

AGREEMENT

BETWEEN

SA CONFEDERATION OF ICELANDIC ENTERPRISE AND
THE ICELANDIC TRAVEL INDUSTRY ASSOCIATION

AND

ICELAND TOURIST GUIDE UNION

VALID from 1 July 2015 to 31 December 2018

INOFFICIAL TRANSLATION. IN CASE OF DIVERGENCE ON INTERPRETATION OR
APPLICATION, THE ICELANDIC TEXT SHALL PREVAIL.

CHAPTER 1

Pay system and definitions

1.1. Guides' pay system

The guides' pay system is twofold and determined by the nature of the recruitment:

- a) Indeterminate recruitment, i.e. recruitment with mutual rights and duties, such as annual holiday entitlement, term of notice and the sick-leave entitlement according to law or this agreement. Employees recruited for an indeterminate period can be hired for full or part-time positions. They are hired to guide and perform other duties that may be mentioned in the employment contract.
 - b) Temporary recruitment, occasional work, i.e. recruitment for one or more tours. Temporary recruitment comes with rights and duties as applicable in this agreement, job descriptions or as rising from the general rules of employment law.
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1.2. Definitions

- a. Day tours
Tours that begin and end at the same place within 24 hours.
 - b. Longer tours, tours including hotel and tent/sleeping bag
Tours where the guide stays away from home for one or more nights.
 - c. Specialist tours
Tours sold as specialist tours and require specialised knowledge or education in a particular field in addition to what is generally required from a guide. The travel agency/employer defines the need for specialised knowledge in a tour and makes an agreement with the guide before a tour if a specialist guide is required.
 - d. Driver guide tours
Tours where the guide serves both as a guide and the driver of a vehicle.
 - e. Head guide
The head guide is responsible for the operation of certain elements of a tour according to further agreement.
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1.3. Point system

There are four salary grades for guides, based on the following number of points:

Grade 1	0 to and including 14.99 points.
Grade 2	15 to and including 29.99 points.
Grade 3	30 to and including 39.99 points.
Grade 4	40 or more points.

When assigning to salary grades, the following point system shall be used:

For completing studies at The Iceland Tourist Guide School or Continuing Education University of Iceland, ca. 440 hrs.....	15 points.
For completing a one-term study programme in guiding, ca. 250 hrs	7 points.
18 days' work equals.....	1 point.

To figure out a day's work, the number of hours worked is divided by 8.

The Tourist Guide Union records the points of its members and publishes an annual points record on which assignment to salary grades shall be based until a new record is published. Employers shall give guides a written confirmation of days worked, which guides send to The Tourist Guide Union to be recorded.

Only hours worked as a guide on tours give the right to points.

1.4. Contracts of employment and letters confirming employment

1.4.1. The preparation of employment contracts

Wherever a worker is engaged for a period of more than one month and for more than 8 hours per week, on average, a contract of employment must be prepared no later than two months after the commencement of the job, or the engagement shall be confirmed in writing. If the employee stops work before the two-month period is up, without a contract of employment having been prepared or the engagement having been confirmed in writing, then he/she shall be provided with such a confirmation at the termination of employment.

1.4.2. Amendments to terms of engagement, other than those resulting from legislation or collective agreements, shall be confirmed in the same manner no later than one month after they take effect.

1.4.3. The provisions of articles 1.4.1. and 1.4.2. do not apply to engagements for occasional work, provided that such an arrangement is based on objective considerations.

1.4.4. Employer's duty to inform

Contracts of employment or written confirmations of employment, i.e. letters of engagement, shall contain at least the following information:

1. The identity of the contracting parties, including ID numbers.
2. The employer's place of work and address. If there is no fixed place of work or place where work is normally carried out, then it shall be stated that the employee is engaged for work at various locations.
3. The title, job position and nature or type of work for which the employee is engaged or a short summary or description of the job.
4. The date of commencement of the job.
5. The length of the engagement, if it is for a specific term.
6. The employee's right to annual holiday.
7. The notice period for termination to be given by the employer and the employee
8. Monthly or weekly wage rates, e.g. including references to pay scales, monthly wage rate used as the base for calculations for overtime, other payments and perquisites, as well as the payment periods.
9. The length of an ordinary working day or week.
10. Pension fund.
11. Reference to a valid collective agreement and the trade union involved.

Information according to points 6-8 may be provided by way of reference to collective agreements.

1.4.5. Work abroad

Employees entrusted with work in another country for one month or longer shall receive written confirmation of their appointment before leaving Iceland. In addition to information according to article 1.4.4., the following must be stated:

1. The estimated working period abroad.
2. The currency in which wages are to be paid.
3. Bonuses or perquisites associated with the work abroad.
4. The conditions under which the employee may return to his home country, where such conditions are stated.

Information according to items 2 and 3 may be given in the form of a reference to legislation or collective agreements.

1.4.6. Temporary recruitments

Temporary recruitments shall be governed by Act No. 139/2003 on the Temporary Engagement of Employees.

1.5. Pay slips

A pay slip or a sheet accompanying the pay slip shall show itemised payments, such as by daily wages or hours paid, as well as indicating any applicable premium pay. Any deductions shall also be itemised. Holiday pay shall be indicated on the pay slip. The holiday pay of temporarily recruited employees shall be deposited into an earned leave account which the employee indicated at the time of recruitment.

CHAPTER 2

Wages

2.1. Guides' pay scales

2.1.1. Pay scales

The current pay scales will be replaced by new ones cf. Attachment 1. The pay scales enter into effect on 1 July 2015, 1 May 2016, 1 May 2017 and 1 May 2018.

Other changes to wages 1 July 2015

General changes to the wages of guides who began working before 1 February 2014 take view of the table in Attachment 2, but cannot be less than 3.2%. The wages of guides who began working during the period from 1 February 2014 to 31 December 2014 increase by 3.2%.

Changes to wages 1 January 2016

New pay scales come into force cf. Attachment 1. General wage increases are 6.2% but cf. the protocol to this article.

Changes to wages 1 May 2017

New pay scales come into force cf. Attachment 1. General wage increases are 4.5%.

Changes to wages 1 May 2018

New pay scales come into force cf. Attachment 1. General wage increases are 3%.

Holiday pay is calculated on top of the wages of guides.

2.1.2. In Attachment 1, pay scales have been calculated for freelance guides and are considered part of this agreement.

2.1.3. Indeterminately recruited employees who were employed on 1 May 2015 receive a one-off payment of ISK 60,000 based on a full-time job. Those who began working after 1 May but before 1 July receive a proportionate payment based on the period worked and job percentage in May and June 2015. Temporarily recruited guides receive ISK 10 on hourly wages due to May and June 2015 cf. Attachment 1.

2.1.4. The pension fund contribution of employers increases and becomes:

From 1 July 2016: 8.5%

From 1 July 2017: 10.0%

From 1 July 2018: 11.5%

The additional contribution is allocated cf. provisions of the collective agreement between SA and ASÍ from 21 January 2016.

2.2. The December and holiday bonuses of those employed on a permanent basis

Note that December and holiday bonuses are paid to temporarily recruited guides as a one-off payment on top of daytime and premium pay. See article 2.3.4.

2.2.1. December bonus

The December bonus for each calendar year, based on the full-time job of an indeterminately recruited guide, is:

Year 2015 ISK 78,000

Year 2016 ISK 82,000

Year 2017 ISK 86,000

Year 2018 ISK 89,000

The bonus is paid no later than 15 December each year, based on job percentage and period worked, to all employees who have been in continuous employment with the employer for 12 weeks in the preceding 12 months or are employed during the first week of December. It is permitted, by way of agreement with the employee, to use a settlement period from 1 December to 30 November each year instead of the calendar year.

The December bonus includes holiday pay, is a fixed amount and does not change according to other provisions. Any earned December bonus shall be settled at the end of employment if employment ends before the settlement date of the bonus.

2.2.2. Holiday bonus

Holiday bonus for each holiday year (1 May to 30 April) based on the full-time employment of an indeterminately recruited guide is:

Year 2015 ISK 42,000

Year 2016 ISK 44,500

Year 2017 ISK 46,500

Year 2018 ISK 48,000

The bonus is paid on 1 June based on job percentage and period worked during the holiday year to all employees who have been in continuous employment with the employer for 12 weeks in the 12 months preceding 30 April or are employed during the first week of May.

The holiday bonus includes holiday pay, is a fixed figure and does not change according to other provisions. Any earned holiday bonus shall be settled at the end of employment if employment ends before the settlement date of the bonus.

2.2.3. Holiday and December bonus entitlement accrued during childbirth leave

After one year in the employment of the same employer, any absence due to legally prescribed childbirth leave shall be counted as working time when calculating the December and holiday bonuses. The same applies in the case of women who, as a safety precaution, have to stop work during pregnancy, cf. the Regulations on measures to improve safety and health at work for women who are pregnant, have recently given birth or are breast-feeding.

2.3. Premium pay, shift premium, overtime and additional payments

2.3.1. Premium pay

Premium payments for work performed outside the limits of daytime work will be as follows:

From 1 July 2015 60%

From 1 May 2016 70%

From 1 May 2017 76%

2.3.2. Shift premium

33.00% 18:00 – 24:00 Monday - Friday
 45.00% 00:00 – 08:00 every day and on weekends
 45.00% 0000: – 24:00 during special holidays
 90.00% 00:00 – 24:00 during major public holidays

2.3.2. Overtime pay

Overtime work is paid with an hourly rate which is 1.0385% of guides' monthly wage in each grade for daytime work according to article 2.1.

Work in excess of 173.33 hours per month is paid as overtime and work carried out during holidays according to article 3.3.1 is paid with an hourly overtime rate.

2.3.3. Major public holidays

Payment for all work done on major public holidays according to article 3.3.2 shall be made at hourly rates equivalent to 1.375% of guides' monthly wages for daytime work according to article 2.1.

2.3.4. Additional payments to temporarily recruited guides due to bonuses and cost items

Temporarily recruited guides receive an additional payment for each hour worked during daytime and a premium which includes payment due to December and holiday bonuses and for the purchase of books and clothes. That payment also includes the guide's general preparation and necessary finishing due to a tour, including day tours, longer tours, specialist tours and other tours. The payments are a fixed ISK amount throughout the contract period on top of daytime and premium pay and are specified in pay scales in Attachment 1 to the agreement.

Annotation: If a guide is required to fetch and check documents on another day than the one on which the tour starts that work must be paid for and not considered part of the general preparation for the tour. The same applies if additional work is required after a tour has been completed.

2.3.5. If a guide is required to dine with passengers on longer tours where accommodation is in a hotel, working hours in excess of 11 hours shall be paid for or payment agreed especially beforehand.

2.3.8. It has been a part of a guide's job during a tour to introduce other tours of the travel agency and/or make bookings for those tours. If a freelance guide also accepts payments (by cash or payment card) for such tours, a payment for this service must be agreed in the employment contract.

2.4. Special premium payments

2.4.1. Language premium

If a guide is required to guide using more than one language, a 20% premium is paid on the hourly rate for each additional language.

2.4.2. Specialist premium

When specialized knowledge is required during a tour a 25% premium shall be paid.

2.4.3. Driver guide tours

If a guide is hired as driver guide a 50% premium shall be paid on the hourly rate (including cost items) for driver guiding where there are 4 or more passengers.

If driver guiding is changed to regular guiding it must be announced to a freelance guide with at least a 2-hour notice or else the guide keeps the premium according to paragraph 2.

Another payment arrangement may be agreed upon for day tours where driving comprises less than 35% of the total time of the tour, but only if driving is less than 4 hours.

2.4.4. Head guide

A 25% premium shall be paid on the wages of a head guide.

2.4.5. Guiding in more than one vehicle

If a guide is required to guide in more than one vehicle a payment for this shall be negotiated beforehand.

CHAPTER 3

Working hours

3.1. Guides' working hours

- 3.1.1. The working hours of employees recruited for an indeterminate period, based on a full-time job, are 37.5 hours on average per week. Work must be organised for four weeks at a time, if possible. Overtime is paid for work in excess of 12 hours per day and 37.5 hours per week on average.
- 3.1.2. The wages of employees recruited for an indeterminate period are paid for time worked or for travel time agreed upon in advance, no less than 4 hours, unless the tour in question is a long journey. For long journeys, 11 hours are paid per day, but for tours where accommodation is in tents or huts 12 hours are paid per day. Effort shall be made to limit the travel time on coaches to 9 hours per day, at the most.
- 3.1.3. Daytime rate is paid for the period 8:00-18:00, up to 8 hours. After that and on weekends a premium is paid cf. article 2.3.1.
- 3.1.4. Guides may be recruited for shift work. Premium is paid for working hours outside the daytime period cf. article 2.3.2.

3.2. Special provisions on working hours

- 3.2.1. If, for tours with accommodation in hotels or tents/huts, a travel agency requests special additional work outside the negotiated working hours of a guide that work is paid for especially in accordance with the work contributed by the guide.
- 3.2.2. Scholarly lecture outside working hours
If a temporarily recruited guide is expected to give a scholarly lecture outside normal working hours a special payment shall be made for the preparation and delivery of the lecture, not less than 2 hours for each lecture.
- 3.2.3. Grocery shopping/cooking
If a temporarily recruited guide is expected to take care of grocery shopping and/or cooking for passengers this work and the relevant payment shall be agreed upon before the tour begins. The decision of the payment shall be made with view of the extent of the shopping and/or cooking.
- 3.2.4. Cancellation of tours
- 3.2.4.1. *Day tours*
If a day tour to be guided by a temporarily recruited guide is cancelled within 24 hours of notified departure time the tour must be paid in full, provided the cancellation is not due to unforeseen circumstances (force majeure). However, the travel agency is permitted to offer the guide comparable tours under its own auspices or others, during the agreed travel time, without a special additional payment. If that tour is longer or falls outside the period originally agreed upon, the excess time is paid for especially.
In the case of guiding passengers from a cruise liner the above time limit is 6 hours before notified departure time. If the estimated departure of a tour is before 11:30 in the morning the cancellation must be announced before 20:00 the previous evening.
- 3.2.4.2. *Long journeys*
If a long journey is cancelled the entire journey shall be paid according to plan, provided the guide did not receive notice of the change at least 120 hours before the agreed long journey was meant to begin, unless in the case of unforeseen circumstances such as a strike, natural disaster etc. However, a travel agency may offer the guide work guiding a tour, or tours, instead of those that may be cancelled and are agreed, during the same period as when the long journey was intended to take place. Moreover, it is permitted to negotiate priority to guide a tour off season instead of a journey that is cancelled during summer, if this suits both parties. If a guide rejects a tour during the same period as when the long journey was intended to take place, a payment equalling the substitute tour is cancelled. Effort shall be made to have the guide's itinerary on long journeys, where accommodation is local, continuous, i.e. that there are no agenda free/days off in mid-journey. In case of days off, the guide shall be notified at least 5 days in advance. The travel agency shall seek to offer the guide work during days off in mid-journey.

3.2.4.3. *A guide cancels a tour*

If a guide cancels guiding a tour with the same notice as according to 3.2.4.1. and 3.2.4.2. he/she becomes liable for damages against the travel agency amounting to half the wage of the guide when the tour is cancelled, unless in the case of other legitimate absence. A guide is permitted to find a replacement guide for the tour. The choice of guide is subject to approval by the travel agency. The travel agency's rejection must be based on well-founded and factual reasons.

3.3. Holidays and major public holidays

3.3.1. Public holidays

Public holidays are: Maundy Thursday, Easter Monday, the First Day of Summer, 1 May, Ascension Day, Whit Monday, The August Bank Holiday (first Monday in August) and Boxing Day.

3.3.2. Major public holidays

Major public holidays are New Year's Day, Good Friday, Easter Sunday, Whit Sunday, 17 June, Christmas Day and the period after 12:00 noon on Christmas Eve and New Year's Eve.

3.4. Waiting away from home

If a guide has to wait for a tour away from home at the employer's request he/she shall be paid 8 hours according to the daytime pay scale. Premium according to 2.3.1 is paid on weekends.

3.5. Stand-by shifts

If an agreement is reached with a guide to be stand-by for a tour on a certain date, 4 hours of daytime pay is paid if the guide does not need to attend the tour. If the guide attends the tour only the tour itself is paid for according to normal rules. Payment rules regarding the cancellation of tours do not apply to stand-by shifts.

3.6. Minimum rest

3.6.1. Daily rest period

Working time shall be arranged in such a way that during each 24-hour period, starting from the beginning of the working day, the employee receives at least 11 hours' continuous rest. If possible, this daily rest period shall include the period between 23:00 and 6:00.

Work may not be arranged in such a way that the working period exceeds 13 hours.

3.6.2. Exceptions and right to take leave

Under special circumstances, when it is necessary to protect items of value, a work session may be extended to as many as 16 hours, in which case, without exception, 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 the following shall apply: if employees 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) accumulates 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 weekend, payment at overtime rates shall be made for the time worked without further additional payments.

However, the above provisions shall not apply in the case of organised shift work, where 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 company's activities in collaboration with the employee, provided that the accrued leave-taking entitlement amounts to at least 4 hours. Settlement in respect of the employee's unused leave-taking entitlement shall be made on termination of employment, with the entitlement counted as part of the period of engagement.

3.6.3. Weekly day off

During each 7-day period, a guide 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.

3.6.4. Postponement of the weekly day off

To the extent practicable, the weekly day off shall be Sunday, and to the extent practicable, all those who work for the same company or at the same permanent place of work shall receive a day off work on that day. Guides' weekly day off may be postponed so that they are taken when a tour has been completed, without special payment relating thereto. Only the days on which the tour is under way shall be paid.

3.6.5. Breaks

If the employees' daily working time is more than 6 hours, they shall be entitled to at least a 15-minute break. Coffee and meal breaks are considered breaks in this context.

Regarding the scope, rest period, breaks and other matters, reference is made to the collective agreement between ASÍ and VSÍ from 30 December 1996 on certain matters pertaining to the structure of working hours, which is regarded as part of this collective agreement. The aforementioned provisions supplement Section 13 of this agreement.

CHAPTER 4

Board, lodging, transportation and telecommunications

4.1. Board and lodging

Guides who do not reach home during tours receive free meals and other subsistence and travel expenses.

Guide on tours shall be provided with facilities to rest during resting periods. Effort shall be made to ensure that the guide has access to accommodation comparable to that which the passengers get.

In case of different and poorer conditions during hotel tours--e.g. sleeping bag accommodation, a vehicle or housing that is normally not intended for accommodation--half of the per diem allowance according to the estimate of The State Travel Cost Committee shall be paid.

4.2. Transportation to work

If a guide is called for work with less than one hour's notice the employer shall provide transportation to the work place and from the workplace when work has ended if public transportation is not available. In case of tours where the guide needs to stay the night away from home the employer shall either provide the guide with transportation to and from the place of departure, or pay the guide demonstrable cost of transportation, although no higher than 2½ a taxi starting fare. An employer provides a guide with transportation to and from departure and arrival places outside the operating hours of buses.

4.3. Telecommunications

A travel agency shall ensure that a guide has access to a telephone or telecommunications equipment on tours. An agreement may be reached on using the guide's private phone on tours as needed in each case.

If a guide is expected to use his/her private phone on long journeys for tour operators to organise and confirm various aspects of the journey an agreement relating thereto must be reached before the tourney. If payment for such use is not agreed upon it shall be considered to be ISK 400 on average for each whole day. If a guide believes his/her telephone expenses due to the tour to be higher he/she shall demonstrate out-of-pocket costs according to a phone bill.

On 1 May 2016, payment for a phone increases to ISK 450 and 1 May 2017 til ISK 500.

A hands-free set must be used during driver guiding.

CHAPTER 6

Annual holiday

6.1. Annual holiday entitlement

6.1.1. Guides' annual holiday entitlement in grades 1 and 2 is 24 days and the annual holiday allowance is 10.17%. The annual holiday entitlement of guides in grade 3 is 27 days or 11.59% and in grade 4 28 days or 12.07%.

6.1.2. Holiday pay is deposited into guides' earned leave accounts with a bank or savings bank. However, the holiday pay of temporarily recruited guides may be paid right away along with wages. If a temporarily recruited guide indicates an earned-leave account the holiday pay shall be deposited thereto.

6.1.3. In the case of the death of an employee, earned leave shall paid to his/her estate by way of deposit into a bank account or by other means.

CHAPTER 7

The payment of wages in cases of illness and accident insurance

7.1. Illness and accidents

Sick leave entitlement of employees recruited for an indeterminate period

7.1.1 The sick leave entitlement of employees recruited for an indeterminate period shall take view of Article 5 of Act No 19/1979 on Respecting Labourers' Right to Advance Notice of Termination of Employment and to Wages on Account of Absence through Illness and Accidents. However, this provision shall not reduce any further rights that are agreed upon in an employment contract. The entitlement is therefore as follows:

An employee's wages shall not be reduced for two days for each month worked during the first year of work for the employer.

After one year of employment with the same employer employees shall keep their wages during one month of illness.

After three years' employment with the same employer the employee shall also keep his/her daytime wages for one more month but two months after five years with the same employer.

In all cases, employment is assumed to have been continuous.

7.1.2 Accidents at work and occupational diseases

If an employee recruited for an indeterminate period is absent due to an accident at work or while travelling directly to or from work and also if an employee becomes ill from an occupational disease, he/she shall, in addition to the entitled wages during illness, maintain his/her daytime pay for three months.

The entitlement above is an independent entitlement and does not erode the employee's sick leave entitlement.

7.1.3

Illness of children

After the first six months of work for an employer, parents may spend two days for each worked month looking after their children under the age of 13, provided that no other arrangements can be made to have them cared for. After 6 months' employment, the entitlement will be 12 days during each 12-month period. Parents retain their daytime wages as well as supplementary payment for shift work as appropriate.

The contracting parties agree that the word parent includes foster parents or guardians, who support the child and act as a parent.

The sick leave entitlement of temporary recruited employees

7.1.4 If a temporarily recruited guide becomes ill after a tour has begun or the day before a tour begins he/she shall be paid as planned, for up to 8 days, and also for any costs due to the illness away from home.

7.1.5 If a guide undertakes a tour for the same or a different party during the payable illness period, payments shall be cancelled as of that time.

7.1.6 If a guide becomes ill before a tour and cannot work he/she shall submit a valid medical certificate on the employer's request. Such a medical certificate shall be provided by the company's regular physician if requested.

7.1.7 Accidents at work and occupational diseases

If a temporarily recruited employee is absent due to an accident at work and also if an employee becomes ill from an occupational disease he/she shall, in addition to the entitlement to wages during illness, retain the entitlement to wages in accordance with his/her work contribution for the relevant employer for the preceding 12 months.

The wage entitlement shall be based on a full year's employment of 1800 man-hours and the ratio calculated on the basis of hours worked. Hence, an employee who has worked 900 hours for the preceding 12 months shall retain daytime wages for one and a half months.

Wage payments shall be cancelled if a guide undertakes work for another party during the period.

The abovementioned entitlement is an independent entitlement and does not erode the employee's sick leave entitlement.

7.2. Guides' accident insurance

- 7.2.1. Employers are obliged to insure the wage-earners covered by this agreement against death, permanent medical disability and/or temporary disability resulting from an accident at work or on a normal route from their homes to the workplace and from the workplace to their homes. If an employee is temporarily stationed at a location outside his/her home in connection with work, the temporary location shall replace the home for the purposes of insurance, and the insurance shall also cover normal travelling between the home and the temporary location.
- 7.2.2. The insurance applies during travel within Iceland and abroad if undertaken on behalf of the employer.
- 7.2.3. The insurance applies to accidents occurring during sports activities, competitions and games, provided that such events are organised by the employer or the staff association and the employee is expected to participate in such events as a part of the employee's work. In this respect, it does not matter whether or not the accident occurs during normal working hours. Exempted are accidents that occur in boxing, any form of wrestling, driving sports, hang-gliding, sailplaning, bungee jumping, mountain climbing that requires special equipment, cliff rappelling, scuba diving and parachuting.
- 7.2.4. The insurance does not pay compensation for accidents resulting from the use of motorised vehicles subject to registration in Iceland and which are covered by legally prescribed vehicle insurance, irrespective of whether covered by third-party insurance or by the driver's and owner's accident insurance under the Traffic Act.
- 7.2.5. The insurance shall take effect with respect to the employee when he begins working for the employer (is added to the payroll roster) and expires when employment is terminated.
- 7.2.6. Price indexing and indexation of compensation
 Insurance amounts are based on the consumer price index for inflation adjustment effective from February 1, 2008 (282.6 points) and are adjusted on the first day of each month in proportion to the adjustment of the price index.
 Compensation amounts are calculated on the basis of the insurance amounts on the date of the accident but are adjusted, however, on the basis of the consumer price index as follows:
 Compensation amounts are adjusted in direct proportion to changes in the price index from the date of the accident to the date of settlement.
- 7.2.7. Death benefits
 In the event that an accident causes the death of the insured within three years of the date of the accident, the beneficiaries shall be paid death benefits, less already paid-out benefits for permanent medical disability resulting from the same accident.
 Death benefits will be from 1 February 2008:
1. To the surviving spouse benefits shall amount to ISK 5,000,000.
 The term spouse refers to an individual who was married to the deceased, in registered partnership or common-law marriage.
 2. To each minor that the deceased had custody of or paid child-support for in accordance with the Children's Act No. 76/2003, the benefits shall be equivalent to the total amount of child support in accordance with the Social Security Act as current, to which the child would have been entitled due to the death until the age of 18. The benefits are paid in a lump sum. On the calculation of benefits, account shall be taken of child support on the date of death. Benefits to each child, however, shall never be less than ISK 2,000,000. Benefits to children shall be paid to the party who has custody of them after the death of the insured. To each adolescent aged between 18 and 22 who has the same domicile as the deceased and who were demonstrably supported by the deceased, the benefits shall amount to ISK 500,000. If the deceased was the sole provider for the child, the compensation shall increase by 100%.
 3. If the deceased demonstrably supported a parent or parents aged 67 or more, the surviving parent, or parents jointly, shall receive benefits amounting to ISK 500,000.
 4. If the deceased had no spouse pursuant to item 1 above, then death benefits amounting to ISK 500,000 shall be paid to the estate of the deceased.

- 7.2.8. Compensation for permanent disability
 Compensation for permanent disability shall be paid in proportion to the medical consequences of the accident. Permanent disability shall be evaluated according to injury indices issued by the Disability Committee. The evaluation shall be based on the health of the injured party as it is when it has stabilised.
 The base amount of disability compensation is ISK 11,400,000. Compensation for permanent disability shall be calculated in such a manner that ISK 114,000 is paid for each disability degree from 1 to 25, ISK 228,000 is paid for each degree of disability from 26 to 50, ISK 456,000 for each degree of disability from 50 to 100. Compensation for 100% permanent disability, therefore, is ISK 31,350,000.
 Disability compensation, moreover, shall take account of the age of the injured party so that compensation decreases by 2% for each year past the age of 50. After the age of 70, the compensation shall decrease by 5% of the base amount for each year. However, the age-linking of disability pension shall never lead to greater curtailment than 90%.
- 7.2.9. Compensation for temporary disability
 In the event that an accident causes temporary disability, the insurance shall pay a per diem sum in proportion to the loss of working capacity, starting four weeks after the accident occurred and lasting until the employee is fit for work or until a disability assessment has been made but shall not be made for more than 37 weeks.
 Per diem payments for temporary disability are ISK 25,000 per week. If the employee is able to work to some extent, the per diem payments shall be paid proportionately.
 Per diem payments from the insurance are paid to the employer during such time as the employee is paid a wage in accordance with collective agreements or an employment contract and are subsequently paid to the employee.
- 7.2.10. All employers are under obligation to purchase an insurance from an insurance company holding an operating permit in Iceland that meets the above conditions of collective agreements as regards accident insurance
 In respects other than provided for in this section of the agreement, the terms of the insurance company in question and the provisions of the Act on Insurance Contracts No. 30/2004 shall apply.
 The above provisions on accident insurance and new compensation amounts apply to accidents that occur after 1 May 2008.

Protocol on the terms and conditions of insurance companies – Appendix to the agreement on workers' accident insurance

The federations of ASI and SA will examine, with the participation of insurance companies, whether the terms and conditions that apply to their insurance policies are fully compatible with this agreement. The result of that examination will also apply to this agreement.

7.3. Baggage insurance

Travel agencies shall at their own cost insure the necessary baggage of guides for up to ISK. 250,000.

Insurance amounts shall be reviewed twice a year, 1 January and 1 July, and then raised in accordance with adjustments in the consumer price index.

CHAPTER 8

Pension funds, sick-pay fund, continuous education fund

8.1. Pension fund

The employee pays 4% of his wages to collective pension funds and the employers contribution to collective pension funds is 8%. Payments shall be made to Almenni Pension Fund unless otherwise agreed.

A guide who so wishes can pay into a pension fund on the general labour market of his/her own choice until the age of 70, even though he/she has started receiving pension payments from other funds. This however is subject to the rules of the pension fund in question.

In cases where the guide pays an additional contribution into a private pension fund the employer also pays a contribution in the following manner:

The contribution of the employer is 2% against the employee's 2% contribution.

8.2. Sick-pay fund

Employers shall pay 1.25% of guides' wages to the sick-pay fund of the Tourist Guide Union. The sick-pay fund premium shall be submitted with pension fund payments.

8.3. Continuous education fund

Travel agencies pay a 0.25% charge to the Continuous Education fund of The Tourist Guide Union which shall be submitted with pension fund payments. This premium replaces a payment into the holiday-pay fund of of The Tourist Guide Union.

8.4. Collection of membership fees

The travel agencies shall collect membership fees for The Tourist Guide Union. The membership fees are based on a certain percentage of total wages and shall be submitted with pension fund payments.

8.5. Vocational rehabilitation fund

Employers shall pay 0.13% to the vocational rehabilitation fund due to regular employees cf. a statement by ASÍ and SA which accompanies this agreement.

CHAPTER 9

Notice of termination

9.1. The notice of termination of regular employees

- 9.1.1. There is no notice for termination of employment during the first week of employment.
 After two weeks of continuous work for the same employer: 12 calendar days.
 After 3 months of continuous work for the same employer: 1 month based on the end of the month.
 After 3 years of continuous work for the same employer: 3 months based on the end of the month.
 The provisions of Article 9.1.1. fully replaces the provisions of Article 1 of Act No 19/1979 on notice of termination.
 The right to terminate employment is mutual and any termination of employment shall be in writing.
- 9.1.2. If an employee is dismissed after at least 10 years of continuous work for the same company, the notice of termination is four months if the employee has reached the age of 55, 5 months if he/she has reached the age of 60 and 6 months if the employee has reached the age of 63. However, the employee can resign from his/her job with a 3-month notice.

CHAPTER 10

Educational requirements

10.1. Educational requirements

Travel agencies that are parties to this agreement require guides to have completed a professional guiding course in Iceland. Travel agencies seek to recruit only educated guides. Travel agencies are permitted to recruit other people if available guides do not meet the required criteria (e.g. regarding language skills or specialised knowledge). Members of The Tourist Guide Union have priority when it comes to guiding for travel agencies that are parties to this agreement and travel agencies within SA and SAF have priority regarding the work of members within The Tourist Guide Union.

CHAPTER 11

Handling of disputes

11.1. Handling of disputes

Disputes on wages and benefits or parallel disputes between an employee and employer that may arise during the contracting period, may be referred by either party to this agreement to the standing committee of the overall organisation before resorting to industrial action or the courts.

CHAPTER 12

Conditions for this agreement

This agreement is based on the same prerequisites as the collective wage agreement between SA and VR/LÍV and members of the Federation of General and Special Workers in Iceland, signed on 29 May 2015.

CHAPTER 13

Validity period

13.1. Contract period

This agreement will remain in effect from 1 July 2015 to 31 December 2018. Notification of the passing of the collective agreement shall be made no later than 20 July 2015.

Reykjavík 1 July 2015

pp The Tourist Guide Union pp SA Confederation of Icelandic Enterprise and
The Icelandic Travel Industry Association