

**COLLECTIVE  
WORK AGREEMENT  
FOR INSURANCE  
COMPANY EMPLOYEES  
2015-2016-2017**



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## SECTION 1

### Art. 1 – Scope

This Agreement regulates the relations and general working conditions between ACA member insurance companies and their employees working permanently in the Grand Duchy of Luxembourg with the exception of:

- a) senior executives who are covered by Article L. 162-8 of the Luxembourg Labour Code. Within the meaning of this Section, senior executives are considered to be workers whose remuneration is significantly higher than that of employees covered by the Collective Agreement or those on a different pay scale that takes account of the time required to perform their duties, if this remuneration is in consideration for exercising genuine, effective management authority, or those who perform types of duties that entail clearly-defined authority, extensive independence in terms of organising their work and significant freedom with respect to working hours and notably a lack of working hour restrictions.
- b) apprentices whose status is governed by Article L. 111-11 et seq of the Luxembourg Labour Code.

The Joint Committee may specify the terms and conditions for the scope of this Collective Agreement.

## SECTION II

### Art. 2. – Duration - Termination

This Agreement has been entered into for a period of 3 years from 1 January 2015 to 31 December 2017.

The Agreement may be terminated by either party by registered letter no later than one month and no earlier than three months prior to its expiry.

If the Agreement is terminated in accordance with the previous paragraph, this shall trigger negotiations in accordance with Article L. 162-2. The party terminating the Agreement must enclose with its termination letter a draft Agreement on the items subject to revision.

The terminated Agreement shall cease to be effective when a new Agreement comes into force or when it has been established that negotiations have failed by a report confirming that conciliation is impossible, in accordance with the provisions of Article L. 164-5.

## SECTION III

### Art. 3 – Hiring

Employment contracts between employers and employees, whether fixed-term, open-ended or on a trial basis, must be made in writing.

Employment contracts must be drawn up in duplicate, with the first copy for the employer and the second for the employee, and specify, in addition to the provisions of Article L. 121-4 of the Luxembourg Labour Code:

- a) the nature of the job and details of the duties to be performed
- b) the length of the contract or information stating whether it is entered into on a trial basis for a fixed period or for an undetermined period
- c) the starting salary and the group in which the employee falls as well as any additional remuneration within the meaning of Article L. 221-1 of the Luxembourg Labour Code
- d) any exemption clauses or supplementary clauses agreed by the parties.

On joining a company, any hired person shall:

- receive a copy of the Collective Agreement in force either in electronic form or as a hard copy
- be notified of their rights and obligations
- be informed of how the staff delegation operates

Within a week, the chairperson of the staff delegation shall receive a list of hired individuals indicating the departments to which they have been assigned, employment contract types (open-ended, fixed term, part-time) and a list of temporary staff and interns (excluding students on summer placements).

Any employee hired by an insurance company must undergo upon recruitment a medical check-up in accordance with Article L. 326-1 of the Luxembourg Labour Code. The medical service for the financial sector is the *Association pour la Santé au Travail du Secteur Financier (ASTF)* [Association for Financial Sector Occupational Health].

### Art. 4 – Trial period

The recruitment of staff on a trial basis is governed by Articles L. 121-5 and L. 122-11 of the Luxembourg Labour Code. These articles are reproduced in Appendix II.

**Art. 5 – Termination of contract**

1) Employment contracts shall be ended or terminated in accordance with the legal provisions in force; the notice periods are as follows:

- for employees:

<b>Notice period</b>	<b>Years' service</b>
2 months	< 5 years' service
4 months	≥ 5 years and < 10 years of service
6 months	≥ 10 years' service

- for employers

<b>Notice period</b>	<b>Years' service</b>
1 months	< 5 years' service
2 months	≥ 5 years and < 10 years of service
3 months	≥ 10 years' service

In accordance with Article L. 124-7 of the Luxembourg Labour Code, employees bound by an open-ended employment contract who are dismissed by their employers, without the employer being authorised to do so by Article L. 124-10 of the Luxembourg Labour Code, are entitled to severance pay of:

<b>Months' pay</b>	<b>Years' service</b>
1 month's pay	after 5 years
2 months' pay	after 10 years
3 months' pay	after 15 years
6 months' pay	after 20 years
9 months' pay	after 25 years
12 months' pay	after 30 years

Employers terminating permanent employment contracts must notify the staff delegation of this immediately.

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- 2) In the event of streamlining, restructuring or termination of business, the legal notice periods for employees are increased to:

<b>Notice period</b>	<b>Years' service</b>
4 months	< 5 years' service
8 months	≥ 5 years and < 10 years of service
12 months	≥ 10 years' service

In these instances, the legal severance pay provided for by Article L. 124-7 of the Luxembourg Labour Code is increased to:

<b>Months' pay</b>	<b>Years' service</b>
1 month's pay	after 1 year
2 months' pay	after 8 years
3 months' pay	after 13 years
7 months' pay	after 18 years
11 months' pay	after 23 years
15 months' pay	after 28 years
18 months' pay	after 33 years

- 3) If changes occur in terms of the employer's legal situation, notably by means of inheritance, sale, merger, transformation of funds or company incorporation, all existing employment contracts on the date of the change shall survive between the new employer and the staff of the companies concerned, and this must occur in accordance with Article L. 127-1 et seq. of the Luxembourg Labour Code.

In the first two years following this change, there may be no terminations on the grounds of restructuring or streamlining or amendments to employment contracts within the meaning of the provisions of Article L. 121-7 of the Luxembourg Labour Code to the detriment of employees.

- 4) By derogation from Article L. 124-2 of the Luxembourg Labour Code, all employees are entitled to a pre-dismissal interview, regardless of the number of staff employed by the company.
- 5) Similarly, by derogation from the third sub-paragraph of Article L. 124-2 (1), the date of the pre-dismissal interview may be scheduled for no earlier than the fourth working day worked after the date on which the registered letter is sent or the document is handed over against a receipt, as described in the first sub-paragraph of this paragraph.

This exception in favour of the employee(s) concerned may not invalidate any other provisions relating to the termination of employment contracts, nor, specifically, the provisions of Article L-121-6 (4) stipulating that presentation of a certificate of incapacity for work after receipt of a letter inviting the employee to attend the pre-dismissal interview shall in no way affect the validity of the initiated dismissal procedure.

## 6) Termination of contract – Supportive measures

Employees who are notified of their dismissal shall be entitled to supportive measures funded by the employer if they meet the following conditions:

- Having worked in the company for at least three years
- Not having been dismissed on serious grounds.

The seniority condition is not required in the event of redundancies for economic reasons.

The supportive measures shall comprise a range of guidance services and advice aimed at enabling employees who have lost their jobs to find jobs with new employers or develop a self-employed activity as quickly as possible.

Employees wishing to benefit from such supportive measures must request this in writing within two months of notification of dismissal.

Employers must give their consent, where appropriate after consulting the staff delegation, to the service provider supplying the supportive measures, in order for the budget mentioned below to be allocated.

Supportive measures are neutral and independent of legal provisions regarding dismissals and any dispute proceedings against dismissals that have occurred.

If the employer gives its consent, the cost of supportive measures shall be borne by the employer.

The allocated budget is €700 - base index 100.

This budget is used solely to pay the invoices of suppliers providing supportive measures and is under no circumstances paid directly to dismissed employees. Dismissed employees may not request the cash equivalent of the supportive measures budget.

If supportive measures take place during the notice period, employers undertake to release employees from their duties during these periods.

### **Art. 6 – Working hours**

Full-time employees should work 40 hours per week, generally distributed over 5 consecutive working days.

### **Art. 6a – Flexible arrangement of working hours**

#### **I. Fixed working hours system**

Notwithstanding the stipulations of Article 6 above, working hours are 8 hours per day and 40 hours per week.

Working hours are determined after consultation with the staff delegation.

Notwithstanding the provisions of Article L. 211-18 et seq of the Luxembourg Labour Code, working hours exceeding normal working time shall be considered, where applicable, as overtime provided that they have been worked at the request of the employer or its representative or in accordance with the internal regulations of insurance companies.

Insurance companies may nevertheless implement, for all or part of their company, a more flexible arrangement in accordance with the terms and conditions set out below in II. These terms and conditions apply by analogy to salaries with part-time contracts.

## **II. Flexible working hours system**

### **A. Special features of the system**

#### **Flexitime**

Flexitime allows employees to manage their schedules in accordance with their wishes and personal constraints, provided they comply with operational requirements and the reasonable wishes of other employees.

Flexitime working hours are subject to upper and lower limits. Lower limits are to be set by individual insurance companies while upper limits must not exceed 10 hours per day and 48 hours per week.

However, daily and weekly working hours only constitute average values which are 40 hours per week and, assuming that work is distributed over five days, 8 hours per day.

Since employees are responsible for properly performing the duties assigned to them, they are also responsible for managing their working hours in consultation with their head of department and thus compensating for any surpluses and deficits in working hours occurring over the course of a single reference period, which is described in further detail hereafter.

In the absence of a working hours management system, each employee may complete a weekly time sheet showing the hours they have worked, which is endorsed by their line manager.

Employees are entitled to organise their lieu time as they deem fit, provided they comply with operational requirements and the reasonable wishes of other employees.

They are notably worked out as:

- hours per day
- half-days
- full days
- grouped days

Given that periods of compulsory attendance differ among insurance companies, lieu time must be taken in accordance with the rules agreed with the staff delegation.

For half-day based or longer lieu time, employees must issue a written request to their line managers using a form intended for this purpose. Any rejections must be justified within a reasonable period of time that must not exceed 5 working days.

Lieu time is organised with a view to balancing any working hour surpluses and deficits at the end of a reference period, where possible.



## **Reference period**

The reference period is fixed at 6 months, following consultation with the staff delegation.

A report indicating overall balances of working hours by department is issued to the staff delegation at the end of each month. In the absence of a working hours management system, this report is produced at the end of the 3rd and 5th month of each half-yearly reference period.

At the end of the period, an individual count is performed to identify hours exceeding the weekly average of 40 hours (credits) and any hours below the said average (debits).

## **B. Terms and conditions of implementation**

### **Definition of overtime**

Provided they are worked at the employer's express request, working hour surpluses exceeding the weekly average of 40 hours (credits) at the end of the reference period are deemed to be overtime insofar as it has not be possible, for operational reasons, to take them in lieu.

Work performed outside the limits set for a day, week or reference period and caused by unforeseeable events or in the event of force majeure within the meaning that the law ascribes to these concepts, is not considered to be overtime.

Working hour debits are offset against rest days after informing the employee.

Working hour debits must be regularised within a period to be defined by the rules on flexitime by exceeding the normal working hours for the subsequent reference period without giving rise to pay increases for overtime, and this must occur in accordance with the limits imposed by law, namely 10 hours per day and 48 hours per week.

If credits exhibit a structural and repetitive pattern, the company shall also examine whether it may be appropriate to increase the workforce.

The Joint Committee may be convened to examine any issues relating to the terms and conditions of implementation set out above.

### **Remuneration of work**

#### **Overtime – pay increases in accordance with the law and/or agreements**

Overtime is remunerated as follows:

- either by a cash payment at a rate of 150%
- or as rest hours at a rate of 150% with no cash payment; these hours must be converted into rest days to be taken over the year subsequent to calculation;
- or through a combination of the two aforementioned solutions;

The number of hours in debit and credit to be carried forward to the subsequent reference period and the associated procedure must be established within each company in consultation with the staff delegation.

Any remunerated overtime is paid with the salary for the month after these hours are worked (> 10 h, >48h, hours worked outside the Work Organisation Plan and with ministerial authorisation) and the salary for the month following the calculation for the end of the reference period (>40 hours on average).

The provisions of Article L.211-7 (2) of the Luxembourg Labour Code must naturally be observed, in particular: "Save legal exceptions, working hours may not exceed ten hours per day or forty-eight hours per week." "

### **C. Transposition at the level of the company**

The terms and conditions for implementing Articles 6 and 6a, including the definition of fixed and flexible periods, must be determined at the level of the company after the staff delegation has been consulted and informed. The same applies to measures for monitoring and analysing proper implementation of the flexible working hours system. To that end, insurance companies shall implement systems for inputting working hours, taking account the aforesaid stipulations.

Procedures for authorising and monitoring hours worked in connection with this system by line managers must also be implemented in companies.

All these provisions make up the Work Organisation Plan.

### **D. Monitoring flexitime and right to appeal**

#### **- Flexitime monitoring**

In the absence of a staff delegation, a flexitime guidance group should be set up in insurance companies, comprising staff and employer representatives. The staff delegation or guidance group is responsible for monitoring compliance with working hour regulations and their practical implementation. They shall meet periodically (at least quarterly) in order to assess the overall balances of hours worked in the company. Staff representatives shall be sent an itemised list of overall balances for the various departments at least three days prior to the meeting.

The staff delegation or guidance group must make suggestions aimed at resolving any problems reported in relation to flexitime.

#### **- Disputes**

In the event of disputes regarding the provisions on flexitime, employees are entitled to seek the assistance of a member of the staff delegation or guidance group described in the paragraph above in disputes with their employers.

**Art. 6 b – Public holidays**

Staff shall not work on the following public holidays:

New Year's Day  
Easter Monday  
1st May  
Ascension Day  
Whit Monday  
Luxembourg National Holiday  
Assumption Day  
All Saints' Day  
Christmas Day  
St Stephen's Day (Boxing Day)

Staff shall not work on Christmas Eve.

The calendar of legal and insurance sector public holidays is fixed annually on the advice of the Joint Committee.

**Art. 6 c – Overtime and Sunday, bank holiday and night work**

**Overtime**

a) Definition

Overtime is considered to be any work performed in excess of the daily and weekly limits for normal working hours determined by the law or the parties. However, in connection with the flexible organisation of working hours, as provided for by Article 6a (II), these limits are increased to 10 and 48 hours respectively.

Any overtime worked is subject to the authorisations and procedures provided for by the legal and internal insurance company provisions.

b) Remuneration

The percentage increase to be applied to the normal salary in the event of cash payment of overtime is 50%, notwithstanding the stipulations of Article 6a.

c) Defining normal hourly pay

Normal hourly pay is calculated by dividing the basic monthly salary by the fixed number of 173 as agreed in the contract, plus a seniority bonus and a twelfth of thirteenth month pay.

**Sunday and statutory public holiday work**

a) Principle

Any work on Sundays or statutory public holidays must first be notified to or authorised by the Employment Minister in accordance with the terms and conditions provided for by Article L. 232-10 of the Luxembourg Labour Code.

Authorisation shall only be granted in exceptional circumstances based on operational requirements.

b) Remuneration

For each hour worked on Sunday, employees are entitled to their normal salary (see definition in Article 6c (1)(c)) plus 70%.

In this respect, hours worked on public holidays in the insurance sector are put on the same footing as those worked on Sunday.

For each hour worked on a statutory public holiday, employees are entitled to their normal hourly pay as defined above plus 200%.

**Night work**

For each hour worked between 10 pm and 6 am, employees are entitled to their normal hourly pay as defined above plus 30%.

**Lieu time**

At the employee's request and in agreement with the employer, overtime, Sunday hours and public holiday hours may be taken as lieu time equivalent to the number of hours worked, on the basis that, under all circumstances, the additional pay must be paid.

**Accumulated overtime and Sunday, public holiday and night work**

Additional pay provided for overtime, night work, Sunday work and public holiday work must be paid cumulatively.

*Example I:*

One hour of overtime at night (between 10 pm and 6 am) shall be remunerated as follows:

normal hour	overtime hour	night work
100%	+ 50%	+30%
i.e. a rate of	180%	
i.e. an increase of 80%		

*Example II*

One hour's overtime worked at night (between 10 pm and 6 am) on a statutory public holiday should be remunerated as follows:

normal hour	100%
overtime supplement	+ 50%
statutory public holiday supplement	+ 200%
night work supplement	+ 30%
i.e. a rate of	380%
i.e. an increase of	280%

**Art. 7 – Working at back-lit displays  
Working below ground level****1) Working at back-lit displays**

Any individuals permanently working on duties limited to data input and/or coding on a back-lit display are granted:

- a) the right to attend an eye test once a year at no cost to the employee;
- b) a 15-minute break for each 4-hour period of continual work at the screen.

These breaks cannot be accumulated or deferred and are scheduled by the employer as follows:

- 1) The 15-minute break must be taken during the 3rd hour worked per 4-hour inputting period. Supervisors are responsible for deciding whether breaks are taken collectively or by team. If the IT system fails due to a breakdown for 15 minutes or more between the end of the 2nd hour and/or during the 3rd hour of inputting, the break time is not due. It is also not due if staff are authorised to leave their desks during the same period.
- 2) In the event of urgent tasks and at a manager's request, breaks may be interrupted or partially deferred to a point later in the day.
- 3) During breaks, employees are not authorised to leave the premises: employees must not disrupt the work of colleagues in the same department or other departments.

With respect to occupational health, the Joint Committee may set out special provisions for permanent work at back-lit displays.

**2) Work below ground level**

The weekly working hours of employees working permanently in areas with no natural light (areas without windows) are reduced by one hour. From the age of 50, a weekly reduction of 2 hours is applied.

An exemption for work below ground level or in areas with no natural light (areas without windows) is granted to employees who request this on medical grounds, subject to standard medical evidence or, if required, an expert medical assessment by their general practitioner and an ASTF physician.

**Art. 7a – Safety measures**

All employees should be adequately protected against assault.

Employers shall take out an insurance policy with an Insurance Company approved in the Grand Duchy of Luxembourg for their staff against death and disability resulting from assaults suffered as an employee of the employer. A copy of this policy is submitted to the delegation.

The following capital is allocated:

- in the event of death EUR 20,000 (base index 100)
- in the event of total permanent disability a maximum of EUR 40,000 (base index 100)

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- in the event of partial permanent disability: sliding scale based on the extent of disability observed.
- should the employee need to be externally redeployed due to a cause covered by the insurance in question, the companies shall insure the difference in salary and this shall occur within the scope of and up to the sum insured for permanent disability.

Compensation shall be calculated using the weighted index for consumer prices for the month of the incident, which is established by the Luxembourg Central Department for Statistics and Economic Studies (STATEC), with the 01/01/1948 basis.

Legal heirs shall receive compensation paid in the event of death unless employees stipulate otherwise.

Reference is also made to the provisions of the Protocol of Agreement on Safety in Insurance signed in the Joint Committee meeting of 21 March 1986 (Appendix III).

The Luxembourg Association for Financial Sector Occupational Health (ASTF) provides medical and psychological follow-up of employees who have suffered trauma in connection with their professional activity.

**Art. 7b – Applicable penalty payments**

Each company shall define the terms and conditions of the applicable penalty payment system.

Points to be addressed by these terms and conditions are determined by the Joint Committee.

**Art. 8 – Annual leave**

All employees are entitled to paid recreational leave in accordance with the provisions of Article L. 233-1 et seq of the Luxembourg Labour Code.

Length of annual leave:

- 25 days for employees aged under 50
- 26 days for employees aged 50 to 54 (effective from the year of the respective birthday)
- 27 days for employees aged 55 and above (effective from the year of the respective birthday)

Leave must be taken consecutively, unless operational requirements and employees' justified wishes require it to be split up, in which case a fraction of at least 12 successive working days' leave must be taken, depending on employees' wishes.

Leave may be taken in full days and, in exceptional circumstances, in half days. Terms and conditions must be determined within each company.

Leave must be granted and taken over the course of the calendar year.

Leave requests must be notified within a maximum period of one month.

If granted leave is deferred on pressing operational grounds, the employer shall meet the costs incurred for the employee by this change.

Leave for the first year's service is due at a rate of a twelfth per full working month. Fractions of working months exceeding fifteen calendar days are counted as full working months. Fractions of days' leave exceeding a half are considered to be full days.

Where employment contracts end midway through the year, employees are entitled to a twelfth of their annual leave per full working month, notwithstanding the provisions of law or agreements relating to the notice of termination. Fractions of working months exceeding fifteen calendar days are counted as full working months.

Maternity leave provided for by Article L. 332-1 et seq of the Luxembourg Labour Code does not preclude women from taking the full allowance of paid annual leave for the period in which it accumulates with maternity leave.

#### **Art. 8a – Rest days**

Employees are entitled to 9.5 rest days per year.

Terms and conditions of implementation

- For reasons of operational scheduling, a rest day may be set collectively for the entire sector by notification of the Joint Committee created by Article 22 of this Agreement.
- In this case, it will be set when the calendar of public holidays referred to in the last subparagraph of Article 6b is drawn up. Employees in service on the fixed date shall be entitled to this collective rest day. Where, owing to operational necessities, certain employees are unable to take this day off on the foreseen date, they shall be entitled to a compensatory rest day.
- Rest day(s) taken individually by employees shall be taken in periods where the workload is not high.
- Moreover, the terms and conditions for rest days shall be the same as those provided for leave days.
- One or more rest days may be set collectively for a company or parts of a company in consultation with the staff delegation. Leave days set collectively by companies must be notified to employees no later than in the first quarter of the year.

#### **Art. 9 – Exceptional leave**

Employees who are obliged to absent themselves from work for personal reasons shall be entitled to exceptional leave with full pay as specified below:

- 1) one half-day for blood and plasma donors;
- 2) one working day for the death of a second-degree blood relative or relative by marriage (i.e. grandfather, grandmother, grandson, granddaughter, brother, sister, brother-in-law, sister-in-law);
- 3) two working days for the marriage or civil partnership or ordination of a child, the taking of the veil by a daughter and in the event of a house move;

Exceptional leave for house moves is granted in the event of:

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- a change of domicile or residence (including a change of flats within a co-owned building where there is no change of address)
- setting up home after a first marriage on presentation of a change of residence certificate for the insurance employee and/or his/her spouse.

However, simply changing rooms shall not be considered as a house move.

- 4) three working days for spouses or partners in the event of the birth of a recognised child or in the event of adoption;
- 5) four working days for the death of a first-degree blood relative or relative by marriage (i.e. father, mother, father-in-law, mother-in-law, son-in-law, daughter-in-law);
- 6) five working days for the death of a spouse, partner or child;
- 7) six working days for the marriage of an employee;
- 8) leave for accompanying individuals at the end of their lives in accordance with the provisions of Article L.234-65 et seq of the Luxembourg Labour Code.

in all these circumstances, the employee shall continue to receive full pay.

Exceptional leave must be taken in connection with the incident that gives entitlement to it and no later than within the week of the incident. Employees shall be granted their entire exceptional leave regardless of the number of months they have worked in the year.

Employees living in registered partnership in accordance with Article 3 et seq of the amended law of 9 July 2004 on the legal effects of certain partnerships shall benefit from all exceptional leave.

<b>Art. 9a – Union leave</b>
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In each insurance company, paid leave for trade union requirements and trade union training shall be agreed, where necessary, between the staff delegation and management for members of the delegation, in accordance with the schedule proposed by the Joint Committee created by Article 22 of this Agreement.

In accordance with Article L 415-10 of the Luxembourg Labour Code:

1. Employers are obliged to grant appointed staff delegates free time known as “training leave” required for taking part, without any loss of pay, in training actions organised by trade union organisations or by specialist institutions at times that coincide with normal working hours and aimed at improving their economic, social and technical knowledge in their roles as employee representatives.
2. In companies regularly employing between fifteen and fifty employees, each appointed staff delegation member is entitled to a week’s training leave during his/her term of office, the related remuneration expenses being paid for by the State.

In companies regularly employing between fifty-one and one hundred and fifty employees, each appointed staff delegation member is entitled to two week’s training leave during his/her term of office, the remuneration expenses for one week’s training leave being paid for by the State.

In companies regularly employing over one hundred and fifty employees, each appointed staff delegation member is entitled to one week’s training leave per year.



3. Training leave time cannot be offset against annual paid leave time; it is equivalent to a working period.

At their request and within the limits listed in paragraph (2), training leave must be granted by the company manager to delegates wishing to perform training sessions, which are approved each year in connection with a list drawn up jointly by professional employer organisations and the most representative trade union organisations at national level.

In accordance with paragraph (3) of Article L.415-10 of the Luxembourg Labour Code, it has been agreed jointly between the social partners, ACA and the trade unions that have signed the Collective Agreement for insurance employees (Aleba, OGBL and LCGB-Sesf) that all trade union training organised by trade unions or through the Luxembourg Trade Union Training Centre (CFSL) of the Chamber of Employees at the request and on behalf of the three aforementioned trade unions should be recognised as approved training within the meaning of paragraph (3) of Article L.415-10 of the Luxembourg Labour Code.

That means that appointed staff delegates in the insurance sector may either take part in training delivered by the *Ecole supérieure du travail* or training delivered by their respective trade unions or by the CFSL in accordance with paragraphs 1) and 2) of Article 415-10 of the Luxembourg Labour Code.

#### **Art. 9b – Leave on social grounds**

Leave on social grounds may be granted in pressing social circumstances e.g. if a close family member has suffered an illness or accident.

#### **Art. 9c – Leave on family grounds**

Employees are entitled to leave on family grounds within the limits and under the conditions of Article L. 234-50 et seq of the Luxembourg Labour Code.

#### **Art. 9d – Authorised absences**

- 1) Absences at the employer's initiative  
Employers are responsible for any absences at their instruction.
- 2) Absences at the employee's initiative  
Employees are responsible for any absences at their own initiative.

However the following are permitted:

- Visits to authorities and notaries whose opening hours coincide with insurance sector working hours
- school examination attendances
- court summonses
- medical examinations required by law
- and within reasonable limits, medical check-ups, X-rays, various tests and pre- or post-operative care.

The staff delegation may monitor how this is implemented.

## **Art. 10 – Employee obligations**

Employees must adhere strictly to the foreseen working hours and must conscientiously fulfil the duties and responsibilities entrusted to them. They must follow instructions issued by their hierarchical superiors and adhere to principles of professional ethics specific to the insurance sector professions.

Employees must strictly observe professional secrecy subject to the penalties provided for by law.

## **Art. 10a – Disciplinary measures**

Employees must adhere to their employers' internal organisational regulations as well as legislation relating to the insurance sector.

In the event of infringement or failure to observe the provisions listed above, employers are entitled to take disciplinary action against the relevant employees.

Disciplinary action may only be taken after a meeting with the relevant employee. If they request this, employees may ask a delegate to attend this meeting.

Where officially adopted action is taken with respect to a warning or reprimand, employees are entitled to respond and explain their actions in writing. This explanation is attached to the file as an official exhibit. It may be drawn up after consulting with the staff delegation.

Pursuant to individual and exceptional disciplinary measures, the employer may suspend for one year any pay increases payable on 1 January following the incident, after a written warning or reprimand.

Copies of the warning, reprimand or suspension must be sent to the staff delegation.

Warnings and reprimands will have no effect beyond a period of **3** years with effect from their date.

## **Art. 11 – Work outside insurance companies**

Employees are not entitled to hold jobs outside their jobs in insurance companies without first notifying management, which will assess, after consulting the staff delegation, whether or not this work is compatible with work as an insurance sector employee.

Should the staff delegation deem the rejection of a staff member's request to hold a job outside an insurance company to be unfounded, it may appeal to the Joint Committee created in accordance with Article 22 of this Agreement.

**Art. 12 – Induction period and professional training****A. Definition**

This article defines training as all means implemented by employers and specialist training bodies to enable employees to develop the knowledge, skills and abilities required to meet companies' present and future requirements and progress their own careers.

Individual access to the various training sessions takes place on a consensual basis with the employer.

Training requests are therefore examined by employers who check whether they are justified.

In terms of training programmes available to employees, a distinction should be drawn between (i) internal training and (ii) external training.

(i) Internal Training:

Internal training content and methods vary among companies depending on their specific requirements, internal training infrastructure and employees' skill profiles. It generally entails structured "on-the-job" training initiatives such as:

- practical introductions to relevant tasks and/or technologies for a job;
- "coaching" and "mentoring" programmes aimed at providing regular professional advice and support from line managers and/or colleagues responsible for supervising new employees' development;
- internal training in different departments.

On-the-job training programmes are aimed at new employees as well as existing employees tasked with taking on new roles.

An increasing number of companies include the following in their internal training programmes:

- training courses developed by "in-house" specialists (or internal trainers) or, where appropriate, with the assistance of external training specialists. These training courses meet the companies' specific requirements and are only available to company employees.
- Moreover, internal training programmes may include web-learning or e-learning initiatives.

(ii) External training:

External training includes all initiatives and training programmes offered to the public by approved specialist training institutions in accordance with Article L. 542-7 et seq of the Luxembourg Labour Code whose purpose is to provide support and continuing professional development meeting companies' more general requirements and/or employees' individual interests in terms of skill development. Institutions with public or private school status (secondary schools, universities, higher education institutes, etc.) recognised by the public authorities and issuing qualifications or certificates recognised by these authorities should be considered to be among these specialist institutions.

**B. Key Training Areas**

In more specific terms, training sessions available to employees throughout their careers can be separated into two categories: I) Induction Training; II) Continuing Professional Development.

### **C. Assessment of Training Requirements**

Employees and employers are jointly responsible for assessing training requirements. The method adopted for assessing training requirements is a matter for employers and may vary among companies. In this context, annual appraisals may constitute a tool for employees and their line managers to discuss and define individual requirements and draft an individual training plan. Companies are responsible for drafting their general training plans in consultation with staff representatives as defined in Article L.542-1 et seq of the Luxembourg Labour Code.

### **D. Training outside working hours**

All training generally takes place during working hours. If, in exceptional circumstances, training were to take place outside working hours, reference should be made to the provisions of Article L. 542-7 et seq of the Luxembourg Labour Code.

### **E. Training partners**

Among other providers, ACA offers training courses meeting induction training requirements in partnership with the IFBL.

It should be noted that insurance companies are free to deliver induction training in-house or with other training bodies.

### **F. Appeal**

In cases where requests cannot be approved, employees may apply to an internal appeals panel within their company comprising the following members:

- the HR manager;
- the employee's line manager;
- the employee assisted, if required, by a staff delegation representative or, in the absence of a delegation, another company staff member.

However the final decision falls to the employer.

### **G. Briefing and Consulting Staff Representatives:**

At least once a year and in the event of economic problems, companies undertake to brief and consult the Joint Committee or, failing that, the staff delegation, with regard to the training policy and projects that they intend to implement in the subsequent financial year.

This briefing will notably relate to career transition training that companies intend to implement in light of economic information that is known at the time and may have a decisive impact on the company structure in terms of jobs and technological development or working methods specific to certain professional activities. In this case, briefing and consultation shall take place in accordance with Article L. 423-2(3) and L. 423-3 of the Luxembourg Labour Code.

## **I. Induction training**

### **A. General provisions**

Employees without prior experience of the insurance sector are hired with an induction period aimed at preparing them optimally for the type of role in which they will be employed. The induction period may be waived depending on how well-suited individual employees are to their posts.

Within 3 months of recruitment, this goal is achieved through a tailored theoretical and practical training programme which is formalised in a training plan including a minimum of 60 hours' training.

Induction training is aimed at teaching insurance techniques and professional general knowledge required for the post held; updating in languages, office automation, economics, etc. are added to this programme where required.

In addition to a general training component (basic module of at least 24 hours specifically addressing the following subjects: general introduction, insurance sector law, contract law, combating money laundering, introduction to social security, insurance taxation, risk division, etc.) the induction training programme also includes a special adaptable training component tailored to individual employees' profiles, knowledge acquired through study and the requirements of the post held.

This training constitutes an entitlement for employees. Moreover, employees who are absent due to a career break (e.g. maternity leave, sabbatical, etc.) shall continue their induction training programme on their return.

Unless IFBL experiences organisational issues, minimum induction training shall take place over 1 year. If the number of training hours exceeds 60 hours, training may be delivered over a maximum of 2 years.

Training hours are equivalent to working hours.

### **B. Classification**

During their induction period, employees are classified into role groups in accordance with Article 13 of this Agreement. Subject to what is set out below, they shall benefit from all stipulations of this Agreement.

However, stipulations relating to the awarding of 13th month pay are not applicable, this being paid at a rate of 50% during the first year of induction training.

## **II. Continuing professional training**

Subject to validation by employers, employees shall benefit from continuing professional training throughout their careers to adapt their skills to companies' changing requirements and maintain their level of "employability". In the event of streamlining, restructuring, reorganisation or other structural changes to companies or groups, management is obliged to enter into discussions/negotiations with the Joint Committee and/or Staff Delegation in order to draft a career transition training plan for employees.

In this Agreement, continuing professional training is designed to include two key areas: A. Reskilling and B. Upskilling.

## **A. Reskilling**

Reskilling relates to all training initiatives aimed at ensuring employability, both within companies and in the insurance sector, for employees falling within the scope of this Agreement whose jobs may significantly change or even be cut.

### **1. Aim of training**

The ultimate aim of training is to increase the employability of employees whose duties may be profoundly affected by technological developments and the associated working methods. This training should enable them to change careers either within their companies or the insurance sector and, where applicable, take on new responsibilities.

However, training does not provide employees with:

- an entitlement to reassignment, transfer or new posts (however, in the event of vacancies in a company, employees who are suitable for the announced vacancies shall be given absolute priority for these posts)
- an entitlement to financial bonuses.

### **2. Recipient group**

This training is provided to all insurance-sector employees falling within the scope of this Agreement.

### **3. Training content**

The training programme is based on a modular approach aimed at providing tailored training catering for individuals' knowledge levels. Its content must be relatively wide-ranging to provide training of a general nature.

The programme is based on:

- courses on personal development;
- refresher courses;
- optional modules including language courses.

### **4. Impact on the performance assessment system**

Employees' participation in reskilling should not adversely affect their performance assessment.

### **5. Training entitlement in the event of redundancy**

Employees whose employment contracts expire due to redundancy are entitled to complete any reskilling they have already commenced and this shall occur under the existing terms and conditions. Any resulting costs shall be borne by employers instigating termination of employment contracts.

## **B. Upskilling**

“Upskilling“ includes all internal and external training measures provided to employees to enable them to acquire or improve the necessary skills and knowledge to perform

their duties and advance their careers. It may cover various types of measures including practical measures such as team briefings, demonstrations of new technologies, placements in different company departments, e-learning courses and courses delivered internally or externally.

Upskilling programmes are drawn up based on training needs noted at annual appraisals or other meetings. Any identified training needs that have a significant impact on employees' performance in connection with their current roles should give rise to training or at least be initiated before the subsequent appraisal.

Upskilling bonus:

Employees shall be awarded a single bonus of a gross sum of €40.00 (base index 100) per 60-hour instalment of training completed outside working hours and during a reference period running from 1 September to 31 August of the subsequent year. Payment shall occur at the end of the reference period.

### **C. Registration costs**

Payment: Registration costs shall be advanced by employers and paid for in full by them if employees pass.

Final cost:

if employees fail having regularly attended classes and having taken the exam: 50% borne by the employer and 50% borne by the employee

if employees fail having not regularly attended classes without justification or without taking the examination (without justification): 100% borne by the employee

### **D. Training leave**

In the event of examinations, employees may take the following training leave for any training certified by a compulsory examination, which they are taking for the first time:

- half a day's leave if the training lasts 20 hours or more;
- 1 day's leave if the training lasts 40 hours;
- half a day's extra leave for each additional 20-hour instalment.

If employees fail the examination and wish to retake it, they may be granted training leave with their employer's consent.

Training leave per employee may not exceed a maximum of two days' leave per year, regardless of the duration and number of training courses attended."

## SECTION IV

### Art. 13 – Classification

#### I. GENERAL PROVISIONS

Employees covered by the Agreement are split into 6 role groups.

When classifying staff by 6 role groups, their educational background is only taken into account at the start of their careers in the absence of other factors constituting the criteria for each of these role groups.

When changing employers from one insurance company to another, employees remaining in the same role group are guaranteed at least the same basic salary up to threshold 1 as that received in the same role group with the previous employer.

##### **A. Classification based on education**

Luxembourgish diplomas certifying the various educational streams (content, duration) are used as a reference framework for applying classification rules. Non-EU educational qualifications must be officially recognised in Luxembourg in order to be considered for the classification below. Any official recognitions are the responsibility of future employers. Once officially recognised, employees shall be classified retrospectively in the group for which they would have been eligible. Any problems in terms of classifying foreign qualifications are a matter for the Joint Committee created in accordance with Article 22 of this Agreement.

As a minimum requirement, classification based on education is performed as follows:

- Employees who have passed their secondary school leaving certificate and have an appropriate linguistic profile may not be classified any lower than Group II.
- Employees who have passed at least 2 years' higher or university education certified by a diploma or pass certificate in a discipline meeting the requirements of the post or assessment criteria specified hereafter and with an appropriate linguistic profile may not be classified any lower than Group III.
- Employees who have passed at least 4 years' higher or university education certified by a diploma or pass certificate in a discipline meeting the requirements of the post or assessment criteria specified hereafter and with an appropriate linguistic profile may not be classified any lower than Group IV.
- Assessment criteria:
  - a) How appropriate the candidates' educational background is to insurance sector requirements in general.
  - b) Linguistic knowledge appropriate to the role.
  - c) Higher education, especially in economics, commerce, finance, insurance and law should automatically be considered to meet insurance sector requirements.

##### **B. Classification based on roles**

For the purposes of classifying employees based on the role performed, the roles described in this Agreement are only provided for information and as examples.

If several roles are permanently performed concurrently, the highest role that is primarily performed determines the classification.

If these concurrent roles are only performed to a secondary degree or do not exceed six months, the main role determines the classification.



### **C. Change of classification**

No later than after 10 years' service in the insurance sector, any employee in groups 1 to 5 shall be classified in the role group immediately above the role group in which they started their insurance sector career. This higher classification guarantee is only applicable once per employee for his/her own career. This guaranteed change of group within companies by no means precludes joining a higher group within companies in connection with autonomy, complexity, supervision or interaction with third parties as described in Paragraph II of this section.

Any change of group shall be notified in writing to the employee concerned and the new group indicated.

On changing groups within companies on the grounds of autonomy, complexity, supervision or interaction with third parties as described in Article 13 II of this Collective Agreement, the monthly base salary shall be increased by at least €10.00 (base index 100) for a full-time job. This sum is to be offset against the minimum change guarantee defined in Article 14 (2) of this Collective Agreement. This provision does not apply to the provisions of the first paragraph of this point.

Employees leaving their jobs may request a certificate from the insurance company confirming they have not changed groups (excluding migration to the new role groups which is not considered to be a change of group).

### **D. Apprenticeships**

The status of apprentices is governed by Article L. 111-1 et seq of the Luxembourg Labour Code.

## **II. ROLE GROUPS**

There are 6 role groups. A role has a general description. A role is assessed based on four criteria, namely:

1. Autonomy when performing the role
2. Complexity
3. Supervision
4. Interaction with third parties

### **Role group 1:**

General description: Performing a simple task.

1 and 2: Role autonomy and complexity - Low:

- little or no autonomy required;
- tasks are governed by clearly established rules, instructions and procedures;
- they are subject to direct checks implemented by managers who are constantly close at hand, providing very clear and precise instructions on how to perform these tasks and who must authorise any deviations from stipulated directives and procedures;
- tasks generally require employees to be precise, orderly and methodical.

3. Supervisory responsibilities: No supervisory responsibility is required at this level.

4. Interaction with third parties: Little or no interaction with third parties is required to perform this role.

### Sample roles:

- Reception staff
- Switchboard operator

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- Receptionist
- Level 1 customer relations staff
- Driver
- Maintenance staff
- Building technician
- Shipping department staff
- Simple claims manager
- Drafter of simple policies
- Administrative and support staff

## Role group 2:

General description: Employees who have acquired good knowledge of the department in which they work are classified at this role level.

These roles generally require:

- the ability to work in a precise, orderly and methodical manner;
- a certain degree of versatility within the department;
- good customer service skills;
- reasonable proficiency in basic/standard correspondence required to interact with internal/external contacts

1. Required autonomy - Little or no autonomy required:

- the role is defined as being performed with close and continually available supervision;
- managers provide clear and precise instructions on performing tasks;
- the role is performed in strict adherence to the instructions provided - all deviations must be authorised by managers.

2. Role complexity - Low:

- the tasks performed are similar in nature (despite their specialisations) and always require the same skills to be applied;
- any problems to be resolved are simple; they are resolved based on obvious and rudimentary indicators which are easily interpretable;
- any decisions to be taken relate only to the implementation of clearly defined rules and procedures.

3. Supervisory responsibilities: No supervisory responsibility is required at this level.

4. Interaction with third parties: Little or no interaction with third parties is required to perform this role.

### Sample roles:

- Qualified secretary
- Customer relations staff
- Junior claims manager
- Assistant accountant
- Level 1 IT support staff
- Junior underwriter

### Role group 3:

General description: Roles entailing management of advanced everyday or supportive tasks relating to the performance of administrative, technical or commercial tasks, requiring advanced professional training subject to periodic checks.

These roles generally require the application of:

- advanced theoretical knowledge or confirmed experience;
- good interpersonal skills;
- sales skills;
- good technical proficiency in the area of activity.

#### 1. Required autonomy - Low to medium:

- the role is subject to general rules, instructions and procedures;
- it is defined to function partly without close supervision although managers may be available if required;
- managers provide general instructions on performing tasks for the role;
- the main deviations and situations for which no existing instructions may be applied are passed on to managers.
- staff employed in this role must take simple decisions regarding the defined rules and procedures to be applied - they must decide between two or more alternatives based on existing instructions or by applying minor deviations to adapt instructions to situations.

#### 2. Role complexity - Low to medium:

- the majority of tasks to be performed are repetitive and identical in nature, mainly requiring the application of similar skills;
- the working methods to be applied are not very complex;
- the instructions provided in the role description and procedural manuals must sometimes be interpreted to take account of other factors (which are direct, apparent and few in number);
- the problems to be resolved are not very complex - they require past solutions with a moderate number of alternatives that are not very complex in technical terms and simple to choose.

#### 3. Supervisory responsibilities: No supervisory responsibility is required at this level.

4. Interaction with third parties: Limited but regular interaction with a limited and pre-defined number of third parties (customers, other external contacts and/or internal colleagues) requiring simple relations limited to the receipt/transmission of information and/or documents required for completing the tasks entailed by the role. Little or no internal or external representative responsibility.

#### Sample roles:

- Executive secretary
- Analyst/programmer
- HR assistant
- Junior accountant
- Underwriter
- Intermediary support manager
- Non-life technical expert
- Web Master,
- IT help-desk staff
- Marketing assistant
- Communication assistant
- Senior claims manager

**Role group 4:**

General description: Roles that entail a responsibility to manage an administrative, technical or commercial activity and/or supervise the duties of a small group of individual contributors, governed by the general procedures and subject to occasional checks.

These roles generally require the application of:

- advanced theoretical knowledge and/or confirmed experience;
  - good interpersonal skills;
  - good analytical skills;
  - proven organisational skills;
  - advanced sales skills;
  - good verbal and/or written communication (depending on the specific role performed)
1. Required autonomy - Medium:- the role is defined as mainly being performed without close supervision although managers should be available if required;- managers provide few instructions on performing duties for the role with the exception of established procedures/directives and fixed goals;- major deviations and situations in which no existing instructions can be applied should be passed on to managers - while there is no close monitoring from managers, all results for individual areas of activity are monitored - the main obligation of individuals employed in this role is to achieve specific goals defined by the organisation for a given department/entity;
  2. Complexity of the role - Medium:
    - most tasks are not repetitive - the working methods to be applied are moderately complex;
    - insufficient instructions are provided in the role description and procedural manuals; it is often necessary to take the initiative and interpret other factors (of an indirect and sometimes contradictory nature) while adhering to procedures and fixed goals;
    - the duties, most of which are diverse, require various skills to be applied frequently;
    - the problems to be resolved are moderately complex; in most cases they require solutions that have already been applied in the past but must be adapted and/or supplemented in order to achieve the aims of the role;
    - decisions to be taken relate to developing, creating, assessing or choosing methods, rules and procedures.
  3. Supervisory responsibilities: Roles at this level may entail the responsibility of supervising the work of several individual contributors - within a framework previously defined by employees' own managers. The tasks supervised are of simple to medium complexity.
  4. Interaction with third parties: Regular interaction with a limited and pre-defined number of third parties (customers, other external contacts and/or internal colleagues) which is clearly defined in the operational and supervisory procedures (both in terms of content and the relevant contacts). Little or no internal or external representative responsibility.

**Sample roles:**

- Junior legal adviser
- Junior internal auditor
- Junior risk manager
- Junior actuary
- HR manager
- Accountant
- Management assistant
- Junior project manager

### Role group 5:

General description: Autonomous and diverse role requiring qualifications, initiative and responsibility. Included in this group: qualified employees who are considered to be the top employees in their department due to their professional training and who are required to take the initiative and stand in for the department manager.

Roles entailing advisory, administrative activity management, technical and/or commercial responsibility.

- governed by general procedures and specific objectives;
- subject to occasional checks.

These roles generally require the application of:

- very advanced theoretical knowledge and/or confirmed professional experience;
- good interpersonal skills;
- advanced analytical skills;
- a degree of initiative and creativity;
- an ability to take decisions and report on them;
- proven sales skills;
- good listening skills and verbal and/or writing skills;
- an ability to manage a pre-defined budget;
- the ability to set and achieve team goals;
- management skills.

#### 1. Required autonomy - Medium to high

- individuals employed in this role have the principal obligation of achieving general goals set by the organisation for their department/entity while adhering to established procedures/directives;
- while there is no close monitoring from managers, all results for the area of activity are monitored, requiring the above skills to be applied to achieve specific goals set by the organisation for the department/entity.

#### 2. Role complexity - Medium to high:

- most tasks are not repetitive - the working methods to be applied are moderately complex;
- insufficient instructions are provided in the role description and procedural manuals - the interpretation of other factors (of an indirect and sometimes contradictory nature) is often necessary;
- the duties, most of which are diverse, require various skills to be applied frequently;
- the problems to be resolved are moderately complex; in most cases they require solutions that have already been applied in the past but must be adapted and/or supplemented;
- decisions to be taken relate to developing, creating, assessing or choosing methods, rules and procedures.

#### 3. Supervisory responsibilities: Individuals employed in roles of this level are responsible for supervising the work of certain team members and/or students/interns. The work supervised is largely of medium complexity.

#### 4. Interaction with third parties: Regular interaction with third parties (internal and/or external) - requiring direct contact entailing technical services (sometimes complex but performed in accordance with pre-defined procedures). This contact may entail managing specific information and/or documents and coordinating different contributors and/or communication actions. The role entails internal and/or external representative actions.

#### Sample roles:

- Project manager
- Senior actuary
- Financial analyst/Business analyst
- Legal advisor

- Internal auditor
- Risk manager
- Senior accountant
- Management auditor
- IT security manager
- IT database manager
- Asset Controller

### **Role group 6:**

General description: Roles entailing a responsibility to coordinate, plan, organise and manage the work of individual contributor(s).

Included in this group: employees who, owing to their very advanced knowledge and extensive professional experience, perform a specialist advisory and/or management, supervisory, coordinating or auditing role within their companies, employees who manage a department which is considered important within their companies.

Roles at this level are:

- subject to general goals;
- subject to monitoring of all results for the area of activity.

They generally require:

- management skills;
- proficiency in the area of activity and a high level of technical skill;
- excellent analytical, problem-solving and decision-making skills;
- very good interpersonal, conflict management and negotiation skills;
- the ability to delegate and monitor delegated tasks;
- proficiency in managing ambiguity and driving change;
- an ability to set a budget, set and achieve specific goals for an entity based on general goals provided by managers;
- designing and managing projects;
- excellent verbal and written communication.

#### **1. Required autonomy - High**

- roles covered by level 6 entail extensive autonomy and are defined as being mainly performed without supervision;
- managers define the main responsibilities and goals for these roles and subsequently act in an advisory capacity to individuals holding such posts;
- these roles require staff to show initiative, deviate from traditional working methods and develop new methods, criteria and rules.

#### **2. Complexity of the role - High:**

- repetitive tasks are extremely rare - tasks are highly diverse and require fundamentally different skills to be constantly applied;
- the working methods to be applied and the problems to be resolved are complex;
- the role requires regular ingenuity and continual interpretation of factors (of an indirect and sometimes contradictory nature) that may be difficult to formalise;
- few indicators are available for resolving problems encountered and they are often abstract - solutions are either non-existent or extremely limited;
- decisions must be taken on developing, creating, assessing and choosing general approaches and methodology;

3. Supervisory responsibilities: Roles at this level entail a responsibility to coordinate, plan, organise and manage the work and performance of individual contributors and their development. The supervised tasks are of medium to high complexity.

4. Interaction with third parties - Interaction with third parties (employees/internal entities and/or external contributors and bodies) is intensive and constant. Regular internal and external representative responsibilities are an integral part of roles classified at this level.

Sample roles:

- Senior actuary
- Senior project manager
- Senior legal advisor
- Senior internal auditor
- Senior management auditor

**Internal appeal:**

Any employees challenging their classification in any of the 6 role groups may lodge an internal appeal within their company with a three-party committee comprising the employee in question, a company staff delegate chosen by the employee and the company's HR manager. The HR manager decides on appeals.

If no agreement is reached, the Joint Committee for the sector shall be convened in accordance with Article 22 of this Agreement.

Briefing of the Joint Committee or, failing that, the staff delegation

Once a year, the Joint Committee or, failing that, the staff delegation shall be issued with a list of new roles including their descriptions and the associated groups for information, discussion and approval. If approval is not granted, the Joint Committee may be convened.

**III. TEMPORARY MEASURES**

- Once grouping has taken place and on the signing date of this Agreement, employees in post on 31 December 2015 with at least 10 years' seniority in the insurance sector who are classified in the new role groups 1 to 5 shall benefit from the group change guarantee provided for in Article 13-I-C as of 31 January 2016, subject to them never having changed groups in their insurance sector careers. The same principle shall apply for the 2017 financial year and subsequent years.
- Migration to new role groups shall occur as follows, whereby it should be noted that each employee is guaranteed that their scaled pay shall remain the same on the transition date and, in the event that their scaled pay at the time of transition is lower than the starting scale for the new group, they are guaranteed this starting scale:
  - employees included in the old groups 1-6 shall be classified in the new role group 1
  - employees included in the old group 7 shall be classified in the new role group 2
  - employees included in the old group 8 shall be classified in the new role group 3
  - employees included in the old group 9 shall be classified in the new role group 4
  - employees included in the old groups 10 and 11 shall be classified in the new role group 5
  - employees included in the old groups 12 and 13 shall be classified in the new role group 6

These migrations are not treated as group changes.



#### **IV. STATUS OF EMPLOYEES IN SERVICE AS AT 31/12/1998**

##### **1) Employees who have opted to continue applying the old classification and remuneration system**

Employees who have opted to continue applying the old system shall progress in accordance with the old scale structure until they reach the last grade of the group in which they are classified.

Promotions shall take place in the new system.

##### **2) Employees who have opted for the classification and remuneration system introduced by the Collective Agreement signed on 22/12/1999.**

Employees entering this classification and remuneration system shall progress in accordance with the terms and conditions of this system to thresholds 1 and 2 and become eligible for training grades and performance-related pay rises. However they are guaranteed the absolute sum of the salary corresponding to the final grade for the group in which they were classified and which they could have obtained in the old remuneration system. This sum shall change with the sliding pay scale.

In order to progress to the end-of-group salary, employees must be half-way between the salary corresponding to the final grade in the classified group and the current salary after half the remaining years until the final grade have elapsed.

With a view to informing employees of the number of years left to elapse before attaining the various sums, the HR department shall inform them when they reach threshold 1, of the half-way point and the sum of the final grade to be attained.

#### **V. PERFORMANCE ASSESSMENT**

##### **1) Principles and procedures**

- The companies shall undertake appraisals with all their employees at least once a year.
- Insurance companies currently using a performance assessment system that meets similar criteria to those of the system described below may continue to use their own systems and forms.
- If they do not have their own assessment systems, insurance companies shall refer to the standard system offered by ACA. This is based on:

fundamental quantity and quality criteria for work performed and notably the following 6 criteria:

- quality of work
  - team spirit
  - initiative
  - motivation
  - professionalism
  - customer contact
- appraisals are performed with line managers (based on a desire to decentralise assessment). Appraisals are validated by management.

## 2) Means of appealing against assessments

Should they disagree with their assessors, assessed employees may appeal to an internal appeals body within their insurance companies. This appeals body should include the following:

- the assessor, in this case the line manager
- the HR manager
- the assessed employee assisted, if required, by a staff delegation representative or, in the absence of a delegation, another company member.

Ultimate responsibility for assessments lies with the employer.

In the event of disputes regarding the way the system itself is applied, it is possible to appeal to the Joint Committee.

<b>Art. 14 – Remuneration of work</b>
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### 1. Definition of basic salary

Basic salary is the salary that results from applying the scales of the Collective Agreement including training grades, the old seniority grades, performance grades and performance-based pay rises, three-yearly progression guarantees and pay rises granted in connection with the renewal of Collective Agreements plus a thirteenth of non-recurring performance bonuses paid to employees who have attained or exceeded threshold 2.

The following are not included in basic salary:

- seniority bonuses and flat-rate allowances (including the conjunctural allowance, signing allowance, special allowance, single allowance, individual pay rises, etc.)
- voluntary pay increases granted by employers outside the Collective Agreement.

Basic salary as defined above constitutes the basis for calculating 13th month pay and overtime.

### 2. Basic salary for 2015 to 2017

A minimum guaranteed starting salary for full-time employees is specified for each classification group.

The figures set out below are gross basic salaries given in EUR at base index 100.

#### **Scale for 2015 to 2017**

Groups	Starting salary	Threshold 1	Threshold 2
I	308.42	442.34	519.40
II	337.58	471.50	548.56
III	368.25	491.01	592.40
IV	413.66	512.86	651.03
V	457.64	556.84	708.22
VI	550.51	649.71	814.32

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**Increases**

Employees may be granted the following pay rises on top of their starting salaries:

- between the starting salary and threshold 1: Each concerned employee is guaranteed an increase in their basic salary, calculated at base index 100, of €15.00 (base index 100) over a 3-year period. All pay increases included in basic salary must be offset against this guarantee, with the exception of those arising from the migration provided for in Article 13 III.

**New remuneration system**

***Balance between individual promotion and guarantees for everyone***

Year	Salary	Promotion	Guarantee	Salary	Prom.	Guarantee	Salary	Prom.	Guarantee	Salary	Prom.	Guarantee
31.12.X0	D100			D100			D100			D100		
01.01.X1	100	0		100	0		107	+7		116	+16	
01.01.X2	100	0		100	0		107	0		125	+9	
01.01.X3	115	0	+15	115	0	+15	115	0	+8	132	+7	
01.01.X4	115	0		125	+10		125	+10		138	+6	
01.01.X5	115	0		135	+10		165	+40		149	+11	
01.01.X6	130	0	+15	135	0		165	0		154	+5	
01.01.X7	130	0		140	0	+5	165	0		154	0	
01.01.X8	130	0		170	+30		180	0	+15	164	0	+10
01.01.X9	145	0	+15	170	0		185	+5		174	+10	
.....	.....			.....			.....			.....		
.....	.....			.....			.....			.....		
.....	S1			S1			S1			S1		

Application of the guarantee to receive a minimum of EUR 15 (base index 100) every three years.

- Between thresholds 1 and 2: an annual minimum performance sum of €3.00, base index 100, to be granted to 67% of employees. An increase of the basic salary, calculated at base index 100, of €6.00 (base index 100) is also guaranteed over a 3-year period. All pay increases included in Basic salary must be offset against this guarantee, with the exception of those arising from the migration provided for in Article 13 III.

Performance-related pay awarded to employees who have attained or exceeded threshold 2 will be distributed to these employees in the form of an annual non-recurrent bonus (payable in January).

The three-yearly guarantees are payable no later than with the salary for January of the third year, namely in January 2017 for this Agreement.

**3. Training allowance**

Employees are awarded a training allowance following their induction training which is set as follows:

Role groups 1 to 3: €3.10 (base index 100)

Role groups 4 to 6: €2.48 (base index 100)

**4. Conjunctural allowance for 2015 to 2017**

**For 2015:**

- Within 15 days of the signing date of this Collective Agreement, a conjunctural bonus shall be paid based on the table below:

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Year hired	Role group					
	I	II	III	IV	V	VI
<b>2015</b>	0	0	0	0	0	0
<b>2014</b>	178.18	178.18	207.87	237.56	267.26	296.95
<b>2013</b>	1187.81	1187.81	1484.76	1930.19	2583.48	2910.13
<b>2012</b>	1336.29	1336.29	1633.24	2078.66	2731.96	3058.61
<b>2011</b>	1633.24	1633.24	1930.19	2375.60	3028.91	3355.56
<b>2006-2010</b>	2375.60	2375.60	2672.56	3028.91	3474.34	3919.77
<b>2001-2005</b>	2821.04	2821.04	3117.99	3474.34	3919.77	4365.19
<b>1996-2000</b>	3266.48	3266.48	3563.43	3919.77	4365.19	4810.62
<b>Before 1996</b>	3711.90	3711.90	4008.85	4365.19	4810.62	5256.03

€, current index

This allowance is to be paid to employees in service as at 15 June 2015 whose employment contracts have not been revoked by the employee or terminated by the employer on the grounds of serious misconduct on this date. For part-time employees, the sum is to be paid in proportion to their working hours over a reference period extending from 1 June 2014 to 31 May 2015.

Employees on maternity leave as at 15 June 2015 shall be awarded the appropriate allowance for their category.

Employees on parental leave shall be awarded the appropriate allowance for their category in proportion to the time for which their employment contract has been fully effective in relation to the time it has been suspended over a reference period extending from 1 June 2014 to 31 May 2015.

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**For 2016:**

- A conjunctural allowance shall be paid to employees with their salary for June 2016 based on the table below:

Year hired	Role group					
	I	II	III	IV	V	VI
<b>2016</b>	0	0	0	0	0	0
<b>2015</b>	161.98	161.98	188.97	215.96	242.96	269.95
<b>2014</b>	1079.83	1079.83	1349.78	1754.72	2348.62	2645.57
<b>2013</b>	1214.81	1214.81	1484.76	1889.69	2483.60	2780.55
<b>2012</b>	1484.76	1484.76	1754.72	2159.64	2753.55	3050.51
<b>2007-2011</b>	2159.64	2159.64	2429.60	2753.55	3158.49	3563.43
<b>2002-2006</b>	2564.58	2564.58	2834.54	3158.49	3563.43	3968.35
<b>1997-2001</b>	2969.53	2969.53	3239.48	3563.43	3968.35	4373.29
<b>Before 1997</b>	3374.45	3374.45	3644.41	3968.35	4373.29	4778.21

**€, current index**

This allowance is to be paid to employees in service as at 15 June 2016 whose employment contracts have not been revoked by the employee or terminated by the employer on the grounds of serious misconduct on this date.

For part-time employees, the sum is to be paid in proportion to their working hours over a reference period extending from 1 June 2015 to 31 May 2016.

Employees on maternity leave as at 15 June 2016 shall be awarded the appropriate allowance for their category.

Employees on parental leave shall be awarded the appropriate allowance for their category in proportion to the time for which their employment contract has been fully effective in relation to the time it has been suspended over a reference period extending from 1 June 2015 to 31 May 2016.

**For 2017:**

- A conjunctural allowance shall be paid to employees with their salary for June 2017 based on the table below:

Year hired	Role group					
	I	II	III	IV	V	VI
<b>2017</b>	0	0	0	0	0	0
<b>2016</b>	161.98	161.98	188.97	215.96	242.96	269.95
<b>2015</b>	1079.83	1079.83	1349.78	1754.72	2348.62	2645.57
<b>2014</b>	1214.81	1214.81	1484.76	1889.69	2483.60	2780.55
<b>2013</b>	1484.76	1484.76	1754.72	2159.64	2753.55	3050.51
<b>2008-2012</b>	2159.64	2159.64	2429.60	2753.55	3158.49	3563.43
<b>2003-2007</b>	2564.58	2564.58	2834.54	3158.49	3563.43	3968.35
<b>1998-2002</b>	2969.53	2969.53	3239.48	3563.43	3968.35	4373.29
<b>Before 1998</b>	3374.45	3374.45	3644.41	3968.35	4373.29	4778.21

**€, current index**

This allowance is to be paid to employees in service as at 15 June 2017 whose employment contracts have not been revoked by the employee or terminated by the employer on the grounds of serious misconduct on this date.

The sum for part-time employees is to be paid in proportion to their working hours over a reference period extending from 1 June 2016 to 31 May 2017.

Employees on maternity leave as at 15 June 2017 shall be awarded the appropriate allowance for their category.

Employees on parental leave shall be awarded the appropriate allowance for their category in proportion to the time for which their employment contract has been fully effective in relation to the time it has been suspended over a reference period extending from 1 June 2016 to 31 May 2017.

## 5. Signing allowance

A single signing allowance of €175 (payable within 15 days of the signing date of the Collective Agreement) shall be paid to all employees who have not submitted their resignation on the signing date of this Collective Agreement.

### Art. 15 – Household allowance and seniority bonus

The household allowance system was abolished with effect from 01/01/2015. A monthly seniority bonus is introduced with effect from this date and paid under the following conditions:

Years' service	Bonus amount (base index 100)
After 3 years	€5
After 5 years	€10
After 8 years	€20

The bonus is paid with effect from 1 January following the year in which the employee attained the required seniority.

Employees in receipt of a household allowance as at 31/12/2014 shall continue to receive a seniority bonus that should be no lower than the sum awarded under the old household allowance. The seniority bonus may only change within the scope of the limits set out above.

It should be noted that the years' service shown in the table relate to service with a single employer.

Where fewer than 40 working hours per week are provided for by the employment contract, the seniority bonus is paid in proportion to the number of hours normally worked.

### Art. 16 – Thirteenth month allowance

Subject to the provisions of Art. 12, employees are entitled to an end-of-year allowance known as "thirteenth month pay" of an amount equal to their basic salary plus the seniority bonus payable by the employer to the employee for December.

Employees hired during the course of the year shall receive the thirteenth month allowance at the end of the year in proportion to the months worked since they were hired.

If employment contracts (trial, open-ended, fixed) are terminated either by the employee or the employer, the employee shall receive the thirteenth month allowance with his/her final salary in proportion to the months he/she has worked during the year.

## SECTION V

### Miscellaneous and temporary provisions

#### Art. 17

In order to prevent redundancies in insurance companies or one or more of their branches on economic grounds and maintain a satisfactory level of employment in periods of economic recession, insurance companies experiencing financial difficulties undertake to consult the staff representatives and/or trade unions that have signed this Collective Agreement before taking any action, with a view to keeping staff in employment in the spirit of Article 511-1 et seq of the Luxembourg Labour Code.

The Joint Committee is moreover responsible for pursuing discussions regarding unpaid leave.

#### Art. 17a

Any benefits granted to employees prior to enforcement of this Agreement may not be repealed.

#### Art. 18

This Collective Agreement upholds the principle of gender equality in terms of access to professional training and promotions, working conditions and remuneration.

Where appropriate, insurance companies shall provide access to professional updating for employees who have been absent due to a career break, with a view to enabling them to resume their assigned duties. The associated terms and conditions shall be determined by companies in consultation with joint committees, or failing that, staff delegations.

Equality plans within the meaning of the provisions of Article L. 162-12 of the Luxembourg Labour Code shall be implemented within companies after consulting joint committees, or failing that, staff delegations.

#### Art. 19

Where relations and general conditions of work are not regulated in this Agreement, the parties should refer to legal provisions.

#### Art. 20

The employment of adolescents is regulated in accordance with Article L. 344-1 et seq of the Luxembourg Labour Code.

**Art. 21**

Employers agree to perform monthly deductions of union dues from the salary of union member employees. However, these employees must give their employers written instructions to deduct these sums.

**Art. 22**

The Joint Committee set up by the social partners and comprising 7 members from both sides is responsible for resolving problems relating to the profession and those that may concern the application of the Collective Agreement. It must also define the aims and procedures of future Collective Agreements.

**Art. 22a**

It should be noted that the Joint Committee is responsible for addressing the following:

1. Explanations of the scope of this Collective Agreement (Art 1)
2. Creating a rate fixing tool enabling employees covered by the Agreement to calculate salaries as provided for in this Collective Agreement.
3. Provisions for working at a back-lit display (Art. 7)
4. Content of terms and conditions on penalty payments (Art 7b)

**Art. 23**

With regard to the specific problems relating to intermediary employees paid totally or partly on commission, reference should be made to the minutes of the Joint Committee meeting of 9 December 1986. Accordingly, problems relating to payment of thirteenth month pay and a June bonus shall be examined by the Joint Committee.

**Art. 24**

**Declaration of principle regarding sexual and psychological harassment**

Insurers undertake not to tolerate sexual harassment, as defined by Article L. 245-1 et seq of the Luxembourg Labour Code, in their companies. They shall ensure that all employees are provided with a workplace in which individuals' dignity is respected and which is free of any sexual or psychological harassment of any origin. They furthermore undertake to take necessary steps to prevent and resolve sexual and psychological harassment, should it occur, in the best possible conditions and in the strictest confidence. ASTF has set up an appropriate advisory body to help victims of sexual and psychological harassment.

The disciplinary penalties to be applied in cases of sexual harassment should be determined within each insurance company.



**Art. 25**

Problems in terms of interpreting the Agreement fall within the remit of the Joint Committee which has the authority to make decisions.

**Art. 26**

In order to enable employee representatives to monitor the application of this Agreement, ACA shall inform trade unions that have signed the Collective Agreement of the following once a year:

- the number of employees awarded a performance amount and the amounts below threshold 1 and between thresholds 1 and 2
- the number of employees granted the three-yearly guarantee and the sums of three-yearly guarantees
- the total wage bill for employees covered by the Agreement and those not covered.

**Art. 27**

The cross-sector Agreement of 25 June 2009 regarding harassment and violence at work (Appendix V) forms an integral part of this Collective Agreement.

**Art. 28**

This Collective Agreement shall come into force with effect from 01/01/2015.

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2015 – 2016 – 2017  
ACA - ALEBA - LCGB - OGBL

Five copies signed in Luxembourg-Kirchberg on 15 June 2015

On behalf of ALEBA

On behalf of ACA

represented by

represented by

Mr Jean-Marie (Jim) SCHNEIDER  
First Vice President

Mr Marc HENGEN  
Executive Director

On behalf of the Lëtzebuenger Chrëschtliche  
Gewerkschafts-Bond (LCGB-SESF)

represented by

Mr Patrick MICHELET

On behalf of the Onofhängege Gewerkschaftsbond  
Letzebuerg, (OGB-L)

represented by

Mrs Véronique EISCHEN