



Samtök starfsmanna fjármálafyrirtækja

Collective Agreement

The Confederation of
Icelandic Bank and Finance
Employees (SSF)
and

The Confederation of
Icelandic Employers



1 October 2015 – 31. December 2018



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COLLECTIVE AGREEMENT

BETWEEN

THE CONFEDERATION OF ICELANDIC BANK AND
FINANCE EMPLOYEES (SSF)

AND

THE CONFEDERATION OF ICELANDIC EMPLOYERS

1 October 2015 – 31 December 2018

This English version is translated from the original Icelandic collective agreement.
In case of any dispute arising from this collective agreement
the Icelandic version is to be used.

The Union of Icelandic Bank Employees SSF and the Confederation of Icelandic Employers signed a new collective agreement on September 8th, 2015. Under that agreement, the collective agreement in force between these parties was extended until 31 December 2018. The collective agreement of 8 September 2015 has now been incorporated into the older agreement.

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1 WAGES

1.1 Monthly wages¹

1.1.1 As from 1 October 2015, the monthly wages of employees in full-time positions shall be as stated in the pay-scales below in accordance with the further provisions of this Agreement.

Pay-scale 155 Effective as from 1 October 2015.

Change from previous pay scale: All steps are raised ISK 25.000.

Step	Basic rate	After 3 yr	After 5 yr	After 7 yr	After 9 yr	After 12 yr	After 15 yr
111	256,722	262,763	267,294	273,334	277,865	280,885	282,395
112	261,856	268,101	272,786	279,031	283,717	286,838	288,400
113	267,168	273,626	278,470	284,928	289,771	293,001	294,616
121	272,653	279,331	284,338	291,017	296,025	299,363	301,033
122	278,332	285,238	290,417	297,321	302,500	305,953	307,679
123	284,202	291,343	296,696	303,837	309,192	312,762	314,546
131	290,270	297,652	303,189	310,571	316,108	319,830	321,726
132	296,543	304,177	309,903	317,536	323,388	327,311	329,274
133	303,033	310,925	316,846	324,908	330,991	335,049	337,078
141	309,741	317,903	324,173	332,561	338,854	343,050	345,146
142	316,680	325,299	331,805	340,480	346,985	351,323	353,492
143	323,997	332,967	339,694	348,664	355,393	359,878	362,119
151	331,622	340,896	347,853	357,128	364,083	368,721	371,040
152	339,503	349,096	356,287	365,878	373,071	377,865	380,262
153	347,650	357,566	365,005	374,920	382,357	387,317	389,795
161	356,083	366,336	374,026	384,279	391,969	397,096	399,660
162	364,797	375,399	383,351	393,953	401,906	407,206	409,855
163	373,815	384,776	392,998	403,962	412,184	417,664	420,406
171	383,133	394,468	402,968	414,305	422,807	428,475	431,308
172	392,767	404,488	413,278	424,999	433,790	439,650	442,580
173	402,728	414,848	423,938	436,057	445,146	451,206	454,235
181	413,029	425,561	434,960	447,489	456,889	463,154	466,289
182	423,685	436,642	446,361	459,320	469,037	475,517	478,755
183	434,698	448,095	458,146	471,543	481,591	488,291	491,639

1 Cf. Pay scales 153-158 in the attachments.

191	446,084	459,940	470,329	484,183	494,572	501,499	504,962
192	457,858	472,183	482,928	497,251	507,994	515,157	518,738
193	470,035	484,845	495,955	510,766	521,875	529,281	532,984
201	482,626	497,941	509,428	524,743	536,230	543,888	547,716
202	495,643	511,478	523,355	539,192	551,070	558,988	562,947
203	509,105	525,479	537,760	554,134	566,414	574,603	578,695

The maternity/paternity grant is ISK 66,643 from 1 October 2015.

Rise in monthly wages²

1 October 2015: Change from previous pay scale: +7.2%. Salaries excluded from pay scales, according to the “pay adjustment guarantee,” cf. collective agreement from 8 September 2015, which is an attachment to the complete edition of this Agreement. The rise in wages and wage-related elements according to this stipulation can never be less than 3.2%. Employees who have worked for 6 months or more and are entitled to a salary change get a lump-sum payment of ISK 150,000 relative to a full-time job in the period 1 May to 30 September 2015. The payment is proportional according to employment ratio and period of service. Annual holiday pay is included in the payment.

1.1.2016: Wages and wage-related elements rise by 6.2%. Collective agreement pay scales rise by the same proportion.

1.05.2017: Wages and wage-related elements rise by 5.0%. Pay-scales in collective agreements rise by the same proportion.

1.05.2018: Wages and wage-related elements rise by 5.0%. Pay scales in collective agreements rise by the same proportion.

1.1.2 Fractions of monthly wages shall be calculated as follows: the monthly wage shall be divided by 21.67 and then multiplied by the number of calendar days, excluding Saturdays and Sundays, from the beginning to the end of the period.

1.1.3 When employees are placed on steps in pay-scales, consideration shall be given to factors including their length of working experience (service) and their educational qualifications. One year’s working experience shall be equivalent to one step on the pay-scale. Working experience shall be assessed with reference to the following:

a) Work in positions in financial corporations shall be credited in full.

b) Work in positions with the state, a local authority or other parties shall be credited in full providing that the experience gained is relevant to the employee’s job.

2 Further explanations on the rise in monthly wages can be found in collective agreements signed on 11 March 2014, 8 September 2015 and in an agreement signed on 24 October 2016 which are attachments to the complete edition of this Agreement.

For the purpose of this Article, length of working experience' shall mean continuous working time in at least 50% of a full-time position for 3 months or longer.

- 1.1.4 Pay-scale steps 111–123 are intended only for temporary employees.

Permanent employees shall be entitled to receive wages not lower than those specified under pay-scale step No. 131.

Employees shall be entitled to receive wages not lower than those specified under pay-scale step No. 132 when they have acquired four years' working experience.

- 1.1.5 Employees who have worked in a financial corporation for 3 years shall receive a supplement of 4% on the wages they receive under Article 1.1.1. After 5 years' work, this supplement shall become 7%; after 7 years' work it shall become 11%; after 9 years' work it shall become 14%; after 12 years' work it shall become 16% and after 15 years' work it shall become 17%.

Employees who have taken university degrees shall receive the experience-related supplements provided for under this Article not more than 4 years earlier than would otherwise be the case, providing that their education is relevant to their work.

When determining the rate of experience-related supplements, employee's working experience gained in positions with other employers apart from the bank may be taken into account, providing that this experience has not been used previously as the basis of an assessment of an experience-related supplement. However, the maximum period of experience assessed for this purpose shall be 3 years.

- 1.1.6 Articles 1.1.3–1.1.5 shall also apply to employees who are not in full-time positions.
- 1.1.7 The general rule shall be that permanent employees receive their wages in advance on the first working day of each month in respect of that month, while temporary employees shall receive their wages in retrospect at the end of each month, or on the first working day of the following month, unless other arrangements are agreed with the relevant employees' association.
- 1.1.8 When employees' wages are paid, they shall have the right to receive pay-slips marked with their names. The pay-slip shall state the employee's fixed wage for the period covered by the payment, the number of hours of overtime the employee has worked and an itemization of the individual earning and deduction items resulting in the wage disbursement, and also the employee's leave entitlement.

1.2 Daytime wages

- 1.2.1 The hourly rate for daytime wages shall be found by dividing the monthly rate for the pay-scale step in which the employee is placed by 160.

1.3 Overtime wages

- 1.3.1 Overtime work shall be paid at hourly rates. The hourly rate for overtime for each pay-scale step shall be 1.0385% of the monthly wage for the pay-scale step according to which the employee is paid.
- 1.3.2 All work done on major public holidays (New Year's Day, Easter Sunday, Whit Sunday, Christmas Day and after 12 noon on Christmas Eve (24 December) and New Year's Eve, Good Friday and 17 June) shall be paid for at hourly rates equivalent to 1.375% of the monthly wage for the pay-scale step according to which the employee is paid.
- 1.3.3 Agreements may be made with employees on fixed monthly payments for overtime work.
- 1.3.4 Payment for all overtime work shall be made retrospectively for each month or 30-day period, and shall be disbursed not later than 2 weeks after the last accounting day.
- 1.3.5 Part-time employees who attend courses during the day shall receive wages at daytime rates even though the courses are held outside their regular working hours.

1.4 Supplementary payments and shiftwork supplements

- 1.4.1 Shiftwork supplements shall be based on the pay-scale step in which the employee concerned is placed. The shiftwork supplement for the period 17:00–24:00 shall be 33.33%; for the period from 24:00–09:00 and at week-ends it shall be 45%, and for major public holidays it shall be 90%. However, this provision shall not apply to evening and night watchmen or to employees who work during the period between 12:30–19:15. (See Article 2.2.3).

1.5 Ranking of job designations in pay-scales

Ranking in pay-scales according to job designations shall be as follows:

- 121 Novices
- 131 Desk tellers and bank secretaries
- 151 Deputies/service officers
- 161 Department officers/tellers
- 171 Service/front desk and office managers
- 171 Specialists
- 191 Branch managers, heads and officials

1.6 December and holiday bonuses

1.6.1 The December bonus for each calendar year, based on full-time employment, shall be as follows

In the year 2014 ISK 73,600.

In the year 2015 ISK 78,000.

In the year 2016 ISK 82,000.

In the year 2017 ISK 86,000.

In the year 2018 ISK 89,000.

Full-time work, in this context, is deemed to be 45 or more worked weeks outside of vacation. This bonus shall be paid no later than 15 December each year, based on the employee's job proportion and length of employment, to all workers who have been in continuous employment for the same employer for 12 weeks during the previous 12 months, or are in employment during the first week of December.

The December supplement is a fixed figure and is not subject to wage changes under other provisions. Accrued December bonus shall be paid out to workers when they leave the company if this occurs before the payment date for the December bonus.

1.6.2 Vacation supplement

Vacation supplement for each holiday reference year (1 May to 30 April), based on full-time employment, shall be as follows:

In the holiday-reference year starting 1 May 2014, the vacation supplement shall be ISK 39,500.

In the holiday-reference year starting 1 May 2015, the vacation supplement shall be ISK 42,000.

In the holiday-reference year starting 1 May 2016, the vacation supplement shall be ISK 44,500.

In the holiday-reference year starting 1 May 2017, the vacation supplement shall be ISK 46,500.

In the holiday-reference year starting 1 May 2018, the vacation supplement shall be ISK 48,000.

Full-time work, in this context, is deemed to be 45 or more worked weeks outside of vacation. This bonus shall be paid no later than 1 June each year, based on the employee's job proportion and length of employment, to all workers who have been in continuous employment for the same employer for 12 weeks during the previous 12 months, counting from 30 April, or are in employment during the first week of May.

The December supplement is a fixed figure and is not subject to wage changes under other provisions. Accrued December bonus shall be paid out to workers when they leave the company if this occurs before the payment date for the December bonus.

1.7 Employee interview³

Employees are entitled to an interview with their superior once a year on their work and a possible change in their terms of service. (Cf. attached protocol with instructions on employee interviews in a footnote). Should an employee request an interview, it shall be granted within two months.

3 Attachment on account of employee interviews (protocol dated 16 May 2011)

Article 1.7 in the collective agreement stipulates that employees are entitled to an interview with their superior once a year on their work and a possible change in their terms of service. The parties emphasize that this right is honored.

The objective of employee interviews is that both the superior and the employee can communicate on the work and related issues. In order for the employee interview to function properly it is desirable that parties discuss the issues which concern the employee's work, for instance the following:

- Main tasks related to the job.
- The job itself and workload. The employee's knowledge, number of projects, project management and work satisfaction.
- Working environment. Working conditions and workspace.
- Communication. With colleagues, customers and administrators. Information flow. The atmosphere in the workplace and feedback from the employee's next supervisor.
- Work development and objectives. Current activities, training courses and aims, for instance the next 12 months.
- Other terms of employment.

2 WORKING TIME

2.1 Daytime work

- 2.1.1 Ordinary daytime working hours shall be from 9:00-17:00 from Monday to Friday, both days included.
- 2.1.2 Employee's working hours shall be continuous. If this is not the case, then the free time in between working hours shall be counted in full.
- 2.1.3 Employees shall complete their ordinary daily tasks even though this takes longer than the defined period of daytime working hours.
- 2.1.4 The working day may be arranged in a way other than is specified in Article 2.1.1 if this is agreed between the employees concerned, the committee of the employees' association and the financial corporation.

2.2 Part-time work

- 2.2.1 Employees in part-time positions shall receive wages and holiday pay in accordance with their job proportions.
- 2.2.2 Job proportions shall be assessed with reference to Articles 1.1.3 and 1.2.1. Meal times shall not be regarded as working time.
- 2.2.3 The wage proportion of employees who work 6¼ hours per day, with regular working hours during the period 12.30–19:15, shall be 100%, and no overtime pay or shiftwork supplement shall apply to work during this period.

2.3 Overtime work

- 2.3.1 If employees work in excess of their ordinary working hours at tasks that are not considered as constituting part of their daily tasks, they shall receive overtime pay providing that a decision to this effect has been taken in each given instance.
- 2.3.2 All work done on holidays shall be paid for as overtime work (cf. articles 1.3.1. and 1.3.2) In addition to the ordinary weekly holidays, the following days shall be regarded as special holidays: New Year's Day, Maundy Thursday, Good Friday, Easter Saturday, Easter Day, Easter Monday, the First Day of Summer, the first of May, Ascension Day, Whit Sunday, Whit Monday, 17 June, the first Monday in August, Christmas Eve, Christmas Day and Boxing Day, and also New Year's Eve after 12:00.
- 2.3.3 If the employee works during a meal or refreshment break, with the result that working break does not last for the full agreed time, then the meal or refreshment break shall be paid for at overtime rates. Meal and refreshment breaks during a period of overtime work in which the employee works shall be paid for with a supplement over the overtime rate; the same shall apply to meal and refreshment breaks during overtime work periods if work lasts until these breaks begin.

- 2.3.4 When employees are called out to work in periods that do not follow directly on from their working hours, they shall receive overtime wages for at least 3 hours on weekdays and at least 5 hours after 17:00 on Fridays and on Saturdays, Sundays and special holidays, except when their regular working hours commence within three or five hours of the time when they go to this work.
- 2.3.5 When employees' obligatory working time is shorter than that allowed for in Article 2.1.1, work done in excess of the obligatory time shall be paid for in accordance with Articles 2.3.6 and 2.3.7.
- 2.3.6 Unusual working time in excess of the shorter obligatory working time, or continuous work lasting less than one month, shall be paid for at the rates paid for overtime work.
- 2.3.7 Continuous regular working time lasting one month or more within the limits of daily working hours and amounting to anything up to full obligatory working time shall be paid for as a calculated proportion of monthly wages, providing that this is announced to the employee before this work begins.

2.4 Minimum rest periods

- 2.4.1 Work hours shall be arranged so that every 24 hours, calculated from the beginning of a workday or shift, an employee gets at least 11 hours of continuous rest. If it can be arranged, then the daily rest period shall cover period between 23:00 and 06:00. Work may not be arranged in such a way that the working period exceeds 13 hours.
- 2.4.2 Under special circumstances, when it is necessary to protect items of value, a work session may be extended to as much as 16 hours, in which case a rest period of 11 hours shall be granted immediately following the work, without any reduction of the employee's right to regular wages for daytime work. When special circumstances make it unavoidable to deviate from the daily rest period, the following shall apply: If employers are specially asked to report for work before the 11-hour rest period is up, then the rest period may be postponed and granted later, in such a way that a right to take leave, in the form of 1½ hours (of daytime working time) shall be accumulated for every hour by which the rest period is shortened. It shall be permitted to pay ½ hour (of daytime working time) of the leave entitlement if the employee wishes. In no case may 8 hours of continuous rest be reduced.

If the employee works for such a long time preceding a holiday or weekend as to make it impossible to have 11 hours' rest before the normal beginning of the working day, the situation shall be handled in the same way as above. If the employee reports for work on a holiday or at a weekend, payment at overtime rates shall be made for the time worked, without further additional payments in respect of this. However, the above provisions shall not apply in the case of organized shift-work, in which the rest period may be reduced to as little as 8 hours.

Accrued leave-taking entitlement shall be stated on the employee's pay-slip, and leave shall be granted in half and whole days outside the peak periods in the financial corporation's activities in consultation with the employees, providing that their accrued leave-taking entitlement amounts to at least 4 hours.

When an employee stops working at the company, his or her unutilized right to time off shall be settled and be counted as part of his employment period.

- 2.4.3 During each 7-day period, the employee shall have at least one weekly day off work, which shall be in direct sequence with the daily rest period. For this purpose, the week shall be taken as beginning on Monday.
- 2.4.4 To the extent practicable, the weekly day off shall be Sunday.
- 2.4.5 Regarding scope, working time, breaks and other matters, reference is made to the Agreement between the parties of 11 June 1999 on certain matters regarding the structure of working time. That agreement is appended to this Collective Agreement and is regarded as constituting a part of it.
- 2.4.6 Employees who work exclusively at monotonous and mechanical jobs, and in particular jobs involving the use of registration equipment, shall receive regular rest periods from work at the equipment, for example in the form of 10 minutes per hour, so breaking up the monotonous strain and providing them with some variety.

2.5 Stand-by shifts

- 2.5.1 If it is desired that employees be on stand-by, meaning that they are not required to be at work, but are to be prepared to respond to a call-out, they are to be paid by the hour with shiftwork supplements (cf. Article 1.4.1) for the duration of the shift. If employees are called out during this period, they are to be paid at overtime rates as provided for under Article 2.3.4, and payment for being on stand-by shall not apply for the period paid in that way.
- 2.5.2 Employees shall have the right to take time off instead of payment. Twenty minutes of time off shall be equivalent to a 33% shiftwork supplement per hour and 27 minutes' time off shall be equivalent to a 45% shiftwork supplement.

2.6 Shiftwork and abnormal working hours

- 2.6.1 The working week for shiftwork shall begin at 0:00 midnight on Sunday night and end at 24:00 midnight on Friday night. It shall normally consist of 40 hours per week, the day being divided into two or three shift sessions.
- 2.6.2 Those who work at regular shifts, or who work part of their obligatory weekly working time outside the daytime working period, shall receive shiftwork supplement payment for the work they do outside the ordinary daytime working period.
- 2.6.3 Where work is structured in regular shiftwork periods, a shift roster showing the employee's probable working time shall be submitted one month before the first

shift provided for in the scheme begins, except where agreement is reached with the employee regarding a shorter notice period.

- 2.6.4 If a shift roster is changed due to special circumstances with less than 24 hours' notice, compensation shall be paid in the form of three hours' overtime pay. If the notice of the change is between 24 hours and 168 hours (1 week), two hours' overtime shall be paid.
- 2.6.5 Shifts may not be arranged on Saturdays and Sundays or other holidays except under a special agreement with the relevant employees' association and/or the SSF.
- 2.6.6 Working sessions on shift shall last from 6–10 hours, and at least 10 hours shall elapse before the next shift session. Deviations from this arrangement may be permitted by an agreement between the employees and directors of the institution and with the written permission of the relevant employees' association.
- 2.6.7 Employees working on shifts do not have special meal and refreshment breaks. They may, however, consume food and drink while working at the shift if this can be done without interfering with their work. Due to the aforementioned restrictions regarding meal and refreshment breaks, each shift worked towards completing the employee's weekly working-time obligation shall be considered as lasting 25 minutes longer than the time during which the employee is actually on the job.
- 2.6.8 If shift-workers work overtime or additional shifts, then they shall be paid, in addition to the time they actually work, for 12 minutes in respect of each hour that they actually work, except where they take meal and refreshment breaks during the shift. In that case, these meal and refreshment breaks shall be regarded as working time, amounting to up to 12 minutes for each full hour worked.
- 2.6.9 Where the day is divided into three shifts, employees shall receive payment for 15 minutes of shared time at the change of shifts, providing that they do not leave their positions until their working sessions are complete and the next shift team (or shift worker) has taken over from them.
- 2.6.10 Employees who work at shiftwork on a regular basis may, on reaching the age of 55, stop working night shifts and call-out shifts, providing that they have worked at shiftwork for at least 5 years at the same institution. This shall not apply to security work.

3 MEAL AND REFRESHMENT BREAKS, FOOD AND CANTEEN/ KITCHEN

3.1 Breaks during daytime work

- 3.1.1 A meal break of 30 minutes shall be taken during the period 11:30–13:30. If there is no canteen on the premises then the meal break shall be one hour, taken during the same period, without any lengthening of the period of daytime work.
- 3.1.2 Meal and refreshment breaks may be lengthened, shortened or omitted by agreement between the institution, the employees involved and the board of the employees' association.
- 3.1.3 If a change is made in the time of the meal break under Article 3.1.2., then the period of daytime work shall end correspondingly earlier or later.
- 3.1.4 On normal working days there shall be a 20-minute refreshment break, which shall be counted as working time.
- 3.1.5 Any employee shall have the right to a full hour's meal break, even if there is a canteen on the premises, if, in the opinion of the institution's consulting physician, this is necessary for health reasons.

3.2 Breaks during overtime work

- 3.2.1 When overtime work takes place, meal breaks shall consist of one hour from 19:00–20:00 in the evening, 03:00–04:00 during the night and 11:30–13:30 on holidays as defined in Article 2.3.2. These meal breaks taken during overtime work periods shall be counted as working time. Employees who work until 19:15 under Article 2.2.3 shall take meal breaks from 19:15–20:15.
- 3.2.2 During overtime work or extra shifts, the refreshment breaks shall be from 21:00–21:20, 24:00–00:20, 05:40–06:00 and 07:40–08:00. Refreshment and meal breaks during overtime work done in the daytime working period between 08:00–17:00 shall be the same as those for daytime workers.

3.3 Food and canteens

- 3.3.1 Employees shall have access to a canteen/kitchen where this is possible and where agreement is reached on such an arrangement between the employees and managers of the workplace.

4 ANNUAL HOLIDAY (LEAVE)

4.1 Length of annual holiday

4.1.1 Minimum annual holiday leave shall be 24 working days. Employees who have worked part-time, or for part of a year, shall receive two working days' holiday for each month they have worked.

Those who have worked for 5 years receive 27 working days' holiday each year, and those who have worked for 10 years shall receive 30 working days. Those employees who already have longer holiday rights from another employer than a financial corporation, shall regain their annual holiday rights after 3 years of work.

Those employees who already have more generous rights shall retain their annual holiday rights in full.

4.2 Holiday pay⁴

4.2.1 Employees shall receive 10.17% holiday pay calculated on all overtime and supplementary payments under this Agreement. When they have acquired 5 years' working experience, they shall receive 11.59%. When they have acquired 10 years' working experience, they shall receive 13.04%.

4.3 The holiday-reference year

4.3.1 The holiday-reference year runs from 1 May to 30 April.

4.4 Annual holiday period

4.4.1 Annual holiday shall normally be taken in the period between 15 May and 30 September.

4.4.2 Employees who use their annual holiday entitlement, or part of it, during the period between 1 October and 14 May shall have it lengthened by $\frac{1}{4}$.

4.5 Decisions on the taking of annual holiday

4.5.1 The supervisor shall decide, in consultation with the employees, when annual holiday is to be taken. Attention shall be given to the taking of annual holiday before the annual holiday period begins, and work on planning when holiday is to be taken shall be done in good time. To the extent compatible with business operations, the head shall take account of employees' wishes regarding when they take their holiday. Having ascertained the employees' wishes, the head shall announce as soon as possible, and at the latest one month before the beginning of the annual holiday period, when annual holidays are to begin. Other employees shall do the jobs of those who are on holiday.

4 The older stipulation on holiday pay disbursement was discontinued from 1 February 2012 and merged to the wage tables from that day onwards.

4.5.2 When an employee who works shift work goes on holiday, he shall receive definite information as to when he is to report for shift after the holiday period, and the aim shall normally be that the shift roster remains unchanged.

4.6 Illness during annual

4.6.1 If an employee falls ill while on holiday, the time that the illness lasts shall not be counted as holiday, providing that the employee provides proof of the illness in the form of a medical certificate.

4.7 Deferment of annual holiday

4.7.1 Annual holiday may only be saved up until the next year by special arrangement with the personnel manager, and such retained holiday entitlement shall not normally be used in the period December–January. Employees shall, however, take annual leave every year, as is obligatory, and leave that they have deferred from the previous year shall be used up each year.

4.7.2 If an employee does not take annual holiday or part of annual holiday at the request of his superior, then this holiday entitlement shall be held until the following year in accordance with Article 4.7.1. Employees may not accept work in place of annual holiday.

4.7.3 If a person comes from another job without using up his annual holiday entitlement, he or she shall be entitled to take leave without pay until he has used his holiday entitlement in full.

5 TRAVELLING AND ACCOMMODATION

5.1 Travelling costs as per invoice

- 5.1.1 Costs incurred while travelling in Iceland on the financial corporation's business shall be reimbursed as per invoice, providing that satisfactory originals are presented. The same applies if the employee works for part of a day at such a distance from his regular place of work as to make it necessary for him to buy food at a location other than his home or regular place of work.
- 5.1.2 Employees shall receive estimated travelling costs paid in advance.

5.2 *Per diem* allowances in Iceland

- 5.2.1 Accommodation and travelling costs may also be paid in the form of per diem allowances if this arrangement is agreed or if it is not possible to present invoices.
- 5.2.2 Per diem allowances for travelling in Iceland are determined by the Government Travel Expense Committee.

5.3 Method of payment

- 5.3.1 The financial corporation and the employee shall decide in advance how travelling costs are to be paid in each individual instance.

5.4 Driving to and from work

- 5.4.1 If the employees' working time begins or ends at a time when buses are not running, they shall be provided with transport or their travelling expenses shall be paid.
- 5.4.2 Individual associations may negotiate further agreements concerning how the provisions of this Article are to be applied in individual instances.

5.5 Travelling fares abroad

- 5.5.1 Fares paid on trips abroad shall be paid as per invoice, providing that travel tickets are presented in all cases.

5.6 *Per diem* allowances on trips abroad

- 5.6.1 Other travelling costs incurred on trips abroad shall be paid in the form of per diem allowances, which shall be determined by a committee as provided for under Article 5.8.1.
- 5.6.2 Per diem allowance granted for travelling abroad shall be used to pay all travelling costs except fares, i.e. the cost of taxi transfers to and from airports, food and accommodation.

5.7 *Per diem* allowances for study courses

- 5.7.1 Per diem allowances to cover study courses, training and inspection work shall be paid in accordance with the provisions of Article 5.2 or 5.6 for the first 30 days; per diem allowances for periods in excess of 30 days at the same location shall be determined by a committee as provided for under Article 5.8.1.

5.8 Review committee

- 5.8.1 The amount of the *per diem* allowance under this Agreement shall be determined and reviewed when necessary and when the parties so desire. Reviews shall be carried out by a committee consisting of two representatives of the SSF and two representatives nominated by the financial corporations.
- 5.8.2 This committee shall also review the classification of countries for reference when paying allowances for time spent abroad and allowances granted for employees' use of their own cars where this is required in connection with their work.
- 5.8.3 If no agreement is reached by the committee, a chairman with a casting vote shall be nominated by Statistics Iceland.

5.9 Transport to and from home when employees work far from their regular place of work

- 5.9.1 When employees work far from their regular place of work, they shall be entitled to free transport to and from their homes as follows:
- a. Every day if the distance between their temporary and regular places of work, by the main route, is 30-60 km.
 - b. Every week if this distance is 61-150 km.
 - c. Every fortnight if this distance is 151 km or more...
 - d. Employees shall be guaranteed a leave period of not less than 48 hours between trips under items b) and c) above.

6 ILLNESS, MATERNITY/PATERNITY LEAVE AND SAFETY ISSUES

6.1 Absence due to illness

- 6.1.1 If an employee falls ill, as a consequence of which he is unable to go to work, he or she shall immediately inform his/her superior and it shall then be decided whether a medical certificate will be required.
- 6.1.2 In the event of illness, permanent employees shall retain their wages in full if their periods of illness do not exceed 3 months in a 12-month period. If, due to illness, they are unable to work in the company for more than 3 months in a 12-month period, their wages shall be reduced by half during the period in excess of 3 months. When the illness period has lasted for 6 months in a 12-month period, wage payments shall be discontinued.
- In the case of employees who have reached 10 years' service (working experience), the 3-month period shall be extended to 4 months and the 6-month period to 8 months. In the case of employees who have reached 15 years' service (working experience), the 3-month period shall be extended to 6 months and the 6-month period to 12 months.
- Employees who have reached 20 years' service shall be entitled to full wages for 12 months, after which wage payments shall be discontinued.

Note

Illness rights are calculated based on paid sick leave in a 12-month wage period. If an employee becomes unfit for work, it shall be reviewed in the beginning of the illness how many sick leave days have been paid in the last 12-month wage period and these are deducted from the accrued illness rights. If an employee has been without wages in a period, that period is not included in the calculation.

- 6.1.3 Temporary employees shall be entitled to full wages for 30 days and to half wages for a further 30 days.
- 6.1.4 Full wages shall include, in addition to regular monthly wages according to this Collective Agreement, payments for regular overtime and shiftwork supplements, providing that the work contribution or working time has been determined by means of a regular shiftwork roster. The provisions of this paragraph shall apply to other regular overtime work that has lasted for 12 calendar months or longer or is intended to last for at least so long.
- 6.1.5 When an employee has been absent from work due to illness for a continuous period corresponding to more than one week of his obligatory working time, he shall receive, in addition to the regular wages paid under Articles 6.1.2-6.1.4,

pay for the overtime work that he has demonstrably done and that is not attributable to his absence.

- 6.1.6 If an employee becomes unfit for work as a result of an accident in the workplace or on the way to or from work, he shall receive wage payments according to the same rules as are set out in Article 6.1 from the beginning of his period of absence.
- 6.1.7 Employees who are obliged to stop work due to permanent disability shall receive 4 months' wages paid.
- 6.1.8 Each financial corporation shall engage a physician to carry out necessary monitoring of the health and protection of the health of its employees; this physician shall also be the consulting physician of the board of the bank, also for the purpose of monitoring absence from work due to illness.
- 6.1.9 Attempts shall be made to prevent technological development from resulting in new occupational illnesses. The banks shall pay all the costs of necessary medical inspections, e.g. eye tests, for their employees who work at computer monitor screens, not less often than once each year. The companies shall pay for medical certificates issued for their employees.
- 6.1.10 In the first year of work for the same employer, a parent is permitted to spend two days for each month worked, however no more than 12 days in each 12 months, to care for their sick child under the age of 13 years, provided that no other care is available, and keep his or her wages including shift premiums where applicable.

6.2 Maternity/paternity leave

- 6.2.1 The bank shall pay a permanent employee who is on legally-prescribed maternity/paternity leave the difference between his or her full wages under Article 6.1.4 and the payments received from the Maternity/Paternity Leave Fund, though in no case more than the equivalent of the difference between the payments received from the Maternity/Paternity Leave Fund and the Fund's reference ceiling as it is determined at any given time (currently according to the third paragraph of Article 13 in the Act No. 95/2000. The same payment shall be made if a permanent employee adopts a child, in which case the maternity/paternity leave period shall begin as soon as the child is received for care. The same payment shall be made for two months of maternity/paternity leave in connection with a miscarriage following 18 weeks of pregnancy and for three months of maternity/paternity leave in the event of a still birth following 22 weeks of pregnancy. In the event of a multiple birth, the period during which the financial corporation pays for leave shall be extended by an amount corresponding to that during which the Maternity/Paternity Leave Fund is obliged to make payments. The same shall apply if more than one child is taken into foster-care at the same time. Payments made to parents who are on maternity/paternity leave cease from the day on which the parents give the child up for

adoption, foster-care or permanent residence in an institution. In such cases, however, payments shall never be made for a period shorter than 2 months. Furthermore, the obligation of the company to make payments during maternity/paternity leave shall be extended by up to 2 months in the event of the child's suffering a serious illness which calls for additional care by the parent. The presence of such a need shall be demonstrated by a medical certificate and confirmed by the consulting physician. If, in the opinion of the consulting physician, there is a need for the employee to be absent from work for a longer period, the payments shall be assessed in accordance with the provisions on sick days (cf. Article 6.1).

- 6.2.2 An employee who is on maternity/paternity leave shall pay a premium to a pension fund of 4% of the payments made by the Maternity/Paternity Leave Fund and the financial corporation, and the company shall guarantee a complementary payment of 6% of the same sum for the period for which the leave lasts, providing that the employee pays premiums calculated on the same base. For employees who are in the share divisions of pension funds (but not Section B of LSR), the company shall guarantee complementary payments based on their fixed wages in accordance with the rules of the relevant funds. The employer shall pay 2% of an employee's total wages into a personal pension fund for the first three years, and 7% thereafter, in accordance with an agreement made with each individual. The financial corporation shall pay a premium of 7% of payments made by the Maternity/Paternity Leave Fund and the financial corporation into a private fund for employees who are on maternity/paternity leave and who have acquired the right to payments into private funds under Article 8.1.2. in this Collective Agreement. The amendments under this Article took effect on 1 January 2005, and the maximum figure of monthly payments to be made by the employer shall be revised in accordance with changes that may be made to the Maternity, Paternity and Parental Leave Act.
- 6.2.3 All periods of absence from work due to this maternity/paternity leave shall be counted as working time for the purpose of assessing rights. Pension rights, however, shall be subject to the reference base described above.
- 6.2.4 Permanent employees shall receive a payment of ISK 66,643⁵ on the birth of a child. The amount of this payment shall be revised to take account of general changes in the pay scales of bank employees according to Chapter 1.
- 6.2.5 If an employee wishes to take longer leave than is provided for above in connection with the birth of a child without pay, the financial corporation involved shall attempt to grant this request.
- 6.2.6 If changes are made to the rules of the social security system regarding payments to parents during maternity/paternity leave during the term of validity of this Agreement, these rules shall be revised. However, such a revision may not result in a reduction of total payments made to parents.

5 Effective as from 1 October 2015.

6.3 Health and safety at work

6.3.1 The Act No. 46/1980 shall apply concerning health and safety at work.

6.3.2 Each individual financial corporation will revise its safety rules in consultation with the relevant employees' association regarding employee's safety. Measures shall be taken to ensure that employees receive regular training and that these rules are observed.

7 ACCIDENT AND LIFE INSURANCE

7.1 Accident insurance

- 7.1.1 The employer is obliged to insure employees covered by this Agreement, against death or permanent medical disability as a result of accidents.
- 7.1.2 The insurance shall apply all round the clock.
- 7.1.3 Employees shall not lose their right to compensation under this insurance even though they are insured elsewhere. However, compensations to an employee under this insurance is not paid if the financial corporation also bought travel insurance which covers the employee, provided it is more extensive than this insurance.
- 7.1.4 The insurance will not pay compensation for an accident resulting from the use of motorized vehicles that are subject to registration requirements and for which compensation must be paid according to legally-prescribed motor vehicle insurance, irrespective of whether this is covered by third-party insurance or the driver's and owner's accident insurance under the Traffic Act.
- 7.1.5 The insurance shall become valid vis-à-vis the employee when he starts work for the employer (is registered on the payroll) and shall expire when he leaves employment. The insurance shall also apply during leave taken by the employee without pay, unless during that period the employee accepts paid employment from another party, but never applies more than one year after the leave without pay commenced.
- 7.1.6 Index and the indexation of compensation
Insurance amounts shall be based on the consumer price index that is used for indexation purposes and is in force as from September 2016 (438.5); they shall be revised on the first day of each month in direct proportion to changes in the index.
Compensation amounts shall change in direct proportion to changes in the consumer price index in the right proportion to the index change from the date of the accident to the date of settlement.
- 7.1.7 Compensation for permanent disability
Compensation for permanent disability shall be paid in proportion to the medically assessed consequences of the accident. Permanent disability shall be assessed in points according to the table issued by the Disability Committee for assessing non-financial loss, the assessment being based on the disabled person's state of health as it is when it has become stable.
The basic rate of disability compensation shall be ISK 17,688,960. Compensation for lasting disability for work shall be calculated on the base that for each degree of disability rating in the range 1-25, the compensation is ISK 176,890, for each degree of disability rating in the range 26-50, the compensation is ISK 353,780, for each degree of disability rating in the range 50-100,

the compensation is ISK 707,558. Compensation for 100% lasting disability for work is therefore ISK 48,644,651.

Disability compensation shall also take account of the age of the injured person on the date of the accident, with compensation being reduced by 2% for each year of age above the age of 50. After the age of 70, compensation shall be reduced by 5 of the basic amount for each year of age. However, the age-linking of disability compensation payments shall never result in more than a 90% reduction.

7.1.8 As from 1 September 2016, compensation in the event of death shall be as follows:

1) If the deceased was unmarried, leaves no children and was not responsible for the support of a parent or parents aged 67 or older: ISK 1,643,753.

2) If the deceased was unmarried but leaves a child or children, adopted children or foster-children under the age of 18, ISK 5,277,890. The same compensation sum shall apply if the deceased demonstrably provided for a parent or parents aged 67 or older.

3) If the deceased was married, the compensation sum due to his or her spouse shall be ISK 7,265,111. If the deceased was cohabiting with a partner, the partner shall be entitled to compensation as in the case of a married couple, providing that the partner demonstrably shared a home with the deceased for a number of years, this period being not less than two years preceding the death of the deceased.

4) If the deceased leaves a child or children/adopted children/foster-children under the age of 18, compensation of ISK 2,416,643 shall be paid for each child. Each child/adopted child/foster-child of the deceased aged 18-25 who pursues studies at upper-secondary school level or university level for at least 6 months of the year shall have the same right. Children/adopted children/foster-children of the deceased aged 18-25 who suffer from serious or chronic illnesses, or have reduced working capacity or are disabled or retarded, shall also have the same right. The provisions of this paragraph shall apply irrespective of whether the deceased was married or cohabitating with a partner.

Compensation shall only be paid under one of the items 1, 2 and 3 above. Compensation under item 4 may be paid in addition to that paid under items 2 and 3.

Those entitled to receive compensation for death are the statutory heirs of the deceased (cf. Article 7.2.4).

7.2 Life insurance

7.2.1 When employees are engaged on a permanent basis, they shall be covered by group life insurance, as the company pays the premium for SSF members.

7.2.2 The insurance amounts are the same as are stated in Article 7.1.8, and shall be revised twice each year. However, life insurance disbursements for those older

than 50 years of age, will decrease by 4% of the basic amount for each year over 50 years.

7.2.3 If an accident results in the death of an insured person within three years of the date of the accident, the beneficiaries shall be paid compensation for death following the deduction of all benefit that may already have been paid for permanent medical handicap (disability) resulting from the same accident.

7.2.4 On the right to disbursement of the insurance compensation, the stipulations of Chapter XV in the Act No. 30/2004. In case the insured has not allocated rights according to the Insurance Policy by appointing a beneficiary, a delegation or mortgaging, the stipulations of Article 100 of the Act No. 30/2004 apply. In that case, the disbursement goes to the insured's spouse. If the insured does not leave a spouse, the insurance sum goes to the insured's heirs according to the law or a will.

If the insured requests that the insurance sum shall be paid to specific, named individuals or other beneficiaries, it is necessary to negotiate those terms with the insurance company that the financial corporation has made an agreement with.

7.2.5 The stipulation on the indexation of compensation is the same as applies to the employee accident insurance, cf. section 7.1.5.

7.2.6 The insurance expires when the employee quits working for the company, but never later than when the employee has reached the age of 65. The insurance shall also apply during leave taken by the employee without pay, unless during that period the employee accepts paid employment from another party, but never applies more than one year after the leave without pay commenced.

7.2.7 Upon termination of work, the employee shall have the option to buy a comparable life insurance from the company that the financial corporation dealt with, without having to present new health information, according to the insurance company's rates for individual life insurance. The maximum for life insurance compensation in extended coverage is ISK 6,041,608 (assuming the consumer price index in September 2016, 438.5 points). The employee shall inform the insurance company that s/he wants to extend the insurance within three months from the termination of the job; after that period, the right to an extended coverage expires. The right to an extended coverage also expires if the employee is covered by a similar group life insurance in a new workplace.

7.2.8 It is unauthorized to transfer, mortgage or otherwise allocate rights granted by the group life insurance. If the life insurance is discontinued by other causes than death, it has no value.

7.3 Payment upon death

7.3.1 On the death of a permanent employee, the financial corporation shall pay his heirs the equivalent of 4 months' wages of the deceased, counting from the change of month following the death.

7.4 Travel insurance

- 7.4.1 If an employee falls ill or dies when travelling on the service of the institution, the financial corporation shall pay the direct expenses resulting from this.
- 7.4.2 If an employee's luggage is lost or stolen when he is travelling on the service of the institution, it shall compensate for the loss or damage.
- 7.4.3 If the institution has paid compensation to an employee as stipulated in Article 7.4.1 or 7.4.2, it shall become a party to, and enjoy the benefit of, insurance by which the party suffering the loss is covered.

7.5 Personal effects

- 7.5.1 If an employee suffers damage to his clothing or personal effects while at work or travelling on the service of the financial corporation, he shall receive full compensation for the damage, providing it was not caused by evident negligence on the employee's part.

7.6 Compulsory insurance

- 7.6.1 The employer is obliged to buy accident and life insurance according to Articles 7.1 and 7.2 from an insurance company with an operating license in Iceland which fulfills the requirements on insurance set above by this Collective Agreement.
- 7.6.2 Aspects of the insurance not addressed in this section of this Collective Agreement shall be subject to the terms and conditions of the insurance company involved and the Insurance Contracts Act, No. 30/2004.
- 7.6.3 The requirements set above on accident and life insurance and the new compensation amounts are valid for accidents taking place after 1 September 2016.

8 PREMIUM TOWARDS PENSION, GRANT, VOCATIONAL TRAINING AND REHABILITATION FUNDS

8.1 Pension funds

- 8.1.1 Premiums paid to the point-accumulation divisions of pension funds shall be paid thus: 4% is deducted from each employee's wages and the employer pays the equivalent of 6% in a complementary contribution. In the case of persons who are members of older pension plans, the basis specified for each individual person shall remain in use.
- 8.1.2 The employer shall pay 2% of an employee's total wages into a personal pension fund for the first three years, and 7% thereafter, in accordance with an agreement made with each individual. The right to receive this payment shall be subject to the same rules as other length-of-service-related rights granted in respect of jobs done in another financial corporation.
- 8.1.3 In instances where the employee pays an additional premium contribution into a private pension fund, the financial corporation shall, as from 1.1.2003, pay an equivalent complementary contribution, amounting to up to 2% against a 2% contribution by the employee.

8.2 Grant fund

- 8.2.1 The financial corporations shall pay 0.5% of basic wages, based on the calculation premises according to the pay scale in Article 1.1.1. As from 1 May 2017, the payment increases to 0.7% based on the same prerequisites.

8.3 Vocational training fund⁶

- 8.3.1 The financial corporation shall pay 0.3% to SSF's Vocational training fund based on the same prerequisite as applies to SSF's Grant fund.

8.4 Rehabilitation Fund

- 8.4.1 Employers pay 0.13%⁷ to VIRK-Work Rehabilitation Fund.

⁶ On 1 January 2014, the payment to the Vocational training fund went from 0.2% to 0.3%.

⁷ The payment to VIRK-Work Rehabilitation Fund shall be 0.1% in the years 2016 and 2017.

9 WORKING CLOTHES

9.1 Uniforms

- 9.1.1 If an employee, e.g. a guard, wears a special uniform in connection with his or her work, s/he shall have it provided free of charge.

9.2 Protective clothing

- 9.2.1 If protective clothing, e.g. overalls, are necessary at work, they shall be provided free of charge.

10 DEPUTISING (REPLACEMENT WORK)

10.1 Deputies (replacement staff)

- 10.1.1 If an employee's principal job is paid as that of a deputy for his superior in a position that has been advertised, he shall be paid according to the superior's step on the pay scale for the entire time that he executes the job outside the superior's annual holiday period during the current reference year for calculating annual holiday entitlement, providing that he has been instructed specifically to stand in for his superior. An employee who is not deputizing for his superior in a position that has been advertised, but is instructed specifically to do his job during periods of absence, or the job of another more highly paid employee in a position that has been advertised, shall be paid wages according to the absent worker for the entire time during which he does his job. When applying this Article, the rule shall be that the difference in wages mentioned above shall be paid out each month if it is foreseeable that the superior will be absent for at least two continuous months; otherwise, it shall be paid out at the end of the year.

11 EDUCATION AND TRAINING, LEAVE AND LOSS OF EMPLOYMENT

11.1 Adult education

- 11.1.1 More adult education and retraining programs shall be provided, both for groups of employees and individual employees. Emphasis shall also be placed on the development of specialist skills.

11.2 Leave

- 11.2.1 Employees who have a special need to take leave in connection with their work may receive temporary leave to attend educational activities or study trips organized by the banks and at their instigation (cf. Article 5.7). Also, employees shall be enabled to take leave from work for their own purposes by arrangement with management.

11.3 Loss of employment

- 11.3.1 If jobs are abolished or permanent employees are laid off in connection with major organizational or technical changes, attempts shall be made to provide the personnel involved with other employment in the bank with comparable earning opportunities, and with the training necessary to meet the demands of the new jobs.

12 ENGAGEMENT IN POSITIONS; PERMANENT ENGAGEMENT AND NOTICE PERIODS FOR TERMINATION

12.1 Engagement in positions

- 12.1.1 New positions, or positions that become vacant, shall be advertised as open for application with four weeks' notice in the institution involved. The deadline for submitting applications may be shortened after receiving the approval of the chairman of the employees' association. The advertisement shall state the professional designation applying to the position advertised in accordance with Article 1.5. The provisions of this Article shall not apply to the positions of new recruits, bank secretaries, guards, desk tellers and assistant deputies.
- 12.1.2 Finance corporation employees shall normally enjoy priority regarding appointment to these positions.
- 12.1.3 Employees may not, except with the permission of the management board of the bank, run businesses or be the agents of other parties' vis-à-vis the bank.

12.2 Trial period, permanent engagement and notice period for termination

- 12.2.1 The general rule shall be that new employees are engaged for a six-month trial period. The trial period may be shortened. As soon as the trial period is at an end, a decision shall be taken on permanent engagement. When an employee is permanently engaged, a written employment contract shall be made.
- 12.2.2 The mutual notice period for termination of employment in the case of temporary employees shall be two months, running from the beginning of the following month. Notice of termination shall be given in writing.
- 12.2.3 The mutual notice period for termination of employment in the case of permanent employees shall be three months, running from the beginning of the following month. Notice of termination shall be given in writing. However, employees who have worked for at least 10 years in a financial corporation, or have reached the age of 45, may not be given less than six months' notice of termination of their employment.
- 12.2.4 Employees shall be entitled to have an interview to examine the termination of their employment and the reason for their dismissal (redundancy). Requests for interviews shall be presented within four days of receipt of the notice of termination, and the interview shall take place within four days of presentation of the request.

Either immediately after the interview, or within the next four days, the employee may request that the reasons for termination be explained in writing. If the employer accedes to this request, then he shall comply with it within four days of the presentation of the request.

If the employer does not accede to the employee's request for a written explanation, then the employee shall be entitled to another meeting with the employer within four days concerning the reasons for his dismissal, in the presence of

his union shop steward or another representative of the union, if the employee so requests.

The chairman of the relevant employees' association/shop steward shall be given the opportunity of observing the handling of the matter.

- 12.2.5 If an employee has substantially violated the financial corporation's working rules, he may be dismissed from his position immediately, in which case wage payments to him shall cease at once. The chairman of the relevant employees' association shall be given the opportunity of observing the handling of the matter.
- 12.2.6 When they are engaged on a permanent basis, employees shall be entitled to a basic introduction to the bank and the banking system.

13 MISCELLANEOUS PROVISIONS

13.1 Collaboration on organizational and technical matters

- 13.1.1 Collaboration shall prevail between the management and the employees, aiming at achieving a good working environment and safety at work, so that successful operations can be guaranteed, at the same time stimulating and boosting the operations of the bank concerned. Through this co-operation, it shall be ensured that the employees' viewpoints at any given time are revealed. Agreement shall be sought between the financial corporation, on the one hand, and the appropriate employees' association and/or the SSF, on the other, regarding changes in organization, e.g. mechanization, opening hours, the environment, working facilities, education and vocational training, providing that these issues affect a considerable number of the employees in each place of work. The financial corporation shall inform the employees' association and/or the SSF of the proposed changes as soon as they are under discussion, and a representative of the employees shall be involved in making decisions.
- 13.1.2 Within each financial corporation, where possible, there should be an education and training committee composed of representatives of the institution involved and the employees' association.

13.2 Definition

- 13.2.1 Where the word "financial corporation" is used in this Collective Agreement, it refers to the institutions in which the members of the SSF work and which are parties to this Agreement, whether they are commercial banks, savings banks or service institutions owned by individual banks or jointly by several banks.

13.3 Minimum wages and terms

- 13.3.1 The wages and terms provided for in this Collective Agreement are minimum wages and terms.
- 13.3.2 No employee shall be placed on a lower step in a pay-scale or receive wages and terms poorer than those currently provided for under this Agreement or special agreements. If an employee receives better wages and terms than are provided for in this Agreement, they shall remain in force.

13.4 Working rules

- 13.4.1 The financial corporations may, individually, set further working rules for their employees, and shall harmonize them. The comments of the board of the SSF shall be sought before these rules take effect.
- 13.4.2 Employees are strictly forbidden to divulge to unauthorized persons information concerning the financial corporation's affairs or any matters concerning dealings between individual persons, institutions or companies with the

institution. The obligation of secrecy shall continue to be maintained after the termination of employment.

- 13.4.3 Employees who are summonsed to appear before a court in connection with their work shall receive free legal assistance from the financial corporation. This shall not apply, however, in the case of court proceedings that may arise between the financial corporation and the employees.

13.5 Shop stewards, etc.

- 13.5.1 Chairmen of employees' associations and the SSF shall receive suitable time off work on full pay in order to participate as necessary in meetings connected with their work as such, this time off work being taken in full consultation with their appropriate superiors, providing that it results in the minimum possible disruption of the financial corporation's operations. Shop stewards in workplaces and the chairman of the employees' association shall be permitted to carry out their work for the association during their working time, and shall be provided with facilities, including the use of a telephone and a place where they can talk with the employees in private.

13.6 Provisions on automatic teller machines (ATMs) and on-line work

- 13.6.1 The filling of ATMs shall take place during daytime working hours (cf. Article 2.1). Notwithstanding the provisions of the first paragraph, the filling of ATMs and other general services may take place outside daytime working hours in order to avoid the ATMs being emptied. These services shall be carried out in accordance with the valid security rules of the financial corporation concerned.
- 13.6.2 Work on general services outside daytime working hours shall be done in accordance with an agreement with the owner of the ATM and the employees of the financial corporation involved. If no agreement is reached between the employees and the financial corporation, then individual employees may be called out, but not more often than 12 times a year in the case of each employee.
- 13.6.3 Payment for work done under number 2 shall be in accordance with Article 2.3.4.

13.7 Accrued rights due to work abroad

- 13.7.1 Employees who have worked abroad shall retain and take with them their accrued working time for the purposes of entitlements under collective agreements that are based on working time in their occupation, providing that the job pursued abroad is considered comparable.

14 PERIOD OF VALIDITY

14.1 The current Collective Agreement between the parties shall be extended until 31 December 2018, when it shall expire without any special notice of termination.

The Collective Agreement of 8 September 2015 was signed by:

On behalf of SSF's bargaining committee

Friðbert Traustason, Chairman

Anna Karen Hauksdóttir

Guðný S. Magnúsdóttir

Andrés Erlingsson

Ingvar Breiðfjörð Skúlason

Gunnar Gunnarsson

Jóhann Arnarson

On behalf of The Confederation of Icelandic Employers

Álfheiður Sívertsen

Guðjón Rúnarsson

Baldur G. Jónsson

Björg Anna Kristinsdóttir

Hafsteinn Bragason

Þórunn Hildur Þórisdóttir

PROTOCOLS

Protocol dated 16 May 2011 Attachment regarding employee interviews

Article 1.7 in the Collective Agreement stipulates that employees are entitled to an interview with their superior once a year on their work and a possible change in their terms of service. The parties emphasize that this right is honored.

The objective of employee interviews is that both the superior and the employee can communicate on the work and related issues. In order for the employee interview to function properly it is desirable that parties discuss the issues which concern the employee's work, for instance the following:

- Main tasks related to the job.
- The job itself and workload. The employee's knowledge, number of projects, project management and work satisfaction.
- Work environment. Working conditions and workspace.
- Communication. With colleagues, customers and administrators. Information flow. The atmosphere in the workplace and feedback from the employee's next supervisor.
- Work development and objectives. Current activities, training courses and aims, for instance the next 12 months.
- Other terms of employment.

**Protocol on discussions about the organization or working hours, dated
September 8, 2015**

Parties to this Collective Agreement aim to change the definitions of working hours and thus move closer to the organization of working hours which is most common in the Nordic countries. The main aim of the changes is to enhance a family-friendly work market with shorter overall working hours, which also could involve streamlining and the simplification of wage payment schemes in the overall work market.

Discussions on the changes of working hours stipulations in collective agreements will include the implementation of “active working hours” and a review of workload periods and supplementary payments for work outside daytime hours.

Supplementary payments for work outside the defined daytime work period are higher in Iceland than in the other Nordic countries and this leads, for instance, to the fact that daytime work salary becomes a lower proportion of total wages.

The main aim of the changes will be to increase the proportion of daytime work salary in total wages and motivate a discussion in the workplace on improved working hours organization and increased productivity. Thus, the Icelandic labor market moves closer to the arrangement which is most common in the other Nordic countries. Improved organization can also promote shorter working hours and hence, a more family-friendly labor market. Such changes will improve Iceland’s position in an international comparison, both as regards working hours and base salaries, and can therefore reinforce Iceland’s position in the competition for personnel.

Against changes in working hours, wage rates in collective agreements increase. Also, the minimum wage for individual jobs can change if reactions against the influence of changed supplementary payments are called for. Minimum income supplement will, however, not increase.

Parties to this Agreement will nominate individuals for workgroups before the end of June 2015 to work on the preparation of changes of stipulations on working hours in collective agreements. A special discussion plan shall be made in accordance with Article 23 of the Act on Trade Unions and Industrial Disputes. Parties aim for an agreement to have been reached in October 2016 and it will be presented for voting in November 2016. Working hours changes and wage changes involved would be valid from 1 May 2017. Parties will from the beginning of the task seek consultancy from the state mediator on supervision.

Ballot voting will be discussed separately, but it is presumed that a simple majority will be needed for the agreement to count as valid.

Protocol on flexible retirement, dated September 8, 2015

The attached strategy on flexible retirement sets a policy for the upcoming period of contract.

Parties to the Agreement agree that it is important for employees to have an option for some flexibility when it comes to age-related retirement. Individuals in the labor market have different needs and circumstances, and as people now live longer and are healthier, it is common that they maintain full working energy and willingness for participation in the labor market beyond the general age for retirement. Retirement age flexibility can mean reduced working hours for the last years of an individual's working life, and also a permission to keep working after retirement age is reached, for those who maintain full working energy and willingness for participation in the labor market. It is important to consider the circumstances for each individual case.

Retirement age flexibility has been discussed in a committee which has the role to review laws on social security, and labor market organizations are part of. The committee agrees that laws should support increased individual flexibility and has, for example, discussed the gradual raise of retirement age to 70 years and allowing the suspension of retirement pension to 80 years of age instead of the present 72 years, against higher monthly payments to the individual in question.

For the past decades, life expectancy has increased and the average length of life is longer than it was on a global scale. More and more people live longer and are healthier in old age. This development calls for a revaluation of retirement age.

Most of our neighboring countries have raised the retirement age level for these reasons.

The value of work for people's mental and physical wellbeing is obvious and the public's understanding of that fact is growing. The work of older employees is important and increasingly so with less and less growth of employees in the labor market on account of a changed age composition.

Common provisions and protocols, dated September 8, 2015

Changes in the parties' main collective agreement

Illness rights calculation

Beneath the stipulation on illness pay (total rights in a 12-month period), a caption will be added.

Note

Illness rights are calculated based on paid sick leave in a 12-month wage period. If an employee becomes unfit for work, it shall be reviewed in the beginning of the illness how many sick leave days have been paid in the last 12-month wage period and these are deducted from the accrued illness rights. If an employee has been without wages in a period, that period is not included in the calculation.

Protocols

- ***Continuing work and accrued rights***

By “continuing work” in the understanding of collective agreements, it means that the employee has been in continuous employment even if he or she has temporarily been taken off the payroll. However, a period without pay is not considered part of the individual's employment in the accretion of rights, provided that laws or collective agreements stipulate otherwise, for instance in the case of legal maternity/paternity leave.

- ***Damage to teeth from accidents at work***

Parties will in collaboration request that insurance companies change terms on accident insurance for employees so that necessary costs for tooth damage because of work-related accidents, which is beyond social security supplements, is compensated for. Reservations shall otherwise be in accordance with laws on social security and insurance company terms.

Protocol

Parties will review the text of the collective agreement before publication, amend inaccurate references and review outdated provisions.

COLLECTIVE AGREEMENT

between

The Confederation of Icelandic Bank and Finance Employees

and

The Confederation of Icelandic Employers

Article 1

The Collective Agreement of The Confederation of Icelandic Bank and Finance Employees and the Confederation of Icelandic Employers (SA) will change in accordance with SA's collective agreement with The Icelandic Confederation of Labor (ASÍ), dated 21 December 2013. The Agreement's period of validity is from 1 February 2014 to 28 February 2015.

Article 2

General pay rise

On 1 February 2014 wages and pay scales shall increase by 2.8%, but never by less than ISK 8,000 per month for daytime work in a full-time job. Other wage-related items shall rise by 2.8% at the same time.

Special increase applying to pay-scales, ISK 230,000 and lower

Pay-scales that are ISK 230,000 or lower shall rise particularly by ISK 1,750. Pay-scales are valid from 1 February 2014.

December and holiday bonuses

December and holiday bonuses rise by ISK 32,300 from the last collective agreement. December bonus for a full-time job is in the year 2014 ISK 73,600.

Holiday bonus for the holiday-reference year which starts 1 May 2014, for a full-time job is in the year 2014 ISK 39,500.

Instead of wage change from 1 January 2014, a lump-sum payment will be paid of ISK 14,600 for a full-time job, providing that the employee worked in January and was still employed by 1 February 2014.

Article 3

Contribution to the Vocational training fund rises on 1 January 2014 by 0.1%.

Article 4

The outcome of voting shall be announced to the contracting party by 16:00 on 19 March 2014.

Reykjavík, 11 March 2017

On behalf of The Confederation of
Icelandic Bank and Finance Employees

Friðbert Traustason, Chairman

On behalf of The Confederation of
Icelandic Employers

Álfheiður Sívertsen

COLLECTIVE AGREEMENT

between

**The Confederation of Icelandic Bank and Finance Employees on the one hand
and**

The Confederation of Icelandic Employers on the other

Article 1

This Collective Agreement involves changes and additions to the collective agreement between the Confederation of Icelandic Bank and Finance Employees and SA.

Article 2

- **Wage changes in the period of contract**
Wage changes 1 October 2015

Salary adjustment compensation for those employees who commenced working earlier than **1 February 2014**

Employees who started working for the employer before 1 February 2014 are guaranteed minimum salary adjustment compensation in the period from 2 February 2014 to 30 September 2015 in accordance with Attachment 1, which is a part of this Agreement.

If the employee has not been compensated for minimum salary development, his or her salary shall rise on 1 October 2015 to compensate for it.

Retirement age change cf. Article 1.1.5 and pay rises because of a special equal pay initiative in the period are not deducted when salary adjustment compensation is calculated.

The rise in wages and wage-related elements according to this stipulation can never be less than 3.2%.

Pay changes for employees who started working in the period **1 February 2014 to 31 December 2014**

Should an employee have started working in the period 1 February 2014 to 31 December 2014, then his/her salary and wage-related items rise by 3.2% from 1 October 2015.

Comparison of wages

Comparisons of wages shall be based on fixed weekly or monthly wages with the addition of fixed supplements or additional payments, no matter how these are designated, including fixed overtime.

If “fixed overtime” in the understanding of this Article is seasonal or has changed in the reference period, then the calculation of comparison of wages shall only compare wages with overtime pay which has been stable throughout the reference period.

Particular increase of the Collective Agreement’s pay-scale

The Collective Agreement’s pay-scales also change, cf. attachment. Wage-related items of the Collective Agreement rise by 7.2% unless otherwise negotiated.

Lump sum on 1 October 2015 for the period 1 May–30 September 2015

Employees who have worked for 6 months or more and are entitled to a salary change according to Article 2 (1 October 2015) get a lump-sum payment of ISK 150,000 on 1 October 2015 relative to a full-time job in the period 1 May to 30 September 2015. The payment is proportional according to employment ratio and period of service. Annual holiday pay is included in the payment.

Wage changes 1 May 2015**Salary adjustment compensation for those employees who started working earlier than 1 May 2015**

Employees who started working for the employer before 1 May 2015 are guaranteed minimum salary adjustment compensation of 5.5% in the period from 2 October 2015 to 30 April 2016, which shall be no less than ISK 15,000 on monthly salary for day-time work. Pay scales in collective agreements rise by the same proportion.

If the employee has not been compensated for minimum salary development, his or her salary shall rise on 1 May 2016 to compensate for it.

Retirement age change cf. Article 1.1.5 and pay rises because of a special equal pay initiative in the period are not deducted when salary adjustment compensation is calculated.

Pay changes for employees who started working in the period 1 May 2015 to 31 December 2015

Should an employee have started working in the period 1 May 2015 to 31 December 2015, then his/her salary and wage-related items rise by 3.2% from 1 May 2016.

Comparison of wages

Comparisons of wages shall be based on fixed weekly or monthly wages with the addition of fixed supplements or additional payments, no matter how these are designated, including fixed overtime.

If “fixed overtime” in the understanding of this article is seasonal or has changed in the reference period, then the calculation of comparison of wages shall only compare wages with overtime pay which has been stable throughout the reference period.

Wage changes 1 May 2017

On 1 May 2017, wages and wage-related items shall rise by 3.75%.

Pay scales in collective agreements rise by the same proportion.

Wage changes 1 May 2018

On 1 May 2018, wages and wage-related items shall rise by 2.50%.

Pay-scales in collective agreements rise by the same proportion.

Article 3

Pay-scales

Instead of earlier pay-scales, new ones take effect, which are part of this Agreement, cf. the attachment. Pay-scales are effective from 1 October 2015, 1 May 2016, 1 May 2017 and 1 May 2018.

Article 4

December and holiday bonuses

The December bonus for each calendar year, based on full-time employment, shall be as follows

In the year 2015 ISK 78,000.

In the year 2016 ISK 82,000.

In the year 2017 ISK 86,000.

In the year 2018 ISK 89,000.

Holiday bonus for each holiday reference year (1 May to 30 April), based on full-time employment, shall be as follows:

In the holiday-reference year starting 1 May 2015, the vacation supplement shall be ISK 42,000.

In the holiday-reference year starting 1 May 2016, the vacation supplement shall be ISK 44,500.

In the holiday-reference year starting 1 May 2017, the vacation supplement shall be ISK 46,500.

In the holiday-reference year starting 1 May 2018, the vacation supplement shall be ISK 48,000.

Article 5

Article 4.1.2. expires.

Article 6

Article 8.2.1. shall be changed as of 1 May 2017:

0.5% becomes 0.7%.

Article 7

The present Article 12.2.4 expires and will be replaced with this text:

12.2.4. Interview about reasons for dismissal

Employees shall be entitled to have an interview to examine the termination of their employment and the reason for their dismissal (redundancy). Requests for interviews shall be presented within four days of receipt of the notice of termination, and the interview shall take place within four days of presentation of the request.

Either immediately after the interview, or within the next four days, the employee may request that the reasons for termination be explained in writing. If the employer accedes to this request, then s/he shall comply with it within four days of the presentation of the request.

If the employer does not accede to the employee's request for a written explanation, then the employee shall be entitled to another meeting with the employer within four days concerning the reasons for his dismissal, in the presence of his union shop steward or another representative of the union, if the employee so requests.

The chairman of the relevant employees' association/shop steward shall be given the opportunity of observing the handling of the matter.

Article 8

Premises for agreement

If it happens that the committee which deals with the premises for collective agreements in the private sector reaches agreement on amendments to the agreements, a comparable amendment shall apply to this Agreement. If it happens that collective agreements in the general labor market will be terminated, it is permitted to terminate this Agreement at the same time. In that case, the Agreement is invalidated from the end of April 2016 given a notification before 16:00 on 28 February 2016 on account of the review in 2016, and from the end of April 2017 given a notification before 16:00 on 28 February 2017 on account of the review in 2017, and from the end of April 2018 given a notification before 16:00 on 28 February 2018 on account of the review in 2018.

Article 9

Period of validity and voting

The current Collective Agreement is valid until 31 December 2018, when it shall expire without any special notice of termination.

A notification must be made on the review of the Collective Agreement on Friday 18 September 2015.

Reykjavík 8 September 2015

On behalf of the Confederation of
Icelandic Bank and Finance Employees

On behalf of the Confederation of
Icelandic Employers

Friðbert Traustason, formaður
Anna Karen Hauksdóttir
Guðný S. Magnúsdóttir
Andrés Erlingsson
Ingvar Breiðfjörð Skúlason
Gunnar Gunnarsson
Jóhann Arnarson

Álfheiður Sívertsen
Guðjón Rúnarsson
Baldur G. Jónsson
Björg Anna Kristinsdóttir
Hafsteinn Bragson
Þórunn Hildur Þórisdóttir

Attachment 1 Salary adjustment compensation on account of wage changes 1 October 2015

Pay adjustment guarantee, montly wages		
From	To	Increase
300,000 kr. or less		7.2%
300,001	310,000	7.1%
310,001	320,000	7.0%
320,001	330,000	6.9%
330,001	340,000	6.8%
340,001	350,000	6.8%
350,001	360,000	6.7%
360,001	370,000	6.6%
370,001	380,000	6.5%
380,001	390,000	6.4%
390,001	400,000	6.3%
400,001	410,000	6.2%
410,001	420,000	6.1%
420,001	430,000	6.1%
430,001	440,000	6.0%
440,001	450,000	5.9%
450,001	460,000	5.8%
460,001	470,000	5.7%
470,001	480,000	5.6%
480,001	490,000	5.5%
490,001	500,000	5.4%
500,001	510,000	5.4%
510,001	520,000	5.3%
520,001	530,000	5.2%
530,001	540,000	5.1%
540,001	550,000	5.0%
550,001	560,000	4.9%
560,001	570,000	4.8%

Pay adjustment guarantee, montly wages		
From	To	Increase
570,001	580,000	4.7%
580,001	590,000	4.7%
590,001	600,000	4.6%
600,001	610,000	4.5%
610,001	620,000	4.4%
620,001	630,000	4.3%
630,001	640,000	4.2%
640,001	650,000	4.1%
650,001	660,000	4.0%
660,001	670,000	4.0%
670,001	680,000	3.9%
680,001	690,000	3.8%
690,001	700,000	3.7%
700,001	710,000	3.6%
710,001	720,000	3.5%
720,001	730,000	3.4%
730,001	740,000	3.3%
740,001	750,000	3.3%
750,001	and over	3.2%

Comparisons of wages shall be based on fixed weekly or monthly wages with the addition of fixed supplements or additional payments, no matter how these are designated, including fixed overtime.

Protocol on discussions about the organization or working hours

Parties to this Collective Agreement aim to change the definitions of working hours and thus move closer to the organization of working hours which is most common in the Nordic countries. The main aim of the changes is to enhance a family-friendly work market with shorter overall working hours, which also could involve streamlining and the simplification of wage payment schemes in the overall work market.

Discussions on the changes of working hours stipulations in collective agreements will include the implementation of “active working hours” and a review of workload periods and supplementary payments for work outside daytime hours.

Supplementary payments for work outside the defined daytime work period are higher in Iceland than in the other Nordic countries and this leads, for instance, to the fact that daytime work salary becomes a lower proportion of total wages.

The main aim of the changes will be to increase the proportion of daytime work salary in total wages and motivate a discussion in the workplace on improved working hours organization and increased productivity. Thus, the Icelandic labor market moves closer to the arrangement which is most common in the other Nordic countries. Improved organization can also promote shorter working hours and hence, a more family-friendly labor market. Such changes will improve Iceland’s position in an international comparison, both as regards working hours and base salaries, and can therefore reinforce Iceland’s position in the competition for personnel.

Against changes in working hours, wage rates in collective agreements increase. Also, the minimum wage for individual jobs can change if reactions against the influence of changed supplementary payments are called for. Minimum income supplement will, however, not increase.

Parties to this Agreement will nominate individuals for workgroups before the end of June 2015 to work on the preparation of changes. A special discussion plan shall be made in accordance with Article 23 of the Act on Trade Unions and Industrial Disputes. Parties aim for an agreement to have been reached in October 2016 and it will be presented for voting in November 2016. Working hours changes and wage changes involved would be valid from 1 May 2017. Parties will from the beginning of the task seek consultancy from the state mediator on supervision.

Ballot voting will be discussed separately, but it is presumed that a simple majority will be needed for the Agreement to count as valid.

Protocol on flexible retirement

The attached strategy on flexible retirement sets a policy for the upcoming period of contract.

Parties to the Agreement agree that it is important for employees to have an option for some flexibility when it comes to age-related retirement. Individuals in the labor market have different needs and circumstances, and as people now live longer and are healthier, it is common that they maintain full working energy and willingness for participation in the labor market beyond the general age for retirement. Retirement

age flexibility can mean reduced working hours for the last years of an individual's working life, and also a permission to keep working after retirement age is reached. It is important to consider the circumstances for each individual case.

Retirement age flexibility has been discussed in a committee which has the role to review laws on social security and labor market organizations are part of. The committee agrees that laws should support increased individual flexibility and has, for example, discussed the gradual raise of retirement age to 70 years and allowing the suspension of retirement pension to 80 years of age instead of the present 72 years, against higher monthly payments to the individual in question.

For the past decades, life expectancy has increased and the average length of life is longer than it was on a global scale. More and more people live longer and are healthier in old age. This development calls for a revaluation of retirement age.

Most of our neighboring countries have raised the retirement age level for these reasons.

The value of work for people's mental and physical wellbeing is obvious and the public's understanding of that fact is growing. The work of older employees is important and increasingly so with less and less growth of employees in the labor market on account of a changed age composition.

Common provisions and protocols

Changes in the parties' main collective agreement

Illness rights calculation

Beneath the stipulation on illness pay (total rights in a 12-month period), a caption will be added:

Note

Illness rights are calculated based on paid sick leave in a 12-month wage period. If an employee becomes unfit for work, it shall be reviewed in the beginning of the illness how many sick leave days have been paid in the last 12-month wage period and these are deducted from the accrued illness rights. If an employee has been without wages in a period, that period is not included in the calculation.

Protocols

Continuing work and accrued rights

By “continuing work” in the understanding of collective agreements, it means that the employee has been in continuous employment even if he or she has temporarily been taken off the payroll. However, a period without pay is not considered part of the individual’s employment in the accretion of rights, provided that laws or collective agreements stipulate otherwise, for instance in the case of legal maternity/paternity leave.

Accidents at work relating to teeth

Parties will in collaboration request that insurance companies change terms on accident insurance for employees so that necessary costs for tooth damage because of work-related accidents, which is beyond social security supplements, is compensated for. Reservations shall otherwise be in accordance with laws on social security and insurance company terms.

Protocol

Parties will review the text of the Collective Agreement before publication, amend inaccurate references and review outdated provisions.

Agreement between the Union of Icelandic Bank Employees (SSF) and the Confederation of Icelandic Employers

This Agreement is based on the stipulation on premises for agreement in Article 8 of the collective agreement between SA and SSF, dated September 8, 2015.

Collective agreements in the general labor market were reviewed with the agreement between SA, The Icelandic Confederation of Labor (ASÍ) and its member associations dated 21 January 2016. That agreement is based on a frame agreement between parties to the labor market from 27 October 2015.

Parties to this Agreement are in concurrent on the importance that wage conditions for employees in financial corporation are based on similar prerequisites and therefore, they have agreed on the following changes in the parties' collective agreement.

Pay rise 1 January 2016

The pay rise of 1 May 2016 that was to be 5.5% will be 6.2% and will be valid as of 1 January 2016.

Pay-scales in collective agreements rise by the same proportion. "Salary adjustment compensation" shall be terminated except in the case where the employer has increased wages in the period 1.10.2015-1.1.2016 for most of the employees or a reservation has been made by the employer that this was an advance pay rise.

Pay rise 1 May 2017

Wages and wage-related elements rise by 5.0% instead of 3.75%. Pay scales in collective agreements rise by the same proportion.

Pay rise 1 May 2018

Wages and wage-related elements rise by 5.0% instead of 2.5%. Pay scales in collective agreements rise by the same proportion.

Reykjavík, 24 October 2016

On behalf of The Confederation of
Icelandic Bank and Finance Employees

Friðbert Traustason, Chairman
Anna Karen Hauksdóttir
Ari Skúlason
Daniel Reynisson

On behalf of The Confederation of
Icelandic Employers

Ragnar Árnason
Jökull H. Úlfsson
Jóna Björk Guðnadóttir
Baldur G. Jónsson
Hafsteinn Bragason

Accompanying Documents - Wage tables 153–158**Pay scale 153 Effective as from 1 February 2013****Change from previous pay scale: + 3.25%**

Step	Basic rate	After 3 yr	After 5 yr	After 7 yr	After 9 yr	After 12 yr	After 15 yr
101	209,514	214,986	219,090	224,563	228,667	231,403	232,770
102	213,994	219,645	223,884	229,535	233,775	236,599	238,012
103	218,761	224,603	228,985	234,826	239,209	242,130	243,589
111	223,722	229,763	234,294	240,334	244,865	247,885	249,395
112	228,856	235,101	239,786	246,031	250,717	253,838	255,400
113	234,168	240,626	245,470	251,928	256,771	260,001	261,616
121	239,653	246,331	251,338	258,017	263,025	266,363	268,033
122	245,332	252,238	257,417	264,321	269,500	272,953	274,679
123	251,202	258,343	263,696	270,837	276,192	279,762	281,546
131	257,270	264,652	270,189	277,571	283,108	286,800	288,644
132	263,543	271,177	276,903	284,536	290,261	294,077	295,986
133	270,033	277,925	283,846	291,739	297,657	301,604	303,578
141	276,741	284,903	291,024	299,184	305,305	309,387	311,426
142	283,680	292,120	298,448	306,887	313,215	317,435	319,545
143	290,853	299,579	306,123	314,848	321,394	325,757	327,937
151	298,270	307,292	314,059	323,082	329,847	334,359	336,615
152	305,937	315,268	322,264	331,593	338,590	343,254	345,586
153	313,862	323,508	330,744	340,389	347,624	352,448	354,859
161	322,065	332,039	339,519	349,493	356,974	361,961	364,455
162	330,542	340,855	348,590	358,904	366,640	371,796	374,373
163	339,314	349,977	357,975	368,640	376,638	381,969	384,636
171	348,378	359,405	367,673	378,701	386,972	392,485	395,241
172	357,750	369,152	377,702	389,104	397,656	403,356	406,206
173	367,440	379,230	388,072	399,861	408,702	414,597	417,544
181	377,460	389,651	398,794	410,982	420,125	426,220	429,269
182	387,826	400,430	409,884	422,490	431,943	438,246	441,396
183	398,539	411,571	421,348	434,380	444,155	450,672	453,929
191	409,615	423,093	433,199	446,676	456,782	463,520	466,889
192	421,068	435,003	445,455	459,388	469,839	476,806	480,290
193	432,913	447,320	458,127	472,535	483,341	490,546	494,148
201	445,161	460,059	471,233	486,131	497,305	504,755	508,479
202	457,824	473,228	484,781	500,187	511,741	519,444	523,295
203	470,919	486,847	498,794	514,722	526,667	534,633	538,614

The maternity/paternity grant is ISK 60,474

Pay scale 154 Effective as from 1 February 2014**Change from previous pay scale: +2,8%, minimum ISK 8.000.****Steps equal to or under ISK 230.000 are raised extra ISK 1.750**

Step	Basic rate	After 3 yr	After 5 yr	After 7 yr	After 9 yr	After 12 yr	After 15 yr
101	219,264	224,736	228,840	232,563	236,667	239,403	240,770
102	223,744	229,395	231,884	237,535	241,775	244,599	246,012
103	228,511	232,603	236,985	242,826	247,209	250,130	251,589
111	231,722	237,763	242,294	248,334	252,865	255,885	257,395
112	236,856	243,101	247,786	254,031	258,717	261,838	263,400
113	242,168	248,626	253,470	259,928	264,771	268,001	269,616
121	247,653	254,331	259,338	266,017	271,025	274,363	276,033
122	253,332	260,238	265,417	272,321	277,500	280,953	282,679
123	259,202	266,343	271,696	278,837	284,192	287,762	289,546
131	265,270	272,652	278,189	285,571	291,108	294,830	296,726
132	271,543	279,177	284,903	292,536	298,388	302,311	304,274
133	278,033	285,925	291,846	299,908	305,991	310,049	312,078
141	284,741	292,903	299,173	307,561	313,854	318,050	320,146
142	291,680	300,299	306,805	315,480	321,985	326,323	328,492
143	298,997	307,967	314,694	323,664	330,393	334,878	337,119
151	306,622	315,896	322,853	332,128	339,083	343,721	346,040
152	314,503	324,096	331,287	340,878	348,071	352,865	355,262
153	322,650	332,566	340,005	349,920	357,357	362,317	364,795
161	331,083	341,336	349,026	359,279	366,969	372,096	374,660
162	339,797	350,399	358,351	368,953	376,906	382,206	384,855
163	348,815	359,776	367,998	378,962	387,184	392,664	395,406
171	358,133	369,468	377,968	389,305	397,807	403,475	406,308
172	367,767	379,488	388,278	399,999	408,790	414,650	417,580
173	377,728	389,848	398,938	411,057	420,146	426,206	429,235
181	388,029	400,561	409,960	422,489	431,889	438,154	441,289
182	398,685	411,642	421,361	434,320	444,037	450,517	453,755
183	409,698	423,095	433,146	446,543	456,591	463,291	466,639
191	421,084	434,940	445,329	459,183	469,572	476,499	479,962
192	432,858	447,183	457,928	472,251	482,994	490,157	493,738
193	445,035	459,845	470,955	485,766	496,875	504,281	507,984
201	457,626	472,941	484,428	499,743	511,230	518,888	522,716
202	470,643	486,478	498,355	514,192	526,070	533,988	537,947
203	484,105	500,479	512,760	529,134	541,414	549,603	553,695

Fæðingarstyrkur er 62.167 kr. frá og með 01.02.2014

Pay scale 155 Effective as from 1 October 2015**Change from previous pay scale: All steps are raised ISK 25.000.**

Step	Basic rate	After 3 yr	After 5 yr	After 7 yr	After 9 yr	After 12 yr	After 15 yr
111	256,722	262,763	267,294	273,334	277,865	280,885	282,395
112	261,856	268,101	272,786	279,031	283,717	286,838	288,400
113	267,168	273,626	278,470	284,928	289,771	293,001	294,616
121	272,653	279,331	284,338	291,017	296,025	299,363	301,033
122	278,332	285,238	290,417	297,321	302,500	305,953	307,679
123	284,202	291,343	296,696	303,837	309,192	312,762	314,546
131	290,270	297,652	303,189	310,571	316,108	319,830	321,726
132	296,543	304,177	309,903	317,536	323,388	327,311	329,274
133	303,033	310,925	316,846	324,908	330,991	335,049	337,078
141	309,741	317,903	324,173	332,561	338,854	343,050	345,146
142	316,680	325,299	331,805	340,480	346,985	351,323	353,492
143	323,997	332,967	339,694	348,664	355,393	359,878	362,119
151	331,622	340,896	347,853	357,128	364,083	368,721	371,040
152	339,503	349,096	356,287	365,878	373,071	377,865	380,262
153	347,650	357,566	365,005	374,920	382,357	387,317	389,795
161	356,083	366,336	374,026	384,279	391,969	397,096	399,660
162	364,797	375,399	383,351	393,953	401,906	407,206	409,855
163	373,815	384,776	392,998	403,962	412,184	417,664	420,406
171	383,133	394,468	402,968	414,305	422,807	428,475	431,308
172	392,767	404,488	413,278	424,999	433,790	439,650	442,580
173	402,728	414,848	423,938	436,057	445,146	451,206	454,235
181	413,029	425,561	434,960	447,489	456,889	463,154	466,289
182	423,685	436,642	446,361	459,320	469,037	475,517	478,755
183	434,698	448,095	458,146	471,543	481,591	488,291	491,639
191	446,084	459,940	470,329	484,183	494,572	501,499	504,962
192	457,858	472,183	482,928	497,251	507,994	515,157	518,738
193	470,035	484,845	495,955	510,766	521,875	529,281	532,984
201	482,626	497,941	509,428	524,743	536,230	543,888	547,716
202	495,643	511,478	523,355	539,192	551,070	558,988	562,947
203	509,105	525,479	537,760	554,134	566,414	574,603	578,695

The maternity/paternity grant is ISK 66,643

Pay scale 156 Effective as from 1 January 2016

Change from previous pay scale: +6,2%

Step	Basic rate	After 3 yr	After 5 yr	After 7 yr	After 9 yr	After 12 yr	After 15 yr
111	272,639	279,054	283,866	290,281	295,093	298,300	299,903
112	278,091	284,723	289,699	296,331	301,307	304,622	306,281
113	283,732	290,591	295,735	302,594	307,737	311,167	312,882
121	289,557	296,650	301,967	309,060	314,379	317,924	319,697
122	295,589	302,923	308,423	315,755	321,255	324,922	326,755
123	301,823	309,406	315,091	322,675	328,362	332,153	334,048
131	308,267	316,106	321,987	329,826	335,707	339,659	341,673
132	314,929	323,036	329,117	337,223	343,438	347,604	349,689
133	321,821	330,202	336,490	345,052	351,512	355,822	357,977
141	328,945	337,613	344,272	353,180	359,863	364,319	366,545
142	336,314	345,468	352,377	361,590	368,498	373,105	375,409
143	344,085	353,611	360,755	370,281	377,427	382,190	384,570
151	352,183	362,032	369,420	379,270	386,656	391,582	394,044
152	360,552	370,740	378,377	388,562	396,201	401,293	403,838
153	369,204	379,735	387,635	398,165	406,063	411,331	413,962
161	378,160	389,049	397,216	408,104	416,271	421,716	424,439
162	387,414	398,674	407,119	418,378	426,824	432,453	435,266
163	396,992	408,632	417,364	429,008	437,739	443,559	446,471
171	406,887	418,925	427,952	439,992	449,021	455,040	458,049
172	417,119	429,566	438,901	451,349	460,685	466,908	470,020
173	427,697	440,569	450,222	463,093	472,745	479,181	482,398
181	438,637	451,946	461,928	475,233	485,216	491,870	495,199
182	449,953	463,714	474,035	487,798	498,117	504,999	508,438
183	461,649	475,877	486,551	500,779	511,450	518,565	522,121
191	473,741	488,456	499,489	514,202	525,235	532,592	536,270
192	486,245	501,458	512,870	528,081	539,490	547,097	550,900
193	499,177	514,905	526,704	542,433	554,231	562,096	566,029
201	512,549	528,813	541,013	557,277	569,476	577,609	581,674
202	526,373	543,190	555,803	572,622	585,236	593,645	597,850
203	540,670	558,059	571,101	588,490	601,532	610,228	614,574

The maternity/paternity grant is ISK 70,775

Pay scale 157 Effective as from 1 May 2017**Change from previous pay scale: +5,0%**

Step	Basic rate	After 3 yr	After 5 yr	After 7 yr	After 9 yr	After 12 yr	After 15 yr
111	286,271	293,007	298,060	304,795	309,847	313,215	314,899
112	291,996	298,959	304,184	311,147	316,373	319,853	321,595
113	297,919	305,120	310,522	317,723	323,124	326,725	328,526
121	304,035	311,482	317,065	324,513	330,097	333,820	335,682
122	310,368	318,069	323,844	331,543	337,318	341,168	343,093
123	316,914	324,877	330,846	338,809	344,780	348,761	350,750
131	323,680	331,912	338,086	346,318	352,492	356,642	358,757
132	330,675	339,188	345,573	354,084	360,610	364,984	367,173
133	337,912	346,712	353,315	362,305	369,088	373,613	375,876
141	345,392	354,494	361,485	370,839	377,856	382,535	384,872
142	353,130	362,741	369,996	379,669	386,923	391,760	394,179
143	361,289	371,292	378,793	388,795	396,299	401,300	403,799
151	369,792	380,133	387,891	398,233	405,989	411,161	413,747
152	378,580	389,277	397,296	407,991	416,011	421,357	424,030
153	387,665	398,722	407,017	418,073	426,366	431,897	434,660
161	397,068	408,501	417,076	428,510	437,085	442,802	445,661
162	406,785	418,607	427,475	439,297	448,165	454,075	457,029
163	416,841	429,064	438,232	450,458	459,626	465,737	468,795
171	427,232	439,871	449,350	461,992	471,472	477,792	480,952
172	437,974	451,045	460,846	473,916	483,719	490,254	493,521
173	449,082	462,597	472,733	486,247	496,382	503,140	506,517
181	460,569	474,543	485,024	498,995	509,477	516,463	519,959
182	472,451	486,899	497,737	512,188	523,023	530,249	533,860
183	484,732	499,671	510,879	525,818	537,022	544,493	548,227
191	497,428	512,879	524,464	539,912	551,497	559,222	563,083
192	510,557	526,531	538,513	554,485	566,464	574,452	578,445
193	524,136	540,651	553,039	569,555	581,943	590,201	594,330
201	538,176	555,254	568,063	585,141	597,950	606,490	610,758
202	552,692	570,349	583,593	601,253	614,498	623,328	627,742
203	567,703	585,962	599,656	617,915	631,608	640,740	645,303

The maternity/paternity grant is ISK 74,314

Pay scale 158 Effective as from 1 May 2018**Change from previous pay scale: +5,0%**

Step	Basic rate	After 3 yr	After 5 yr	After 7 yr	After 9 yr	After 12 yr	After 15 yr
121	319,237	327,056	332,918	340,739	346,602	350,511	352,466
122	325,886	333,972	340,036	348,120	354,184	358,226	360,248
123	332,760	341,121	347,388	355,749	362,019	366,199	368,288
131	339,864	348,508	354,990	363,634	370,117	374,474	376,695
132	347,209	356,147	362,852	371,788	378,641	383,233	385,532
133	354,808	364,048	370,981	380,420	387,542	392,294	394,670
141	362,662	372,219	379,559	389,381	396,749	401,662	404,116
142	370,787	380,878	388,496	398,652	406,269	411,348	413,888
143	379,353	389,857	397,733	408,235	416,114	421,365	423,989
151	388,282	399,140	407,286	418,145	426,288	431,719	434,434
152	397,509	408,741	417,161	428,391	436,812	442,425	445,232
153	407,048	418,658	427,368	438,977	447,684	453,492	456,393
161	416,921	428,926	437,930	449,936	458,939	464,942	467,944
162	427,124	439,537	448,849	461,262	470,573	476,779	479,880
163	484,933	450,517	460,144	472,981	482,607	489,024	492,235
171	448,594	461,865	471,818	485,092	495,046	501,682	505,000
172	459,873	473,597	483,888	497,612	460,655	514,767	518,197
173	471,536	485,727	496,370	510,559	521,201	528,297	531,843
181	483,597	498,270	509,275	523,945	534,951	542,286	545,957
182	496,074	511,244	522,624	537,797	549,174	556,761	560,553
183	508,969	524,655	536,423	552,109	563,873	571,718	575,638
191	522,299	538,523	550,687	566,908	579,072	587,183	591,237
192	536,085	552,858	565,439	582,209	594,787	603,175	607,367
193	550,343	567,684	580,691	598,033	611,040	619,711	624,047
201	565,085	583,017	596,466	614,398	627,848	636,815	641,296
202	580,327	598,866	612,773	631,316	645,223	654,494	659,129
203	596,088	615,260	629,639	648,811	663,188	672,777	677,568

The maternity/paternity grant is ISK 78,030

Agreement of particular issues regarding the organization of working hours

With reference to the agreement on the European Economic Area, the banks' bargaining committee on behalf of banks and savings banks and the Confederation of Icelandic Bank and Finance Employees have signed the following Agreement to implement the European Union's Directive No. 93/104/EB, from 23 November 1993 on certain issues regarding the organization of working hours. The Directive is part of the EEA Agreement under an approval by the EEA Committee, dated 28 June 1996. The aim of this Agreement is to set minimum requirements in order to promote improvements, particularly as regards the working environment, in order to secure further protection of the safety and health of employees.

Article 1

Scope

This Agreement applies to employees' daily and weekly minimum rest periods, their annual holiday leave, breaks and maximum working hours per week and also certain matters regarding night work, shift work and the overall working pattern.

The Agreement covers all wage-earners in the geographical area administered by the parties.

The provisions of Articles 3, 4, 5, 6 and 8 shall not apply to senior managers and others who determine their own working hours.

Article 2

Definitions

2.1 Working hours

Working time shall mean any period during which the worker is working, at the employer's disposal and carrying out his activity or duties.

Working time refers to active working time; thus, refreshment breaks and special holidays are not counted as working time. The same applies to journeys to and from the workplace or regular work station and paid waiting periods or breaks in work during which the employee is not required to make any work contribution. Minimum annual paid holiday according to law, absence due to illness and statutory or contractual maternity or paternity leave shall not be counted as working time, and shall play a neutral role in calculations of averages. Time during which the employee is in paid vocational training shall be counted as working time.

2.2 Rest time

Rest time is the time that is not counted as working time.

2.3 Night time

Night time, for working purposes, is the period between 23:00 and 06:00.

2.4 Night workers

- a. Night workers are workers who normally work at least three hours of their daily working time during night time.
- b. Night workers are workers who have worked regularly, according to a pre-determined working arrangement, at least three hours during night time for one month. The same applies to workers who deliver 40% of their regular annual working contribution during night time.

2.5 Shift work

Shift work is work that is divided into various working periods/shifts according to a specific system in which the worker works in various shifts during a specified period that is measured in days or weeks.

2.6 Shift workers

Shift workers are workers who work at shift work.

Article 3

Daily rest period

Work hours shall be arranged so that every 24 hours, calculated from the beginning of a workday or shift, an employee gets at least 11 continuous hours' rest. If it can be arranged, then the daily rest period shall cover the night time period.

Article 4

Breaks

Employees whose daily working time is longer than six hours shall be entitled to a break of at least 15 minutes. Breaks shall be provided for in a collective agreement between the parties.

Article 5

Weekly rest period

In each seven-day period, employees shall receive at least one day off which shall be directly connected with the rest period provided for in Article 3. To the extent practicable, the weekly day off shall be Sunday.

Article 6

Maximum weekly working time

Average weekly working time, including overtime, shall not exceed 48 hours.

It is desirable that working time should be as far as possible the same from week to week.

The reference period for calculating average weekly working time shall be six months: January to June and July to December.

Article 7

Annual holiday (leave)

Annual holiday shall be determined by the Annual Holiday Act and the provisions of the collective agreement between the parties.

Monetary allowances may not be substituted for the minimum period of annual paid holiday leave except in the case of the termination of employment.

Article 8

Length of night work

Normal hours of work for night workers shall not exceed an average of eight hours in any 24-hour period.

The normal hours of work for a night worker may be lengthened to up to 48 hours per week. In this case, working time shall be organized so as to be as regular as possible.

The reference period for calculating average weekly working time for night workers shall be six months: January to June and July to December.

Night workers whose work involves special hazards or heavy physical or mental strain shall not work more than eight hours in any period of 24 hours during which they perform night work.

Article 9

Health assessment

Night workers and shift workers who perform part of their working obligations during night time shall be entitled to a free health assessment before they begin work, and thereafter regularly at intervals of not more than three years. This entitlement shall be stated in their contracts of employment. This provision shall not apply, however, in the case of work that is intended to last 6 continuous months or less. The same shall apply to replacement (stand-in) jobs, e.g. in connection with holiday, illness, maternity/paternity leave, etc., providing that the engagement is not intended to last more than 12 continuous months. The health assessment referred to in the first paragraph shall be subject to the rules regarding physicians' non-disclosure obligations. Night workers and shift workers who perform part of their working obligations during night time and suffer from health problems that are demonstrably attributable to their job shall, where this is possible, be transferred to suitable daytime jobs.

Article 10

Protection of night workers

Night workers shall enjoy protection with regard to the hazards that accompany their work.

Article 11

Notification of regular use of night workers

Employers who regularly use night workers shall give the competent authorities information on the number of night workers and their working hours.

Article 12

Pattern of work

Employers who intend to organize work according to a certain pattern shall take account of the general principle of adapting work to the worker, with a view, in particular, to alleviating monotonous work and work at a predetermined work-rate, depending on the type of activity, and of safety and health requirements, especially as regards breaks during working time.

Article 13

Derogations

- a. The rest period provided for under Article 3 may be shortened to as little as eight hours in the case of changes of shift. The same shall apply under special circumstances when it is necessary to preserve or salvage items of value.
- b. In the event of a disruption of operations due to external conditions, e.g. the weather or other forces of nature, accidents, power failure, mechanical failure in plant or equipment or other corresponding unforeseeable events, derogations may be made from the provisions of Article 3 to the extent necessary to avoid substantial loss or damage until regular operations are resumed. This shall apply whether these circumstances affect the company itself or its business partners.
- c. If use is made of the provisions of items a or b above to derogate from the daily rest period, the employee shall receive corresponding rest periods in exchange.
- d. By agreement at the workplace, it may be decided to defer the weekly day off of those who perform jobs in which special circumstances make such deviations necessary, and those who work at safety and security issues and the preservation of items of value. If the weekly rest period (cf. Article 5) is deferred, the employee shall receive a corresponding rest period in exchange. In the case of special necessity, the taking of the weekly rest period may be deferred, so that instead of the weekly rest day, two continuous rest days shall occur during every two weeks. If it is necessary to structure work in such a way that the weekly day off work is postponed, then a collective agreement shall be made concerning this.

Article 14

Application of this Agreement and resolution of disputes

A consultative committee, consisting of three representatives of each party, shall be appointed. The consultative committee shall examine the application and interpretation of individual provisions. In the event of a dispute, attempts shall be made to resolve it in the consultative committee before referring it to the courts.

Article 15

More favorable provisions

This Agreement applies as a minimum agreement, and shall in no case annul more advantageous rights and further protection for employees according to law, a collective agreement, and contract of employment or letter of appointment.

Article 16

Protection of health and safety

Other aspects of the protection of employees' health and safety shall be subject to the provisions of the Health and Safety at Work Act and other administrative instructions.

Article 17

Commencement, etc.

This Agreement shall take effect on 1 July 1999. This Agreement shall be regarded as part of the Collective Agreement between the parties.

This Agreement shall be reviewed not later than three years after its commencement. When that review is carried out, the length of the reference periods provided for under Articles 6 and 8 shall be reassessed in the light of experience. In addition, a special assessment shall be made of the application of the provisions on derogation.

The parties shall ensure that the substance of this Agreement is publicized as well as possible.

Reykjavík, 11 June 1999

Act No. 34/1977, on collective agreements with the employees of state-owned banks

Article 1

This Act shall apply to all employees, other than bank managers and assistant bank managers, who are engaged for periods of any length in the service of the state-owned banks, providing that their jobs can be regarded as their principal occupations. The wages and other terms of service of the employees covered by this Act shall be determined in collective agreements between the parties referred to in Article 2.

Article 2

The boards of the banks mentioned in Article 1 shall represent the banks in the negotiation and application of collective agreements. They shall appoint a joint committee to handle agreements on their behalf. The Union of Icelandic Bank Employees shall represent the bank employees in the negotiation and application of collective agreements. The union shall appoint a committee to handle agreements on its behalf. The Minister of Commerce shall be informed, not later than at the time that notice of termination of the agreements is given, of the identity of the members of the negotiating committees.

Article 3

Bank employees covered by this Act shall have the right to be members of the Union of Icelandic Bank Employees or of an organization within it, in accordance with further provisions in the union's constitution.

Bank employees who do not stand within the Union of Icelandic Bank Employees shall pay dues to the union and to the constituent association of the union of which they should be members; these dues shall be equivalent to those that persons in comparable positions are made to pay when they stand within the union.

Article 4

A copy of the notice of termination of collective agreements, and proposals and demands regarding new collective agreements, shall be sent to the State Mediation and Conciliation Officer at the same time as they are sent to the opposite party. If no agreement is reached by the negotiating committees, the parties may agree on referring their dispute to a court of arbitration. The court of arbitration shall consist of a chairman with a casting vote, on whose appointment the parties shall agree, two persons nominated by the chairman from outside the ranks of the parties to the agreement, and one representative of each party. If no agreement has been reached, and the dispute has not been referred to a court of arbitration during the first 60 days of the notice period for termination, the State Mediation and Conciliation Officer shall begin treatment of

the matter. The State Mediation and Conciliation Officer shall appoint two persons to work with him on the resolution of the wages and terms dispute. These persons shall have the same rights and obligations as the officer.

Article 5

The provision of the Civil Servants' Strikes Act, No. 33 of 3 November 1915, shall not apply to the bank employees covered by this Act.

A decision on a work stoppage shall be reported to the State Mediation and Conciliation Officer and to the parties against which the stoppage is directed, not later than 15 days before it is due to begin. Announcements of strikes shall be made in writing and sent by registered post or made known to the recipients in another verifiable manner.

Strikes may not begin:

1. If the dispute concerns only matters on which the Labor Court has the right to deliver rulings, except to implement the court's judgements.
2. If a conciliatory proposal made by the conciliation committee under Article 6 has been approved.
3. In support of a party to another wages and terms dispute.

If a strike has been called, the conciliation committee shall present a conciliation proposal regarding the collective agreements not later than 5 days before the strike is due to begin. The conciliation committee shall confer with the parties' negotiating committees before submitting its conciliation proposal. When a conciliation proposal has been submitted, the conciliation committee may postpone the strike by up to 16 days. It shall confer with the parties' negotiating committees before deciding on the postponement of the strike.

Article 6

Provisions on how voting on conciliation proposals is to be carried out shall be made in the agreement provided for under Article 9.

A conciliation proposal shall be regarded as being rejected if at least half of the votes cast are against it, providing that not less than half the employees who are entitled to vote and are on the voters' roll cast their votes. Otherwise, the conciliation proposal shall be regarded as approved.

The conciliation committee shall rule on all points of dispute that may arise in connection with voting. The ruling of the conciliation committee shall be final.

After a work stoppage has begun, the conciliation committee may present a compromise proposal; regarding voting, this shall be treated according to the same rules as conciliation proposals.

Article 7

Even if a lawful strike has begun, employees in a state-owned bank who are on strike shall be obliged to continue to work at necessary security functions and to attend to direct obligations of the banks and Iceland towards foreign parties.

Further provisions shall be made in the Agreement allowed for in Article 9 on which employees are to continue work even though a strike has begun and what functions they are to perform.

Article 8

The Labor Court shall judge cases that arise between the parties concerning the validity of a strike, disputes on the interpretation of a collective agreement, the social rights of employees and disputes on the voters' roll. When the Labor Court handles such matters, the SÍB, on the one hand, and the boards of the state-owned banks, on the other, shall appoint judges to serve in the court in place of those that have been nominated by the Icelandic Confederation of Labor and the Confederation of Icelandic Employers. The SÍB shall conduct cases before the Labor Court on its own behalf, that of its constituent associations and that of the employees involved. In other respects, the provisions of the Trade Unions and Industrial Disputes Act regarding the capacity to bring a case as plaintiff before the Labor Court shall be observed.

Article 9

The boards of the state-owned banks and the SÍB shall enter into an agreement on the negotiation of collective agreements, the implementation of work stoppages and other matters of significance for which no provision has been made in this Act. The Minister of Commerce shall approve such an agreement before it takes effect, and also all amendments that may be made thereto.

Article 10

This Act shall take immediate effect. At the same time, the provisions of the Central Bank of Iceland, No. 10/1961, the National Bank Act, No. 11/1961, the Fisheries Bank Act, No. 12/1961, and the Agriculture Bank of Iceland Act, No. 28/1976 that are at variance with those of the present Act, shall stand repealed.

Agreement on the collective agreements of bank employees

Article 1

This Agreement shall apply to the negotiation of collective agreements on wages and other terms of service between the negotiating parties in the workplaces of banks in Iceland, and shall cover all members of the Confederation of Icelandic Bank and Finance Employees (the SSF) who are engaged for any length of time in the service of the companies that have signed the Agreement.

Article 2

The banks undertake to give members of the Confederation of Icelandic Bank and Finance Employees (the SSF) a priority right to engagement for the bank employee positions covered by the collective agreement when this is required and when members of the union who are competent for the work involved offer themselves for employment.

Article 3

The Trade Unions and Industrial Disputes Act, No. 80/1938, shall apply regarding representation of the parties in the negotiation and application of collective agreements 80/1938.

Article 4

Collective agreements shall be made in writing and it shall be agreed in each individual case how for how long they are to remain valid. Otherwise, their period of validity and procedures for terminating them shall be subject to the provisions of the Trade Unions and Industrial Disputes Act, No. 80/1938.

Article 5

Work stoppages, decisions on them, their calling, implementation and conciliation measures, shall be in accordance with the provisions of the Trade Unions and Industrial Disputes Act, No. 80/1938.

Article 6

However, work stoppages shall only be permitted if they include all members of the SSF, with the sole exceptions provided for in Article 7 of this Agreement. Work stoppages may not be initiated in support of a party in another industrial dispute.

Article 7

When a strike begins, all service venues of the companies involved shall be closed and employees who are in the SÍB may not perform any work for their employers, though with the following exceptions:

1. Not more than three days before a work stoppage that has been called is due to begin, employers may submit to the SSF by way of information a list of the names of those of their employees who are to work during the work stoppage; this list may include, on the one hand, all those who have security guarding as their principal occupation and, on the other, up to five per cent of the members of the SSF who work for each employer, though not fewer than one employee in full-time employment. This list may not be changed during the work stoppage without the approval of the SSF.
2. Employees named on the aforementioned list shall be obliged, and permitted, only to work at the following tasks:
 - a. Necessary security functions, including the emptying of night-safe deposit boxes.
 - b. The necessary operation of systems and service units in order to honor the bank's direct obligations to foreign parties, the payment of foreign securities and the payment of interest and the service of the financial institution's foreign debts or loans for which it is liable, or to carry out business on behalf of other banks. Furthermore, they may pay interest and instalments on foreign loans taken by the Icelandic state and other customers, and on loans for which these parties are liable.
 - c. The reception, sorting and necessary work on post and electronic messages received by the institution. The wages and terms of service applying to those who work during a work stoppage shall be in accordance with the collective agreement made after the end of the work stoppage.

Article 8

Either party may refer a dispute that arises regarding the application of a collective agreement to a consultative committee on the application of the collective agreement. This committee shall consist of three persons appointed by each party to the Agreement following conclusion of the Agreement, and they shall serve until new collective agreements have been made.

Article 9

This Agreement, with the appended notes and footnotes, shall remain valid for five years from its date of signature, after which it may be terminated with six months' notice. The parties may, however, make amendments to this Agreement if they agree to do so.

Reykjavík, 14 October 2004

Friðbert Traustason
Chairman (SSF)
Helga Jónsdóttir
1st Deputy Chairman SÍB (SSF)
Gréta Kjartansdóttir
2nd Deputy Chairman SÍB (SSF)
Björn Tryggvason

Treasurer SÍB (SSF)
Anna Karen Hauksdóttir
Secretary SÍB (SSF)
Oddgeir Gunnarsson
Co-director SÍB (SSF)
Heiðrún Hauksdóttir
Co-director SÍB (SSF)

Sigurjón Þ. Árnason
Landsbanki Íslands hf.
Hreiðar Már Sigurðsson
KB banki hf.
Bjarni Ármannsson
Íslandsbanki hf.
Sigurður Hafstein, Icelandic Savings
Banks' Association,
for the Savings Banks
Halldór Guðbjarnason
Greiðslumiðlun hf.
Helgi H. Steingrímsson
Banks' Accounting Centre
Sæmundur Sæmundsson
Savings Banks' Computer Centre

Notes to the Agreement on the collective agreements of bank employees

Until now, bank employees' collective agreements have been made on the basis of the Act No. 34/1977 and the agreement on the collective agreements of members of SSF of the same year. As the scope of the act is restricted to the state-owned banks, the parties consider it appropriate to make an agreement on how relations between them are to be brought into line with the law applying to the private sector, i.e. the Trade Unions and Industrial Disputes Act, No. 80/1938. It is assumed that the SÍB will amend its constitution in accordance with the demands of the Act No. 80/1938. Where the word "bank" is used in this Agreement, it refers to the companies at which members of the SSF are employed and which are parties to the Agreement, whether they are commercial banks, savings banks or service companies owned by individual banks or jointly by several banks. This provision is substantively identical with Article 12.2 in the last valid bank employees' collective agreement. Specifically, it refers to the following enterprises: Íslandsbanki Ltd, Kaupthing Bank Ltd, Landsbanki Íslands Ltd, the Icelandic Savings Banks Association, the Banks' Accounting Centre and Greiðslumiðlun Ltd. At the same time, it has been established that the following companies and institutions have used the bank employees' collective agreement from the time of their foundation: The Regional Development Institute, the National Debt Management Agency and the New Development Fund. The Central Bank of Iceland has been a party to the bank employee's collective agreement, its operations still being subject to the Act No. 34/1977.

Agreement on collective agreements of the members of the SSF for employees of the Central Bank of Iceland

Article 1

This Agreement shall apply to all members of The Confederation of Icelandic Bank and Finance Employees who are engaged for periods of any length in the service of the institutions that have signed the Agreement, providing that their jobs can be regarded as their principal occupations.

Article 2

The wages and other terms of service of the employees covered by this Agreement shall be subject to the provision of this Agreement and collective agreements made in accordance with it.

Article 3

Under this Agreement, the boards of the banks and the boards of the credit institutions shall represent their institutions, while the SSF shall represent the employees in negotiations of collective agreements and other decisions relating to them. Negotiations shall take place between negotiating committees of 3-7 persons appointed by each party. Collective agreements shall be approved by the boards of the banks involved and the board of the SSF.

Article 4

Collective agreements shall provide for fixed wages, the number of steps on pay scales, working hours, payment for overtime work, holiday pay, the payment of travelling costs, meal and refreshment facilities, insurance, general principles for reference when placing employees on steps in the pay scale according to their job designations and other matters concerning terms of service which are not covered by provisions in law. Collective agreements shall be made in writing and it shall be agreed in each individual case how for how long they are to remain valid. If, in the light of a particular special event of circumstance, either party requests a review of the wage provisions of a collective agreement during the period of its validity, then the parties shall begin negotiations immediately. If no agreement is reached within 30 days, the matters in dispute shall be referred to a court of arbitration in accordance with the provisions of Article 6. Such reviews shall not, however, take place more than once during the period of validity of the agreement.

Article 5

The required notice period for termination of a collective agreement by either party shall not be less than three months. Notice of termination shall be given in writing

and sent by registered post or make known to the recipient in another verifiable manner. The constitution of the Confederation of Icelandic Bank and Finance Employees shall include provisions on who is competent to take a decision on the termination of a collective agreement, the calling of a strike and how such decisions are to be taken. The party who terminates a collective agreement shall, at the time of giving notice of termination, send the opposite party its claims and principal demands regarding a new collective agreement, and negotiations shall be opened immediately. A copy of the notice of termination of collective agreements, and proposals and demands regarding new collective agreements, shall be sent to the State Mediation and Conciliation Officer at the same time as they are sent to the opposite party.

Article 6

If no agreement is reached by the negotiating committees, the parties may agree on referring their dispute to a court of arbitration. The court shall consist of one representative of each party and a chairman with a casting vote, on whose appointment the parties shall agree, who shall be president of the court. The chairman shall select a further two persons from outside the ranks of the parties as members of the court. The court of arbitration shall deliver its ruling within a month from the time when the dispute is referred to it unless the parties agree on a longer period. The ruling shall take into account terms of service applying to comparable work and the trends in such terms on the labor market as a whole, embracing both business in the private and public sectors, government institutions, local authorities and their institutions.

Article 7

If no agreement has been reached, and the dispute has not been referred to a court of arbitration during the first 60 days of the notice period for termination, the State Mediation and Conciliation Officer shall begin treatment of the matter. The State Mediation and Conciliation Officer shall appoint two persons to work with him on the resolution of the wages and terms dispute. These persons shall have the same rights and obligations as the officer.

Article 8

Article 8 Work stoppages may be applied immediately at the end of the notice period for termination, subject to the limitations stated in this Agreement. A decision on a work stoppage shall be reported to the State Mediation and Conciliation Officer and to the parties against which the stoppage is directed, not later than 15 days before it is due to begin. Announcements of strikes shall be made in writing and sent by registered post or made known to the recipients in another verifiable manner. Strikes may not begin:

1. If the dispute concerns only matters on which the Labor Court has the right to deliver rulings, except to implement the court's judgements.

2. If a conciliatory proposal made by the conciliation committee under Article 10 has been approved.
 3. In support of a party to another wages and terms dispute.
- If a strike has been called, the conciliation committee shall present a conciliation proposal regarding the collective agreements not later than 5 days before the strike is due to begin. The conciliation committee shall confer with the parties' negotiating committees before submitting its conciliation proposal. The conciliation committee shall decide, in consultation with the parties' negotiating committees, how voting on a conciliation proposal is to be carried out on, including the number of polling stations and when voting is to be held.

Article 9

When a conciliation proposal under Article 8 has been made, the conciliation committee may postpone a strike that has been called by up to fifteen days. The parties' negotiating committees shall be consulted before a decision is taken on postponing a strike.

Article 10

Voting by the banks' boards on agreements and conciliatory proposals shall take place as follows: votes shall be cast in the banks' boards (and the board of the Icelandic Savings Banks' Association), the position of each individual institution being determined by the majority of its votes. The votes cast in the institutions shall then be weighted using certain weightings reflecting, amongst other things, their staff numbers, and the majority vote obtained in this way shall then determine the issue. All the principal members of The Confederation of Icelandic Bank and Finance Employees who meet the conditions of Article 1 of this Agreement and are involved in an industrial dispute shall be entitled to vote on conciliation proposals. Voters' rolls shall be presented before voting begins. Disputes involving voters' rolls shall be resolved by the Labor Court. Votes shall be cast in writing and shall be secret, and voting shall last at least two days. The conciliation committee or its representatives may be present at voting sessions. As soon as voting is complete, the votes and voting materials shall be sent to the conciliation committee. Votes shall be counted under the supervision of the conciliation committee, and both parties may have representatives present at the counting. A conciliation proposal shall be regarded as being rejected if at least half of the votes cast are against it, providing that not less than half the employees who are entitled to vote and are on the voters' roll cast their votes. Otherwise, the conciliation proposal shall be regarded as approved. The conciliation committee shall rule on all points of dispute that may arise in connection with voting. The ruling of the conciliation committee shall be final. A conciliation proposal that has been approved shall be regarded as a valid collective agreement.

Article 11

If a conciliation proposal is rejected, the parties may agree to refer the matters in dispute to a court of arbitration (cf. Article 6 has been approved).

Article 12

After a work stoppage has begun, the conciliation committee may present a compromise proposal; regarding voting, this shall be treated according to the same rules as conciliation proposals.

Article 13

When a work stoppage has begun, all service venues of the institutions involved shall be closed and employees of the banks, other than bank managers and assistant bank managers, may not carry out any work for their employers, though with the following exceptions:

1. Not more than three days before a work stoppage that has been called is due to begin, employers may submit to the Confederation of Icelandic Bank and Finance Employees (SSF) a list of the names of those of their employees who are to work during the work stoppage; this list may include all those who have the care of premises as their principal occupation and also up to five per cent of the members of the SSF who work for each employer. This list may not be changed during the work stoppage without the approval of the SSF.
2. Employees named on the aforementioned list shall be obliged, and permitted, only to work at the following tasks:
 - a. Necessary security functions.
 - b. Service functions necessary in order to honor the institution's direct obligations to foreign parties, the payment of foreign securities and the payment of interest and the service of the institution's own foreign loans or loans for which it is liable. They may also pay interest and instalments on foreign loans taken by the Icelandic state or for which the state is liable.
 - c. Work connected with overseas post, telegraph or telex communications. The wages and terms of service applying to those who work during a work stoppage shall be in accordance with the collective agreement made after the end of the work stoppage.

Article 14

Disputes regarding the application of a collective agreement shall be dealt with by a wages and terms committee. This shall be composed of three persons appointed by each party following the conclusion of negotiations on a collective agreement, and shall serve until a new collective agreement has been made. The wages and terms committee shall call in a chairman with a casting vote to work with it in handling matters on which agreement cannot be reached.

Article 15

The Labor Court shall judge cases that arise between the parties concerning the validity of a strike, disputes on the interpretation of a collective agreement, the social rights of employees and disputes on the voters' roll. When the Labor Court handles such matters, the SSF, on the one hand, and the employers, on the other, shall appoint judges to serve in the court in place of those that have been nominated by the Icelandic Confederation of Labor and the Confederation of Icelandic Employers. The SSF shall conduct cases before the Labor Court on its own behalf, that of its constituent associations and that of the employees involved. In other respects, the provisions of the Trade Unions and Industrial Disputes Act regarding the capacity to bring a case as plaintiff before the Labor Court shall be observed.

Article 16

Provisions in employment contracts shall be invalid if they infringe a collective agreement to the detriment of the employee.

If a company is founded which is owned by the institutions that are signatories to this Agreement, the wages and terms of the employees shall be determined by agreement between the institutions involved and the Confederation of Icelandic Bank and Finance Employees.

Article 17

This Agreement shall take effect when provisions on the rights of the employees of state-owned banks to bargain collectively and to strike have been enacted in law in accordance with the declaration by the banks dated 18 June 1976 and have been approved by the Minister of Commerce. It is envisaged that the period of validity of this Agreement will be the same as that of the legal provisions. However, the parties may amend this Agreement at any time, if they agree to do so; such amendments shall be subject to the approval of the Minister of Commerce.

Agreement on shop stewards

Article 1

At each workplace in which at least 5 members are employed, the workers may choose shop stewards from the employees' association and the SSF for that workplace. Their number shall be decided in collaboration with the SSF, the employees' association involved and the relevant institution.

Article 2

Shop stewards shall ensure that collective agreements are honored and that the employees' rights are respected in all details, particularly as regards holiday, job security, safety and health. Shop stewards shall do their best to create and maintain good collaboration within the institution and seek to resolve disputes that may arise. When disputes arise concerning employees' contractual wages, rights and obligations, the shop stewards elected by the employees shall appear on behalf of groups of workers and assist individuals, as requested by an employee or the bank, except when the dispute extends beyond the defined workplace, in which case the committee of the employees' association shall represent the employees vis-à-vis the bank. Nevertheless, the elected shop stewards may entrust the handling of the matter to the committee of the employees' association if they consider there is reason to do so.

Article 3

Employees shall approach the shop steward with their complaints. The shop steward shall be obliged to investigate the matter immediately when he receives complaints or when he has reason to consider that the rights of the employees or the trade union at his workplace are being violated by the institution. If the shop steward comes to the conclusion that the complaints or suspicion are justified, he shall be obliged to demand a rectification of the situation.

Article 4

Shop stewards shall not be made to suffer in any way, in their work or in another manner, for having been chosen to play the role of shop stewards.

Article 5

Shop stewards shall give the employees in their workplace, and the employees' association involved, and also SSF, as appropriate, a report on complaints made by the employees as soon as this can be arranged. Furthermore, they shall give the same parties a report on the ways in which they consider that the institution has failed to honor the collective agreement, and the measures that have been taken to rectify the situation.

Article 6

If it is necessary for the employer to reduce staff, the shop steward shall normally enjoy priority as regards keeping his job.

Article 7

Shop stewards and the chairman of the employees' association shall receive a suitable amount of time off on full wages in order to participate as necessary in courses and meetings connected with their work as such, providing that this results in the minimum possible disruption of the bank's operations.

Article 8

Shop stewards and the chairman of the employees' association shall be permitted to carry out their work on behalf of the employees during their working time, and shall be provided with facilities with access to a telephone and a place where they can talk with the employees in private.

Article 9

The chairman of the employees' association, in consultation with its committee and representative council, shall monitor, and have the right to make proposals on, changes in wages and the implementation of collective agreements. Representatives of the employees' association shall be entitled to meet the board of the bank in order to discuss matters concerning the employees.

Article 10

Meetings of the board of the bank, the personnel manager and representatives of the workers concerning general matters relating to the interests of the employees, shall be held when either party so requests.

Article 11

Meetings of the managers and departmental managers of the bank, and the board and/or shop stewards of the employees' association, and particularly those meetings that concern the structure and operations of the bank and plans to change them, shall be held when the occasion arises and either party so requests.

Article 12

The parties may make amendments to this Agreement at any time if they agree to do so.

