
**TSB B A N K
COLLECTIVE AGREEMENT**

8 April 2004 - 7 April 2006

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1. Parties, Coverage, Application and Term

1.1. Status and Parties

- 1.1.1. This is a collective agreement ("Agreement") pursuant to the Employment Relations Act 2000. The parties to this Agreement are:

Employer: The TSB Bank Ltd ("TSB Bank"); and

Union: Finsec ("Union")

1.2. Coverage

- 1.2.1. This Agreement covers the work undertaken by employees of TSB Bank who are specifically engaged and designated by TSB Bank as a Customer Service Representative (CSR) as defined in the Job Description for this role in any Retail Branch operated by TSB Bank in the Taranaki region.

1.3. Application

- 1.3.1. Any employee ("employee" or "employees") of TSB Bank who undertakes work as defined by the coverage clause of this Agreement **and** who is or becomes a member of the Union during the term of this Agreement is bound by it.
- 1.3.2. Where an employee is bound by this Agreement but is subsequently engaged on work outside of the work coverage of it, including as a result of promotion, the employee will cease to be bound by this Agreement from the time the new duties are effective.
- 1.3.3. This Agreement constitutes the entire agreement between the parties and employees bound by it and, excepting where individual employees have terms and conditions specified in an individual agreement in force as at 1 December 2003 in excess of those contained herein, it shall supersede any previous employment conditions or agreement that may have previously applied, representations, commitments, agreements and other communications between the parties.

1.4. Term

- 1.4.1. This Agreement shall come into force on 8 April 2004 and shall expire on 7 April 2006.

2. Variation of Agreement

- 2.1. The provisions of this Agreement may be varied by TSB Bank and the Union at any time by written agreement. A proposed variation may apply to all employees or a defined group of employees, ("affected employees"), as agreed by the parties. TSB Bank reserves the right to discuss the proposed variation directly with those employees who are eligible to vote at any time prior to the matter being decided; provided the Union may elect to be represented in any such discussions.
- 2.2. Agreement by the Union to a variation will be determined by a vote of all employees bound by the Agreement as follows:
 - 2.2.1. For a variation to be agreed a majority of 50% plus one of those who vote must be in favour.
 - 2.2.2. The voting requirement for a variation will be in accordance with the level advised by the Union; provided the level of those required to vote does not exceed 75% of eligible employees.
- 2.3. All affected employees will subsequently be bound by the variation.

3. Policy Statements and Procedures

- 3.1. TSB Bank determines and maintains various policy statements and procedures that apply to all staff. Copies of current policy statements and procedures will be made available to all employees. Any policy statement or procedure may be amended or introduced from time to time by TSB Bank and will apply from the time it is advised to employees. All employees will be required to apply and adhere to these policy statements and procedures at all times during their employment. Such policy statements and procedures shall be deemed to form part of this Agreement.

4. Hours of Work

4.1. Ordinary Hours of Work

- 4.1.1. The ordinary hours of work for employees shall be no less than 40 hours per week, to be worked between the hours of 8am and 8pm, on any six of seven days, as directed by TSB Bank.

4.2. Overtime

- 4.2.1. Where the ordinary hours worked are outside those stipulated in clause 4.1.1, or exceed forty five (45) hours in any one week, overtime shall be paid for at ordinary rates of pay, irrespective of the day of the week or time of the day in which the work is performed.

4.3. Breaks from Work

- 4.3.1. An unpaid meal break of thirty minute duration shall be taken at such times as directed by the Branch Manager (or delegated supervisor) of an employee. An employee shall not be expected to work for more than five hours without an uninterrupted break for a meal.
- 4.3.2. An interval of ten minutes shall be allowed each morning and afternoon during which time employees may have a refreshment on the premises, at a time deemed by TSB Bank to not interfere with customer service. A hot drink shall be made available at the expense of TSB Bank.

5. Remuneration

5.1. General

- 5.1.1. The annual salary applicable in accordance with this clause shall include payment for all features and conditions of work encountered in employment, whether or not continually associated with the work normally undertaken. The annual salary also includes compensation for working practices requiring versatility, training and continuous productivity improvement.

5.2. Commencing Salary

- 5.2.1. Employees engaged as a Customer Service Representative will normally commence on the first step of the salary scale applicable. Notwithstanding this, TSB Bank may, at its sole discretion, place a new employee on a higher step within the salary scale by agreement with the new employee, based on that employee's previous experience and ability.

5.3. Salary Review and Progression Through Salary Scale

- 5.3.1. The annual salary of each employee will be reviewed annually by TSB Bank based on the employee's individual performance. This review for each employee shall normally take place on or before the current review date of the employee. Such review date will initially be based on the employment date of the employee but will subsequently be varied to the date of any later promotion to another position.

5.3.2. The annual salary review and any progression through the applicable salary scale set out under 5.4.1 shall be based on the following Key Performance Indicator standards:

- Customer service
- Aptitude
- Teamwork
- Attendance

5.3.3. Subject to the satisfactory achievement of Key Performance Indicator standards, TSB Bank will move an employee to the next highest step of the applicable salary scale. Notwithstanding the foregoing TSB Bank may, at its sole discretion, move an employee by more than one step based on the exceptional performance of the employee.

5.3.4. Progression to a higher salary step, resulting from the annual review, shall be effective from the current review date of the employee.

5.4. Salary Scale

5.4.1. The annual salary range for an employee engaged as a Customer Service Representative (pro rata based on hours worked each week in the case of a part time employee) shall be:

Step	Effective from 8 April 2004¹	Effective from 8 April 2005¹
1(Commencing)	\$23470	\$24291
2	\$24364	\$25216
3	\$25258	\$26142
4	\$26152	\$27067
5	\$27046	\$27993
6 (Maximum)	\$27941	\$28919

Note: Until such time as the amount of the maximum step exceeds the amount of their salary level, employees on salary rates above the maximum step will not be eligible to receive an annual increase in their salary level.

¹ Applicable to individual employees with effect from the current review date of the employee falling after the respective effective dates of the salary scale.

5.5. Implementation of Salary Step System

5.5.1. Effective from the commencement date of this Agreement, employees engaged as a Customer Service Representative, other than those currently² in receipt of a salary equal to Step 1 of either the 'transition' salary scale or 2004 salary scale (refer (a) and (b) below), will automatically be placed on a salary step as follows:

- (a) **Employees who have not received a salary review since 1 January 2004:** Employees, other than those currently² on the salary level of \$22633, will be placed on the salary step of the 'translation scale' immediately above their current salary rate, as set out below; provided that the step that the employee is placed on will not be lower than the applicable level based on her/his progression by one step of the scale on completion of each year of actual current service with TSB Bank.
- (b) **Employees who have been employed or received a salary review since 1 January 2004:** Employees, other than those currently² on the salary level of \$23470, will be placed on the salary step of the '2004' salary scale immediately above their current salary rate, as set out under 5.4.1; provided that the step that the employee is placed on will not be lower than the applicable level based on her/his progression by one step of the scale on completion of each year of actual current service with TSB Bank.

Step	Translation Scale
1(Commencing)	\$22633
2	\$23495
3	\$24357
4	\$25219
5	\$26081
6 (Maximum)	\$26944

² Note: "Currently" means as at the date that this Agreement comes into force.

5.6. Incentive Payment

- 5.6.1. Employees engaged as a Customer Service Representative will be eligible to receive an annual incentive payment as follows:
- **CSR employees on steps 1-5:** An incentive payment of up to a maximum of \$600 per annum shall be payable to an individual employee, provided that at least 70% of the individual's annual referral target set by TSB Bank is met or exceeded. The incentive payment shall be calculated on a pro rata basis, based on the maximum available (\$600) relative to the percentage of the referral target met of 70% and above, as follows: 70% = 70% of maximum; 80% = 80% of maximum; 90% = 90% of maximum; 100% = 100% of maximum.
 - **CSR employees on step 6:** An incentive payment of \$600 shall be payable where 100% of the individual's annual referral target set by TSB Bank is met or exceeded, or the employee is performing at an exceptional level.
- 5.6.2. Where an employee is entitled to receive an annual incentive payment this shall normally be paid in the pay week following the current review date of the employee.

Note: Notwithstanding the forgoing, employees on salary rates above the maximum salary step will not be eligible to receive an incentive payment.

6. Holidays

6.1. Public Holidays

- 6.1.1. The following holidays shall be observed in accordance with the Holidays Act 2003 and will be a paid holiday for an employee where the holiday is observed on what would otherwise have normally been a working day for the employee:
- | | |
|--------------------------------|---------------------------------|
| Christmas Day | Good Friday |
| Boxing Day | Easter Monday |
| New Years Day | Labour Day |
| 2 January | Anzac Day |
| Birthday of reigning Sovereign | Anniversary day of the Province |
| Waitangi Day | |
- 6.1.2. An employee may be instructed to work on a public holiday. Such a requirement will be formally advised by TSB Bank.
- 6.1.3. In the event that an employee is instructed to work on a public holiday, the employee will be paid the portion of her/his daily pay

that relates to the time actually worked plus half that amount again. In addition, if the employee is instructed to work on a public holiday that would otherwise be a working day for them, an alternative holiday comprising of a whole ordinary working day off will be allowed, which should in the first instance be taken at a time that is mutually agreed between TSB Bank and the employee. An alternative holiday should be taken within 12 months of the entitlement becoming due.

6.2. Annual Holidays

- 6.2.1. Annual holidays shall be allowed in accordance with the Holidays Act 2003.
- 6.2.2. Annual holidays shall be three weeks per annum. Annual holidays should be taken within 12 months of the entitlement becoming due and taken at a time that is mutually agreed between TSB Bank and the employee. The employee shall take two weeks of her/his annual leave entitlement consecutively each year, at a time suitable to TSB Bank.

7. Leave

7.1. Sick Leave

- 7.1.1. After six months of continuous service with TSB Bank, an employee is entitled to up to five days of sick leave. A further entitlement of five days sick leave will be available upon the completion of 12 months of continuous service by the employee with TSB Bank and for each subsequent 12 month period thereafter. Unused sick leave may be accumulated from one year to the next up to a maximum of 20 days, inclusive of the current entitlement.
- 7.1.2. Sick leave may be taken where:
 - The employee is sick or injured; or
 - The spouse of the employee is sick or injured; or
 - A person who depends on the employee is sick or injured.
- 7.1.3. Notice of the intention to take sick leave must be given to TSB Bank by the employee as early as possible prior to the normal commencing time of the employee. If this is not practicable, notice must be provided as soon as possible after this time.

- 7.1.4. TSB Bank may require an employee to provide a medical certificate as proof of sickness or injury of the employee, her/his spouse or a person who depends on the employee for care, in the following circumstances:
- For any period of three or more consecutive days, which gave rise to the need to take sick leave, whether or not the days would have been working days for the employee, where the employee has used 5 or less days of sick leave in any year.
 - For any period of sick leave, where the employee has taken more than 5 days of sick leave in any year.
 - For any absence due to the sickness or injury of the employee, her/his spouse or a person who depends on the employee for care where the sick leave entitlement of the employee has been exhausted.
- 7.1.5. Where an employee has been absent from work for a period of ten working days or more, TSB Bank shall retain the right to require the employee to undergo a further medical examination, or to produce an additional medical certificate from a Doctor nominated by and at the expense of TSB Bank.
- 7.1.6. Sick leave shall be calculated in accordance with the Holidays Act 2003.
- 7.1.7. Sick leave shall not be paid in respect of any public or annual holiday.
- 7.1.8. It is expressly recognised that sick leave is taken on the basis of TSB Bank's trust and that taking sick leave without good and sufficient reason shall be regarded as serious misconduct.
- 7.1.9. The provision of sick leave under this subclause is inclusive of the minimum sick leave entitlement provisions of the Holidays Act 2003. The parties acknowledge that requirements concerning sick leave specified in the Act apply.

7.2. Bereavement Leave

- 7.2.1. Bereavement leave may be taken in the following circumstances:
- 7.2.1.1. Up to three days where an employee suffers a bereavement on the death of her/his spouse, parent, child, brother, sister, grandparent, grandchild, spouse's parent.

- 7.2.1.2. One day in respect of circumstances other than in 7.2.1.1 above, where TSB Bank accepts that an employee has suffered a bereavement. In considering the approval of such leave TSB Bank will take into account the closeness of the relationship between the employee and the deceased person, whether the employee has any significant responsibilities for all or any of the arrangements for the ceremonies relating to the death, and any cultural responsibilities that the employee has in respect of the death.
- 7.2.1.3. At the discretion of TSB Bank evidence may be required from an employee in support of a request for bereavement leave.
- 7.2.1.4. Notice of the intention to take bereavement leave must be given to TSB Bank by the employee as early as possible prior to the normal commencing time of the employee. If this is not practicable, notice must be provided as soon as possible after this time. Notwithstanding the foregoing, in respect of leave under 7.2.1.2 above the employee must also seek the consent of her/his manager to take the leave.
- 7.2.1.5. If an employee suffers more than one bereavement at the same time, and is entitled to or granted leave under 7.2.1.1 or 7.2.1.2 above, the employee may take leave in respect of each bereavement on a cumulative basis.
- 7.2.1.6. If an employee suffers a bereavement while on annual holiday, and is entitled to or granted leave under 7.2.1.1 or 7.2.1.2 above, the time will be taken as bereavement leave and the annual leave entitlement of the employee adjusted accordingly.
- 7.2.1.7. Bereavement leave granted in accordance with this clause shall be paid in accordance with the Holidays Act 2003.
- 7.2.1.8. The provision of bereavement leave under this subclause is inclusive of the minimum bereavement leave entitlement provisions of the Holidays Act 2003. The parties acknowledge that requirements concerning bereavement leave specified in the Act apply.

Note: In this clause "spouse" means the husband or wife of the employee, or a man or woman with whom the employee has entered into a relationship in the nature of marriage although not legally married.

7.3. Parental Leave

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

7.4. Dental and Medical Appointments

- 7.4.1. TSB Bank shall approve time off on ordinary pay for a dental/medical appointment, provided that the appointment is made on a day and at a time which does not unduly interfere with the business of the Bank and with the prior consent of the Department/Branch Manager or designated supervisor.

8. Terms of Employment

8.1. Probationary Period

- 8.1.1. All new employees bound by this Agreement shall be engaged on a probationary basis for at least three months. Any issues of concern will be raised with the employee during the probationary period. A Probationary Report shall be completed and fully discussed with the employee after three months. Confirmation of employment, extension of the probation period by up to three months or termination of employment shall be decided at this time. During the probationary period, one week's notice of termination or resignation shall be given by either party.

8.2. Termination

- 8.2.1. With the exception of an employee subject to a probationary period, four weeks notice of termination of employment shall be given in writing by either TSB Bank or employee. This notice period may only be varied by mutual agreement.
- 8.2.2. Where the required notice is not given payment equivalent to the period of notice or balance thereof shall be paid by the party who fails to provide the required notice. Where TSB Bank elects to make such a payment in lieu of notice this shall not constitute summary dismissal. Notwithstanding the foregoing, in the event that an employee accepts a position with a competitor organisation, TSB Bank at its sole discretion may waive the period of notice and in such circumstances no salary shall be paid or forfeited.

- 8.2.3. Nothing in this clause shall affect the right of TSB Bank to summarily dismiss an employee for misconduct, wilful disobedience, or neglect of duty, as per the TSB Bank "Guideline House Rules".

8.3. Abandonment of Employment

- 8.3.1. Where an employee is absent from work for more than four working days without notification to TSB Bank, the employee shall be deemed to have terminated their employment without notice. TSB Bank shall endeavour to contact the employee during this four day period.

8.4. Sale and Transfer

- 8.4.1. With the view to protecting employees from being disadvantaged in the event of the work undertaken by them being contracted out or the business or part of the business undertaken by TSB Bank is sold or transferred to another organisation TSB Bank shall endeavour to take all practical steps that are available to it.
- 8.4.2. In meeting this obligation TSB Bank shall act in good faith at all times and shall consult with union representatives and employees affected. Options that will be considered are:
- Redeployment within the TSB Bank.
 - Transfer to the new employer.
 - Negotiation with the new employer on future terms of employment.

8.5. Redundancy

- 8.5.1. The Bank shall give notice in terms of clause 8.1.1 or 8.2.1 in writing to an employee of any impending redundancy.
- 8.5.2. Employees shall be entitled to redundancy at the rate of one weeks salary for the first year of service, and one weeks salary for each year or part year or service thereafter.
- 8.5.3. Where the employment is terminated with TSB Bank by reason of the sale or transfer of the whole or part of the business operated by TSB Bank the TSB Bank shall not be required to pay compensation for redundancy, provided the employee is offered employment by the new owner of the business in the same or similar capacity under terms and conditions which are generally no less favourable than those contained within this Agreement and service is treated as if it were continuous.

8.6. Record of Service

- 8.6.1. An employee, on leaving or being discharged from employment shall, on request, be given as soon as practicable thereafter a certificate in writing signed by TSB Bank and stating the position held and length of service. Personal references obtained from Bank personnel shall be the personal opinions of these personnel and shall in no way reflect the opinion of TSB Bank.

8.7. Transfers

- 8.7.1. TSB Bank reserves the right to transfer an employee to any Branch, Department or Division of the Bank, to any position for which, in the Bank's opinion, the employee is suitably qualified.

9. Provisions Relating to Salary

9.1. Payment of Salary

- 9.1.1. All salary payments shall be made fortnightly, on a Wednesday by direct credit to the staff bank account in the name of the employee. When a pay day falls on a public holiday as defined in clause 6.1 is observed, the salary payment shall, where practicable, be made on the working day immediately preceding the holiday.

9.2. Deductions

- 9.2.1. TSB Bank shall be entitled to make a rateable deduction from the salary payment of an employee subject to any legal requirement, for time lost through sickness (other than as provided for in this Agreement), accident, default or at the request of the employee. Deductions may also be made from the final pay (including holiday pay owed) for any debt owed by the employee to TSB Bank.

10. Miscellaneous Provisions

10.1. Expenses

- 10.1.1. All reasonable out of pocket travelling expenses incurred by an employee travelling on approved TSB Bank business shall be reimbursed as per the current rates outlined in the Office Procedures Manual.

10.2. Driving TSB Vehicles

- 10.2.1. If an employee is required to drive a TSB Bank vehicle, the employee must hold a current drivers licence for the class of vehicle driven. The employee may be required to produce their driving licence to TSB Bank. The employee must abide by all legal requirements while driving a TSB Bank vehicle.

11. Expected Standards

11.1. Performance Standard

- 11.1.1. Employees shall at all times:
- Perform to a high standard and in a professional manner all tasks as outlined in the relevant Job Description.
 - Contribute to the achievement of Corporate objectives, Departmental or Branch targets as set by TSB Bank from time to time.
 - Not engage in any activities likely to bring the Bank into disrepute or accept incentive payments of any kind from third parties.
- 11.1.2. Failure to perform to the required standard or where applicable, failure to meet stated objectives and/or operating budgets may, at the sole discretion of the Bank, result in termination of employment as per the Termination clause (Clause 8) of this Agreement.

11.2. Sexual Harassment

- 11.2.1. The parties and employees bound by this Agreement acknowledge that sexual harassment in the workplace is totally unacceptable and attention is drawn to the Problem Resolution Process clause. (Clause 12)

11.3. Standards of Dress and Appearance

- 11.3.1. Employees shall always be suitably attired as befits the position undertaken by them and accept the right of TSB Bank to be the sole arbiter as to what is acceptable in both attire and presentation generally. The standards required are outlined in the Bank's Standards Manual.

12. Employment Relationship Problems

12.1. Problem Resolution Process

- 12.1.1. If an employee considers that a genuine problem exists with their employment then they must refer the matter to their immediate Manager, in the first instance.
- 12.1.2. If the employee is uncomfortable approaching their Manager, or is dissatisfied with their Managers explanation or response, the matter can be referred to the Manager, Human Resources for resolution.
- 12.1.3. If the employee remains dissatisfied at this point, the matter may be referred to the Bank's Managing Director or his Deputy.

Mediation Service

- 12.1.4. If the employee remains dissatisfied at this point, Mediation Services may be contacted for free assistance. Mediation Services is listed in Local phone book under "Labour Department".
- 12.1.5. The mediator will attempt to resolve the problem, but may not rule on who is at fault unless both the TSB Bank and Union and/or employee (as applicable) agree.

Employment Relations Authority

- 12.1.6. If the employee remains dissatisfied at this point, assistance can be sought from the Employment Relations Authority (ERA) who will investigate the problem and make a decision.

Representation

- 12.1.7. Either party or an employee bound by this Agreement may choose to be represented in the event of a grievance in a mediation or any subsequent proceedings.

[Note: Any personal grievance must be referred to senior Management within 90 days of the event occurring.]

13. Provisions Concerning Integrity, Conflict Of Interest, Secondary Employment, Confidentiality and Intellectual Property

13.1. Duty of Fidelity

- 13.1.1. Employees bound by this Agreement agree that during the term of their employment with TSB Bank, that they will dutifully serve TSB Bank to the best of their ability, to work in the best interests of TSB Bank, to strive to play a part in assisting TSB Bank to meet its goals, to not undermine the integrity of TSB Bank and pledge not to breach the good faith between the parties to the employment relationship and to this Agreement with conduct that may cause serious harm to TSB Bank or is inconsistent with the maintenance of trust and confidence between the parties to the employment relationship and to this Agreement.

13.2. Conflict of Interest

- 13.2.1. An employee will not have any involvement in any capacity, whether paid or unpaid or on their own account, in any activity that may amount to a conflict with the interests of TSB Bank ("conflict of interest"). Prior to employment the employee shall declare any involvement in any activity that is ongoing that may amount to a conflict of interest and gain written agreement from TSB Bank that the activity is permitted. If during the employment the employee wishes to undertake an activity that may amount to a conflict of interest prior to becoming involved she/he must advise TSB Bank accordingly. The decision of TSB Bank as to whether a conflict of interest exists or may result shall be final.

13.3. Secondary Employment

- 13.3.1. An employee may not undertake secondary (paid or unpaid) employment of any nature without the prior consent of TSB Bank.

13.4. Confidentiality

- 13.4.1. Employees bound by this Agreement shall ensure that all information relating to TSB Bank remains confidential and unless specifically authorised in writing is not disclosed to any person or organisation outside of TSB Bank during and following employment.

13.5. Intellectual Property Ownership

13.5.1. All designs, concepts, ideas and programmes developed by an employee, which relate the employment of the employee with TSB Bank, either alone or in conjunction with others, is to remain the property of TSB Bank during and following the term of employment.

14. Signature of the Parties

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Signed for and on behalf of TSB Bank Ltd

Date:

.....

Signed for and on behalf of Finsec

Date: