- Relieving Officer

2.02 Should any of these job classifications change then the work performed by employees performing these roles will be covered by this Agreement.

2.03 Employees employed in job classifications covered by this Collective Agreement which are not specified in clause 2.1 shall have their salaries determined by the provisions of clause 2.1.4.

#### **2.0.4 Specific exclusions**

- a) This agreement shall not apply to any employee engaged in a managerial position, except as provided in 2.0.1 above.

### **2.1 Remuneration**

2.1.1 Branch and Call Centre employees whose salaries are determined by the AMI Skill Based Assessment System shall be paid as follows:

#### **Customer Services Officer – Effective 1 May 2005**

Start	32,085pa				
SB1	34,155pa				
SB2	35,707pa				
SB3	38,709pa	39,071pa	39,433pa	39,795pa	40,157pa
SB4	41,503pa	41865pa	42,227pa	42,589pa	42,951pa

### **Customer Services Officer – Effective 1 May 2006**

Start	33,288pa				
SB1	35,436pa				
SB2	37,046pa				
SB3	40,161pa	40,537pa	40,913pa	41,289pa	41,665pa
SB4	43,059pa	43,435pa	43,811pa	44,187pa	44,563pa

### **Senior Customer Services Officer**

Where, at the discretion of the Company a Senior Customer Services Officer has been appointed, they shall receive in addition to salary, payment of \$1,500 annually. The appointment of a Senior Customer Services Officer does not present an automatic progression for employees.

### **Call Centre Customer Services Officer – Effective 1 May 2005**

Start	32,085pa
Operational without constant supervision	34,155pa
SB1	35,707pa
SB2	38,709pa
SB3	41,503pa

### **Call Centre Customer Services Officer – Effective 1 May 2006**

Start	33,288pa
Operational without constant supervision	35,436pa
SB1	37,046pa
SB2	40,161pa
SB3	43,059pa

### **Customer Services Manager – Effective 1 May 2005**

Start	43,987pa
SB1	46,057pa
SB2	48,645pa
SB3 – CSM1	49,990pa
SB3 – CSM2	52,785pa

**Customer Services Manager – Effective 1 May 2006**

Start	45,637pa
SB1	47,784pa
SB2	50,469pa
SB3 – CSM1	51,865pa
SB3 – CSM2	54,764pa

**Claims Collection Officer**

**Effective 1 May 2005**

The salary rate for Claims Collection Officers internally assessed as fully competent shall be \$41,617 per annum (ie, the 100% rate), provided that the minimum salary rate for a Claims Collection Officer shall not be less than \$35,375 (85%).

**Effective 1 May 2006**

The salary rate for Claims Collection Officers internally assessed as fully competent shall be \$43,178 per annum (ie, the 100% rate), provided that the minimum salary rate for a Claims Collection Officer shall not be less than \$36,701 (85%).

Assessment for an employee who is not fully competent shall be conducted at any time as reasonably requested by the employee provided that any re-assessment that may be required in any competency area shall not be made within 3 months of the last assessment.

Increases to salary as a result of competency assessments shall occur in line with the weighting of importance for each competency following the completion of each assessment.

Note: the provisions of Clause 2.1.5 (viii) in respect of any dispute over any competency assessment shall also apply to the Claims Collection Officers.

### 2.1.2 Receptionist/Cashier

An employee who is primarily employed as a receptionist/cashier shall be paid as follows:

<b>Effective 1 May 2005</b>		<b>Effective 1 May 2006</b>	
Start	31,360pa	Start	32,537pa
12 months	32,913pa	12 months	34,147pa
24 months	34,983pa	24 months	36,295pa

An employee who transfers from the position of receptionist/cashier to a Customer Services Officer shall be paid not less than her/his current salary upon transfer. Future salary adjustments shall be in accordance with the applicable skill assessment process.

AMI undertakes to ensure that reception/cashiers have sufficient opportunities for both training and learning so as to develop and maintain competence.

### 2.1.3. Relief to a Higher Position:

Where an employee is requested to spend ten or more consecutive working days in a position at a higher skill level an appropriate additional payment shall be made. The appropriate level of payment shall be agreed between AMI and the employee prior to the period of relief.

### 2.1.4 Branch, Call Centre, Head Office and other Customer Relations employees employed under this Collective Agreement who do not have their levels of remuneration determined by this Agreement shall have their salaries determined by AMI in accordance with its salary policy and administrative procedures for job evaluated positions. Salaries for such employees shall be reviewed as from the operative date for salaries payable to other employees under this Agreement.

Employees in evaluated positions shall be paid salaries not less than the salaries for comparable positions set out in this Agreement, provided that where there is no comparable position the employee's salary shall be assessed on the basis of skills, knowledge and performance in determining the

percentage of AMI's remuneration policy for such roles. A fully competent employee so assessed shall be paid not less than the 100% rate for their position.

#### **2.1.5 Customer Services Officers, Call Centre CSOs, Customer Service Managers**

- (i) It is expected of all CSOs, Call Centre CSOs and CSMs that they will become competent in all the listed skills of the position in which they are employed, but there is no set time for the achievement of competency or for the achievement of any step towards competency. AMI undertakes to ensure that staff have adequate opportunities for training. An employee can apply to be assessed in a skill only where they have received adequate training.
- (ii) Where, because of the nature of the business of the branch, a listed skill cannot be practiced but where theoretical competency has been fully achieved, the Manager shall credit the employee with the skill for salary purposes only. Should that skill later become learnable either through a change in the branch's business or the transfer of the employee, it shall be obligatory for the employee to become competent in the skill and, if it has already been credited for salary purposes, there shall be no consequent salary increase. This provision shall not be used to over-ride the requirement that all skills listed for the positions (that can be learned in the branch) will, as the employee's development allows, be made available to all employees in those positions.
- (iii) Each position outlined in clause 2.0.1 (Branch Employees) comprises a number of skill blocks and the employee shall progress towards full competency by achieving competence in each successive skill block. An employee who is assessed as competent in the skills of the previous block shall be paid the appropriate salary as listed in clause 2.1 The salary increase will be effective immediately after the skill block is assessed as achieved.
- (iv) The demonstration of achievement of a skill block shall be by a combination of methods including written technical assessments, skill assessment audits and on-the-job assessment by management.
- (v) The schedule of skills to be acquired in each skill block is outlined in the attached schedule, Skill Blocks. These may be amended from time to time by the Company following consultation with employees including representatives of the AMI Staff Council.
- (vi) An employee shall be assessed for competency in their current skill block on application to the Manager. Assessments will be held annually and reassessment will be conducted six months after assessments. The employee must have been employed by AMI for two months prior to the skill based pay application date (and have been with AMI a minimum of three months) to be entitled to sit their first

skill assessment. The first assessment can be sat at either the assessment or reassessment.

The assessment will have fixed dates allocated by AMI.

- (vii) On promotion employees shall be paid the starting salary for the position (which shall be not less than their previous salary). On commencement in the new position, their skills will be assessed in the normal fashion and they will be provided with a training schedule which will list the skills to be acquired in order to reach the successive skill block.
- (viii) Where an employee disputes their competency assessment, that employee shall raise the matter with their immediate Manager. In the event that the matter is unresolved, the Manager shall refer the matter to the Area Manager for his/her review.

Where the matter is still not satisfactorily resolved the employee shall have the right to pursue the matter as a personal grievance or dispute.

- (ix) The provisions of paragraphs (i) to (viii) of this clause (clause 2.1.5) shall be amended by a variation to the Agreement during its currency if and when the Company has developed the processes to enable the continuous assessment of skill block competency, endorsed by employees and including representatives of the AMI Staff Council.

## 2.2 Qualifications

- 2.2.1 Existing employees who attained the IINZ qualification prior to 1 May 1998 shall receive the following payment incorporated into their salary.

Fellowship	\$1,528
Associateship	\$915
Maximum accumulation (ie both qualifications)	\$1,528

- 2.2.2 Existing employees who commenced IINZ study prior to 1 May 1998 and who subsequently attained the qualification shall also receive the appropriate payment above incorporated into their salary.
- 2.2.3 Existing employees who commenced study towards the IINZ fellowship or associateship after 1 May 1998 but have not completed that study before 30 June 2001 and who transfer to the ANZIIF diploma shall upon completion of the diploma receive a one off payment of \$915.
- 2.2.4 Employees commencing study towards the diploma after 18 May 2001 shall no longer qualify for such payment.
- 2.2.5 Proof of commencement of study shall rest with the employee.

2.2.6 Employees who successfully complete Certificate IV in Financial Services (General Insurance) and who become entitled to join ANZIIF under the membership category of Associate or complete the Diploma of Financial Services (General Insurance) which enable them to join ANZIIF under the membership category of Senior Associate; shall receive reimbursement of their annual membership fee.

Special notes:

- a) This provision shall come into effect in respect of any employee who qualifies for ANZIIF membership as above and who has renewed their membership or commenced as new members since 1 January 2003.
- b) Incentive scheme payment as provided under AMI's Policy and Procedure Manual shall cease to apply to any employee who commences a course of study with ANZIIF after 1 January 2005.
- c) In respect of those employees who have sat and passed examination papers in the calendar year 2002 and/or 2003 the incentive scheme payments shall continue to apply to:
  - passes in each paper
  - completion of Certificate IV in Financial Services (General Insurance)
  - completion of the Diploma of Financial Services (General Insurance)provided a minimum of one paper per year is sat and passed until the qualification is obtained.

## **2.3 Payment of Salaries**

- 2.3.1 Salaries shall be paid fortnightly by direct credit to the employee's nominated account and not later than Thursday in the pay week, unless otherwise agreed between AMI and the employee.
- 2.3.2 Where a pay day falls on a public or annual holiday, payment of salaries shall be made not later than the working day immediately preceding the holiday.
- 2.3.3 Overtime shall be paid not later than the pay day for the pay period following that in which it is incurred.
- 2.3.4 Within 14 days of commencement of employment and at any subsequent change of skill block or salary, the employee shall be supplied in writing with details of their annual gross salary.
- 2.3.5 A salary advice is to be provided to each employee when there is a change to their salary payment and not less than once per year.

2.3.6 AMI shall be entitled to make a rateable deduction from the salary of any employee for time lost through sickness (other than as provided in clause 3.3 of this agreement) or unauthorised absence.

2.3.7 In the event of any overpayment of monies to any employee, AMI may recover the amount of overpayment provided the employee is given notification of:

- the intention to recover the overpayment
- the amount to be recovered
- full explanation of the reasons for the overpayment.

Any overpayment shall (with the employee's agreement) be deducted from the next fortnightly pay or failing such agreement repayment shall not exceed 10% of the total overpayment to be deducted from subsequent fortnightly payments of salary.

Provided further that where an employee considers the repayment schedule proposed by AMI would be too onerous because of their particular financial circumstances then the employee's proposal for repayment will be agreed by AMI.

## **2.4 Hours of work – Branch Operations, Head Office**

2.4.1 The ordinary hours of work for an employee shall not exceed 37.5 hours per week to be worked on not more than five consecutive days per week Monday to Sunday inclusive and between the hours of 7:00am and 9:00pm on Monday to Friday and 8:30am and 5:00pm on Saturday and Sunday

Unless otherwise agreed in writing with an employee, the normal start/finish times shall be 8.30am and 5:00pm respectively.

## **2.5 Hours of Work – Call Centres**

2.5.1 The ordinary hours of work for an employee shall not exceed 37.5 hours per week to be worked on any days of the week. Call Centre employees shall receive a schedule of their hours of work setting out their start/finish times on each day for the week. These times shall only be changed by agreement between the Company and the employee. Where such schedule includes work to be performed on a public holiday it shall be a requirement of this agreement that the employee works on that day.

2.5.2 Where full time employees work a 37.5 hour week scheduled over four consecutive days, then the time worked in excess of 7.5 hours on any single day shall not be paid as overtime.

All time worked in excess of 37.5 hours per week shall be paid at time and a half.

## **2.6 Hours of Work – General**

2.6.1 All employees shall be allowed a meal break which shall be determined by AMI after discussion with an employee and shall take into account the work requirements of AMI and the preference of the employee.

Such meal breaks shall not be less than 30 minutes nor more than 60 minutes in duration and AMI shall permit the employees, should they so desire, to have their lunches during the period provided on the premises.

2.6.2 An interval of 10 minutes shall be allowed each half day for each employee for the purpose of refreshment breaks without deduction from pay. Tea, coffee, milk and sugar shall be provided free of charge.

## **2.7 Overtime**

2.7.1 All time worked in excess of 7.5 hours per day shall be regarded as overtime and shall be paid at the rate of time and a half provided 37.5 ordinary hours are worked in the pay week. Provided further that if an employee is absent for an approved reason (e.g. sickness) then such absence shall not affect the calculation of overtime.

2.7.2 Employees covered by the provision of clause 2.4.1 shall be paid overtime at the rate of time and a half for any time worked outside of the hours specified in that clause.

2.7.3 Only overtime which has been formally authorised by AMI shall be paid.

2.7.4 Employees working in excess of two hours overtime on any day of their first five working days in a week or for more than four continuous hours on a public holiday shall be paid \$9.00 meal money unless they can reasonably go home for the meal in the time allowed. This meal money shall increase to \$9.50 effective 1 May 2006.

## **2.8 Part-time employees**

2.8.1 Part-time employees are those engaged for less than 37.5 hours per week and shall be paid pro-rata the appropriate salary for a full-time employee as specified elsewhere in this agreement.

2.8.2 This clause shall not operate for the purpose of reducing the hours of work or the earnings of any full-time employee without the employee's agreement.

2.8.3 Part time employees shall receive pro rata entitlements for annual leave, long service leave and sick leave.

## **2.9 Shift work, stand by and call out provisions**

2.9.1 Shifts and call outs may be worked as required by AMI on terms and conditions agreed by AMI and the employees directly affected.

- 2.9.2 Such terms and conditions as agreed may vary any provision of this Agreement provided that such agreement is recorded in writing and signed by both parties.
- 2.9.3 Existing shift and call out arrangements shall continue in place and may only be varied by written agreement.

**2.10 Staff Transfers: Call Centre to Branch or from Branch to Call Centre**

- 2.10.1 An employee who transfers from a CSO position in the Call Centre to a CSO position in a branch (or vice versa) shall retain their current base salary at the date of transfer, notwithstanding the base salary in their new role as a CSO in the branch or Call Centre may be lower in terms of the applicable skill blocks.
- 2.10.2 In these circumstances, the transferee's current base salary shall only be adjusted (other than by way of any subsequent increments on renewal of this agreement) when that employee sits and passes the skill blocks which command a base salary higher than the employee's current base salary.

## **PART THREE: LEAVE PROVISIONS**

### **3.0 Public Holidays**

- 3.0.1 Public holidays shall be allowed in accordance with the Holidays Act 2003. The recognised holidays are:

Christmas Day  
Boxing Day  
New Years Day  
The second day of January  
Waitangi Day  
Good Friday  
Easter Monday  
Anzac Day  
Queens Birthday  
Labour Day  
Anniversary Day in each province

In any locality where any of the above holidays are not generally observed another may be substituted by mutual agreement between AMI and the employee subject, however, to the proviso that in the place of Anniversary Day, AMI in Christchurch and Napier Districts shall observe Show Day. In Southland, AMI shall observe the same Anniversary day as Otago or a day in lieu thereof.

- 3.0.2 Employees will be paid for any public holidays that fall on a day that would have otherwise been an ordinary working day. Payment for public holidays is at an employee's relevant daily rate.

For the purposes of this agreement if the employee's ordinary hours of work require them to work on any five days of the week including work on a Saturday and/or Sunday then any public holiday that falls on a day that is not the employee's ordinary working day shall be observed by the employee on another day mutually agreed between the employee and the company.

- 3.0.3 If an employee is required to work on any day that is observed by the Company as a public holiday in accordance with clause 3.0.1 above, then the employee shall be paid the portion of the employee's relevant daily pay that relates to the time actually worked on the day plus that amount again. The employee will also receive a further paid day's leave on ordinary rates of pay to be taken at a time suitable to the Company and the employee.

### **3.1 Annual Holidays**

- 3.1.1 "Employees shall, at the end of each year of continuous employment, become entitled to an annual holiday of 4.4 weeks. Payment for those holidays shall be in accordance with the provisions of the Holidays Act 2003."

- 3.1.2 “Notwithstanding clause 3.1.1 above, upon completion of six years’ continuous employment, an employee shall be entitled to an annual holiday of 5.4 weeks. Payment for those holidays shall be in accordance with the provisions of the Holidays Act 2003.
- 3.1.3 Annual leave may only be taken with the approval of the Company. As far as practicable, the Company will endeavour to meet the wishes of an employee.
- 3.1.4 Nothing in this clause shall operate as to reduce the current annual leave entitlement of anyone covered by this Agreement.

### **3.2 Long Service Leave**

- 3.2.1 Employees shall be entitled to long service leave as follows:
- (a) two weeks after the completion of 15 years and before the completion of 20 years continuous service with AMI.
  - (b) three weeks after the completion of 20 years and before the completion of 30 years continuous service with AMI.
  - (c) Four weeks after the completion of 30 years and before the completion of 40 years continuous service with AMI.
  - (d) six weeks after the completion of 40 years continuous service with AMI.
- 3.2.2 Long service leave provided for in 3.2.1 shall be at ordinary weekly pay as defined by the Holidays Act 2003 and may be taken in one or more periods and at such times as may be agreed between AMI and the employee.
- 3.2.3 If an employee having become entitled to long service leave leaves his/her employment before such holiday is taken, the employee shall be paid in lieu thereof.
- 3.2.4 Exclusion: Nothing in this clause (Clause 3.2) shall apply to employees covered by this Agreement who commence their employment with AMI on or after 23 July 1999.

### **3.3 Sick Leave**

- 3.3.1 Up to 10 working days per annum shall be granted as sick leave on full pay. Medical evidence of incapacity may be required by AMI for absences of 3 consecutive calendar days or more, but where more than 5 days has already been taken in any year, the Company may request a medical certificate for any absences of 1 day or more. Appointments such as doctor’s, specialist’s and dentist’s visits should be scheduled out of work hours whenever possible.

When this is not possible, the employee must provide notice of their absence as early as possible beforehand. Employees may have their sick leave balance debited accordingly, or make up the time on an hour for hour basis by agreement with their manager, which will not be unreasonably withheld.

- 3.3.2 Unused sick leave shall accumulate up to 55 working days. Thereafter, up to 3 days unused sick leave may accumulate per year to provide a maximum total of 90 days.
- 3.3.3 Unused sick leave shall not be paid out to an employee upon termination of employment.
- 3.3.4 Note: with respect to incapacity resulting from a work injury as defined in the Accident Rehabilitation and Compensation Insurance Act, the first week of incapacity shall be paid in full by AMI and shall not be regarded as part of the sick leave entitlement.
- 3.3.5 Notwithstanding any requirement for an employee to provide AMI with a medical certificate as evidence of the reason for incapacity, AMI may require an employee to provide a medical certificate that includes a prognosis if the period of incapacity is such that the absence is, in the Company's opinion, having a detrimental effect on its business, or if there are concerns about the employee's fitness to return to work. Further, AMI may require a second opinion, at its cost, by a mutually agreed practitioner.
- 3.3.6 Notwithstanding entitlements for permanent employees, sick leave for casual employees shall be granted only in accordance with the Holidays Act 2003 and its amendments.

### **3.4 Domestic Leave**

- 3.4.1 Where an employee has an unused sick leave entitlement, leave on ordinary pay of up to 10 days per year shall be granted to that employee who finds it essential to stay home in the event of illness of a dependant.
- 3.4.2 Such leave will be treated as though it were due to the employee's own sickness and shall be subject to the following conditions:
  - (a) leave shall be off set against the employee's sick leave entitlement
  - (b) the employee shall ensure that notice is given to their immediate Manager on the first day of absence by or before the normal start time
  - (c) the employee shall produce medical evidence as proof of illness of the dependant if requested by the employee's Manager.

### **3.5 Bereavement Leave**

An employee shall be entitled to up to five days absence without deduction of pay in the event of the death of his/her spouse, partner, child, parent, brother, sister, grand-parent or parent-in-law provided that:

- 3.5.1 The employee has produced satisfactory evidence of such death.
- 3.5.2 The employee has given notice to AMI of her/his intention to take such leave as soon as reasonably practicable after the death of such relation.
- 3.5.3 Bereavement leave may be granted in other cases for a period as agreed with the employee's Manager in consultation with Human Resources. Additional Bereavement leave may also be granted in special circumstances where the employee is required to take substantial responsibility for funeral arrangements because of particular cultural requirements
- 3.5.4 If the employee's Manager, in consultation with Human Resources, accepts that the employee has suffered a bereavement taking account of relevant factors such as:
- a) the closeness of the association between the employee and the deceased,
  - b) whether the employee has to take significant responsibility for all or any of the arrangements for the ceremonies relating to the death,
  - c) any cultural responsibilities of the employee in relation to the death,
- then the employee make take at least 1 day.
- 3.5.5 Notwithstanding entitlements for permanent employees, bereavement leave for casual employees shall be granted only in accordance with the Holidays Act 2003 and its amendments.

**Note:** the entitlements of clause 3.3., 3.4 and 3.5 are in replacement of and not in addition to sick leave and bereavement leave provided by the Holidays Act 2003.

### **3.6 Parental Leave**

Parental leave shall be granted in accordance with the provisions of the Parental Leave and Employment Protection Act 1987.

### **3.7 Study Leave**

An employee sitting examinations approved by AMI shall be entitled to one day's paid study leave for each examination paper, to be taken during the four weeks prior to the date of the examination.

Provided that AMI shall be entitled to withdraw the right to study leave for any employee who, in consecutive years, takes study leave under this clause and does not pass the examination.

## **PART FOUR: GENERAL PROVISIONS**

### **4.0 Termination of Employment**

4.0.1 Four week's notice of the termination of the employment shall be given in writing by either AMI or the employee or payment made in lieu; but nothing in this clause shall prevent AMI from suspending on pay, an employee until appropriate information/investigation is gathered or completed where there has been serious misconduct alleged, or from summarily dismissing an employee for serious misconduct or for other cause justifying summary dismissal.

4.0.2 Where the employment has terminated after four weeks' notice all remuneration due shall be paid not later than 5.00pm on the day on which the notice expires.

AMI will be entitled to deduct monies owed by the employee to AMI from any final payment. In the event of any dispute as to amounts owing the matter shall be resolved in accordance with the procedures for resolving employment relationship problems.

4.0.3 Abandonment – where an employee is absent from work for more than five working days without notification to AMI, the employee shall be deemed to have terminated the employee's employment without notice, provided that:

- (i) AMI shall make reasonable efforts to contact the employee before invoking this clause, and
- (ii) Where, through unavoidable circumstances, an employee is unable to notify AMI of the employee's absence, this clause shall not apply.
- (iii) This clause shall have no effect until AMI has sent a registered letter to the employee at the employee's last known address notifying the employee that this clause has been invoked.

### **4.1 Company Medical Care Scheme**

4.1.1 Employees who wish to join either one of the two medical care schemes administered by the Company shall (if accepted by the medical scheme provider) be eligible to join from the beginning of the fortnightly pay period following notification of acceptance by the medical insurance provider.

4.1.2 Employees who join a Company administered medical care scheme shall upon completion of two (2) years continuous service be eligible for a subsidy of \$300 per annum towards their contribution.

Note: This clause shall be replaced by any amendment made to the Company's Policy and Procedure Manual providing more favourable terms than the provisions set out above.

## **4.2 Use of Private Vehicle**

4.2.1 Where an employee who is employed substantially in a relieving capacity and is required by AMI and agrees to use the employee's own vehicle in the course of the employee's employment, the employee shall be reimbursed an amount equal to 62 cents per kilometre.

4.2.2 Where any other employee is requested by AMI and agrees to use the employee's own vehicle in the course of the employee's employment, the employee shall be reimbursed an amount equal to 62 cents per kilometre.

4.2.3 AMI will be responsible for arranging any additional insurance thereby attracted for employees eligible for reimbursement under this clause.

## **4.3 Corporate Wardrobe**

All employees who are issued with the Company's corporate wardrobe free of charge will be required to wear that clothing at work at all times, unless they are expressly excused from doing so by their Manager. Anyone reporting to work who is not wearing the corporate wardrobe and who has not obtained an exclusion will be required to change into the corporate wardrobe.

## **4.4 Transfers**

In the case of AMI initiated transfers, AMI agrees to set down in writing the terms and conditions of transfer prior to it taking place.

## **4.5 Right of Entry**

A Representative of Finsec may enter the premises of AMI for purposes related to the employment of its members or for the purposes related to Finsec's business pursuant to Section 20 and in accordance with Sections 21 and 22 of the Employment Relations Act.

## **4.6 Subscriptions**

With the written authority of an employee, who is a party to this agreement, AMI will deduct the appropriate subscription and remit such monies to the employee's authorised representative. Provided that by three months notice in writing by AMI to the authorised representative this provision for deduction may be revoked.

## **4.7 Travel**

Where an employee is required by AMI to travel on AMI business (other than to and from the employee's normal place of work) including any training course approved by AMI:

- (i) AMI shall reimburse all reasonable expenses incurred by the employee in travelling

- (ii) Where such travel requires the employee to stay away from home AMI shall meet all reasonable and actual expenses in relation to accommodation and meal costs.
- (iii) Where an employee is required to travel on the sixth or seventh day of their working week or on a public holiday which an employee is entitled to observe under clause 3.0.1 of this Agreement, paid leave for the equivalent time involved up to a maximum of seven and a half hours in respect of each day shall be granted.

#### **4.8 Savings Clause**

Except as provided, no employee shall have his or her salary reduced (including the part time allowance where applicable) nor shall any employee have his or her annual holiday reduced by reason of the coming into force of this Agreement, so long as the employee remains in their present employment.

Provided that on the coming into force of this agreement “salary” shall be defined as the ordinary time earnings for a full time or part time employee and shall not be less than the applicable salary (or pro rata thereof) set out in this Agreement.

#### **4.9 Variations**

This Collective Agreement may be varied by the written agreement of the parties.

When AMI or Finsec proposes a variation the written proposed variation shall be negotiated and ratified in accordance with each parties ratification process. Provided, however, that the Union’s ratification procedure shall not require more than 75% of eligible members to vote on the variation and that in any event 50% plus one of those union members who vote shall decide the matter.

## **PART FIVE: REDUNDANCY AND REDEPLOYMENT PROVISIONS**

The parties accept that the provisions of this agreement meet the good faith obligations and continuity of employment provisions of the Employment Relations Act 2000 and amendments.

### **5.0 Definitions**

5.0.1 “Redundancy” means a situation where an employee’s employment is terminated by AMI, the termination being attributable wholly or mainly, to the fact that the position filled by that employee is, or will become, superfluous to the needs of AMI because of the cessation of the whole or any part of AMI’s operation, or where the employee’s job function is no longer required .

An employee engaged for a fixed term of employment shall not be deemed to be redundant at the scheduled completion of that period of employment.

5.0.2 In the case of sale, transfer, merger or reconstruction of all or part of the Company, such that an employee’s employment is terminated and (s)he is offered a directly comparable position with the purchaser or any party to the sale, transfer, merger or reconstruction, AMI will be under no obligation in such circumstances to provide an employee with any form of redundancy or other compensation or give the employee any period of notice or payment in lieu of notice.

5.0.3 “One weeks salary” shall be defined as 50% of an employee’s basic fortnightly salary applicable at the time of redundancy or 1/52 of previous 12 month earnings, whichever is the greater.

5.0.4 “A directly comparable position” shall mean a position which has the same salary scale and benefits and is in the same location or at another location within reasonable commuting distance of the employee’s place of residence, and involves duties which would not be considered a change from the employee’s existing duties, significant enough as to be unreasonable in the circumstances of that employee’s skills and abilities or employment history, or the specialist nature of work for which the employee was employed.

### **5.1 Redeployment**

An employee whose position has or will become surplus to AMI’s requirements because of the cessation of any part of AMI’s operation or where the employee’s job function is no longer required, shall be entitled to the following provisions in respect of redeployment and, where necessary, redundancy.

5.1.1 Before terminating an employee’s employment as a result of redundancy, AMI undertakes to examine all alternative job options and make every reasonable endeavour to identify and offer at least one job option.

- 5.1.2 Any such offer shall be in writing and shall include information on the location, salary scale, hours of work, principal duties of the job, allowances and benefits and details of transfer and housing loan benefits which will apply.
- 5.1.3 An employee who receives a written offer of redeployment which requires a change of residence shall be given 14 days to decide upon the offer. For any offer not involving a change of residence the period shall be 7 days.
- 5.1.4 An employee who declines an offer of a directly comparable position may have their employment terminated as a result of redundancy but will not be entitled to any of the provisions of this agreement.
- 5.1.5 As an alternative to redundancy the employer may offer the option of continued employment at what would be a lower remunerated position on the following basis:
- (i) The offer is an alternative to redundancy with the objective of allowing the employee to continue in employment.
  - (ii) The employee shall remain on the salary applicable to their previous position. Future salary adjustments shall be on the basis of the new role as and when the negotiated salary for that position equals or exceeds the individual's current salary.
- 5.1.6 Where an alternative job option is offered to an employee which is not a directly comparable position that employee shall be entitled to decline that offer without forfeiting his or her entitlement to the redundancy compensation provisions of this agreement.
- 5.1.7 An employee who accepts a job option with AMI which requires a change of residence will be entitled to the same provisions and benefits as an employee who is transferred at AMI's request.

## **5.2 Notice**

- 5.2.1 An employee whose employment is to be terminated by way of redundancy shall receive a minimum of six weeks written notice or payment in lieu of the notice period. An employee's authorised representative shall also be notified.
- 5.2.2 Where an employee has been advised that the section or division in which they are employed will be affected by redundancy and AMI is unable to offer a comparable position and, prior to receiving formal notice of redundancy, that employee has secured alternative employment, and the operational requirements of AMI will not be unduly affected, he or she shall, with the consent of AMI which shall not be unreasonably withheld give two weeks written notice to AMI of their intention to leave and shall be entitled to the redundancy compensation provisions of this agreement.
- 5.2.3 An employee whose division or workplace is under notice of closure shall be given reasonable opportunity to attend employment interviews without loss of

pay provided AMI confirms that continued employment is unable to be offered.

### **5.3 Redundancy Compensation**

Where an employee is made redundant the following payments will apply:

5.3.1 Eight weeks salary for the first year of service or part thereof.

5.3.2 Plus two weeks salary for each subsequent year of service or part thereof up to a maximum of 20 years service, provided that employees whose current continuous service exceeded 20 years as at 1 May 1996, shall retain their maximum entitlement to redundancy compensation calculated to that date with no further service entitlement accruing.

### **5.4 Unused Leave**

5.4.1 Payment will be made for any outstanding annual leave and long service leave.

5.4.2 Any employee who has completed ten years service with AMI shall be paid pro rata of their next Long Service Leave entitlement.

### **5.5 Staff Loans**

5.5.1 Concessional loans

Loans to employees declared redundant shall be repaid within six months from the final date of their notice period, and during this time the concessional interest rate shall apply.

### **5.6 Insurance Premiums**

5.6.1 General Insurance

Discounts applying to General Insurance premiums for employees declared redundant will continue until the expiry of the current term of the policy.

### **5.7 Tuition and examination fees**

Any employee who has paid examination and/or tuition fees and would be eligible to recover those costs from the Company will be fully reimbursed upon being declared redundant.

### **5.8. External counselling and advice**

Those employees declared redundant will be offered outplacement and financial counselling by external consultants at the employer's expense.

## **5.9 Superannuation**

An employee who is made redundant and is a member of the Company's Superannuation Scheme shall be entitled to receive the benefits under the appropriate Trust Deed.

## **5.10 Leave without pay**

Where an employee on Parental leave, or other leave of absence, who has previously been advised that a position will be held open, advises AMI that (s)he wishes to return to work at the conclusion of that leave and AMI advises that a position will not be available for them due to redundancy, then the provisions of this agreement will apply.

## **PART SIX: HEALTH & SAFETY**

- 6.0** AMI acknowledges its duties with respect to the Health & Safety in Employment Act. To assist the Company in meeting these duties, each employee, who is party to this agreement, is required to familiarise themselves with the workplace safety and health requirements within the Company and, in particular, their obligations and the joint responsibilities as recorded in the Policies and Procedures Manual and our Health and Safety manual.
- 6.1** All visual display equipment shall be maintained and serviced at regular intervals to ensure that it is maintained in the best possible working order. Lighting, ergonomic and environmental factors shall be arranged so that unnecessary glare, reflections, distractions and noise problems are minimised so that employees can operate in conditions at the optimum level of comfort.
- 6.2** An employee required to operate a visual display unit as part of normal duties and for at least 50 per cent of normal working time may request and shall be entitled to have an annual eye test, by a qualified optometrist or optician approved by AMI, and such test will be at AMI's expense up to a maximum of \$60.00.
- For the purpose of this clause "annual" shall be determined by the anniversary of the employee's start date.
- 6.3** No employee shall be required to use visual display equipment if in the opinion of any ophthalmologist this is causing deterioration to the employee's sight.
- 6.4** An employee who is principally engaged in operating a keyboard shall not be required to perform such duties for more than 50 minutes continuously without a break of at least 10 minutes for the purpose of performing other non-keyboard duties or taking a scheduled refreshment break or meal interval.
- 6.5** First aid – the parties of this agreement recognise and accept the provisions of the Factories and Commercial Premises (First Aid) Regulations 1985.
- 6.6** Adequate lighting, heating, ventilation and ablution and toilet facilities with hot water for washing hands shall be provided in all offices. In conjunction with ablution facilities, means of drying shall be provided and where towels are supplied these shall be in such form as to allow the exclusive use by each employee. Where female employees are employed there shall be suitable provision in toilets for the hygienic disposal of sanitary items.

**PART SEVEN: SIGNATORIES**

Signed for and on behalf of ) Signed .....  
AMI Insurance Limited ) Date .....

Signed for and on behalf of ) Signed .....  
Finsec ) Date .....

**SCHEDULE A  
SKILLS BASED PAY**

**CUSTOMER SERVICES OFFICER**

SB1	Customer Service	Company knowledge Insurance knowledge Underwriting – MotorSure Computer knowledge Underwriting – Commercial
SB2		Reception/Cashier ** Underwriting – House and Contents Claims – MotorSure 1 and 2
SB3	Communication Team Work Time Management	Underwriting – Boat 1 & 2 Underwriting – Farm 1 Claims House & Contents 1 – 8 Claims MotorSure 3 – 8
SB4	Sales & Marketing	Claims – Boat Claims – Farm Claims – MotorSure 9, 9a, 10, 10a Underwriting Farm 2 & 3 Claims – House & Contents 9, 9a, 10, 10a Computer Generating Reports

Note: SB3 and SB4

Additional sections (Assessment in each of these sections qualifies for a horizontal step increase in salary)	Scene Investigations Inspections Dispute Tribunal Hearings Risk Reviews
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\*\* Note – for existing employees there will be no salary implications if receptionist/cashiering skills are not gained until the 4<sup>th</sup> skill block.

## **CALL CENTRE CUSTOMER SERVICES OFFICER**

Operational without constant supervision		Company knowledge Insurance knowledge Computer knowledge
SB1	Customer Service	MotorSure product knowledge MotorSure underwriting (1) HomeSure product knowledge HomeSure underwriting (1) Commercial underwriting
SB2	Communication  Team Work  Time Management	Motor underwriting (2) HomeSure underwriting (2) Boat product knowledge Glass claims Claims advice (1 and 2)
SB3	Sales & Marketing	Boat underwriting Farm product knowledge Farm underwriting Claims advice (3 and 4)

## **CUSTOMER SERVICES MANAGER**

SB1		Claims 1 – 5 Underwriting Cashiering Communications Planning & Co-ordination (1) Customer Service
SB2		Claims 6 & 7 Planning & Co-ordination (2) Time Management
CSM1		Training & Development Human Resources
CSM2		Marketing

**SCHEDULE B**

**CLAIMS COLLECTION UNIT**

**COMPETENCY REQUIREMENTS**

<b>COMPETENCY</b>	<b>COMPONENTS UNITS</b>
1. Systems & Technology	1. Business Administration
	2. Generic Computing
2. Credit Administration Knowledge & Technical Expertise	3. Administer Debt Collection
	4. Demonstrate telephone techniques for debt collection
3. Legal & Insurance Knowledge	5. Legal Knowledge
	6. Insurance Knowledge
4. Interpersonal Communications	7. Communication in the Workplace
	8. Communicating with people from other cultures
	9. Listening Strategies
5. Self Management	10. Time Management
	11. Self Development
6. Quality Management	12. Customer Care
	13. Teamwork

## SCHEDULE C

### “PLAIN LANGUAGE” EXPLANATION OF SERVICES AVAILABLE FOR THE RESOLUTION OF EMPLOYMENT RELATIONSHIP PROBLEMS

- a) An “*employment relationship problem*” is any problem relating to or arising out of our employment relationship. It includes personal grievances and disputes about the interpretation, application or operation of this agreement but does not include any problems relating to or arising from fixing new terms and conditions of employment (e.g. bargaining, agreement variation).
- b) “*Personal grievance*” means any claim you have against AMI that you have (in relation to your employment) been unjustifiably dismissed; unjustifiably disadvantaged with respect to conditions of employment; discriminated against on prohibited grounds; sexually harassed; racially harassed; subjected to duress in relation to membership or non-membership of a union or employees organisation.
- c) This schedule sets out the procedure to be followed and services available to help you and AMI resolve any employment relationship problem that might arise between us during the term of this Collective Agreement.
- d) **Step 1** – The problem should be referred to your Manager in the first instance in order that the problem can be dealt with speedily and effectively.

If the problem relates to a personal grievance you should raise this with your Manager either verbally or in writing. You may wish to seek assistance from Finsec to do this.

If for some reason you do not wish to raise the problem with your manager, you (or your Finsec representative) can refer it instead to your Manager’s Manager or to the Executive Manager – Human Resources.

It is agreed that this process shall constitute “reasonable steps” for the purpose of Section 114, Employment Relations Act 2000.

**(NB – A personal grievance must be raised within 90 days of the action giving rise to it or coming to your attention whichever is the later – if you fail to do so we shall not be obliged to give the matter further consideration unless you make an application to the Employment Relations Authority for leave to raise it outside of the 90-day period).**

**Step 2** – If the problem is not resolved to your satisfaction it may be referred by either of us:

- i) To the Mediation Service of the Department of Labour. (Contact details are given below), or
- ii) We may agree to refer the matter to Arbitration or other alternative dispute resolution providers but if we do so it will not preclude the problem from being referred to the Mediation Service or Employment Relations Authority.

**(NB – To help resolve employment relationship problems that cannot be satisfactorily dealt with in discussion between you, your Finsec representative and AMI, the Department of Labour provides a variety of mediation services).**

**Step 3** – If settlement is not reached through mediation (or through any alternative agreed procedure), an application can be made to the Employment Relations Authority which will resolve the matter if it is satisfied that we have first attempted to resolve the problem in good faith through mediation.

e) Where a personal grievance relates to discrimination which would entitle you to make a complaint under the Human Rights Act, you may make a complaint either under the Human Rights Act or the Employment Relations Act but not both.

f) To contact the Department of Labour –

Telephone ..... **0800 800 863**

Fax ..... **(03) 365 0443**

Mediation Services ..... **0800 800 863** (by referral)

Employment Relations Authority ... **0800 800 863** (by referral)

g) To contact the Human Rights Commission

Telephone..... **0800 496 877**