

**LETTER OF UNDERSTANDING**  
**RE: CLAIMS WORKFORCE TRANSITION**

**WHEREAS:**

- A. ICBC is engaged in a Transformation program which will result in changes to existing jobs within the Claims division, and a decrease in the size of our workforce.
- B. The parties are committed to minimizing the disruption experienced by employees as a result of these changes.
- C. Where reasonably possible, the parties are committed to achieving workforce reductions through attrition.

The parties have agreed to the following process to govern all workforce adjustments in the Clams division between the Implementation Date and the expiry of this Collective Agreement.

**CLAIMS HIERARCHY AND SALARY GROUPS**

- 1. Effective [Date][the "Implementation Date"], Appendix "A" of the Collective Agreement shall be amended to include the following positions:

<b>Job Code</b>	<b>Job Title</b>	<b>Salary Group</b>
TBD	Claims Examiner	12
TBD	Senior Injury Adjuster	11
TBD	Injury Adjuster	10
TBD	Estimator	10
TBD	Claims Adjuster - Commercial	10
TBD	Recovery Coordinator	9

- 2. Effective [Implementation Date], the following positions will be deleted from Appendix "A":

<b>Job Code</b>	<b>Job Title</b>	<b>Salary Group</b>
947	Estimator II	10
320	Estimator	9
197723	Claims Handling Adjuster	8
785	Office Assistant IV	5
518	Claims Support Assistant	5
448	Bodily Injury Adjuster	11

3. Effective [Implementation Date], Appendix "A" of the Collective Agreement will be amended to reflect the following new job tiles but no changes to the salary group:

Job Code	New Title (no change to salary group)	Old Title	Salary Group
325	Senior Claims Examiner	Claims Examiner Head Office	13
354	Claims Examiner Commercial	Commercial Claims Examiner Material Damage	13
353	Estimator - Commercial	Commercial Claims Appraiser	12
117837	Estimator - Specialty Vehicle	Specialty Vehicle Appraiser	11
327	Senior Recovery Coordinator	Rehabilitation Coordinator	11
806	Claims Support Assistant	Office Assistant III	5
805	Claims Document Support Assistant	Office Assistant II	4

4. The parties agree that the salary groups of the jobs listed in paragraphs 1 through 3 above are correct as of [Implementation Date]. Job profiles for these positions as of [Implementation Date] are attached as Attachment A.

**REASSIGNMENT OF STAFF TO NEW HIERARCHY**

5. Regular employees who are reassigned to positions in accordance with the process identified in this LOU shall not suffer any loss of pay or benefits for the duration of the period they remain in their new position. While in their new positions, employees shall receive the same pay and benefits (including negotiated increases) that they would have received had they remained in the same pay band they occupied as of [Implementation Date -1 Day].
6. In the event an employee protected by virtue of paragraph 5 chooses to moves to a different job classification subsequent to being reassigned in accordance with this LOU, their salary and benefit protection under this LOU shall expire, and they shall paid in accordance with the applicable Collective Agreement provisions, effective on the date they commence their new role.

**SENIOR CLAIMS EXAMINER POSITIONS**

7. On [Implementation Date -X], all Senior Claims Examiner positions in the Company (with locations) shall be posted in accordance with Article 7 of the Collective Agreement.
8. The posting shall be open only to employees holding regular positions as Claims Examiner Head Office at the time of the posting.

9. Claims Examiner Head Office employees must indicate their interest in a position within three (3) working days after their receipt of notification, otherwise they will not be considered for the position
10. Applicants will be selected in seniority order, subject only to the following conditions:
  - a. The applicant must have prior experience handling catastrophic claims;
  - b. The applicant must have been rated as fully successful or better in the year preceding the Implementation Date, and rated as on track for the year in which the Implementation date occurs.
11. Successful candidates will be selected and informed within five (5) working days after the close of the posting.

**CLAIMS EXAMINER POSITIONS**

12. On [Senior Claims Examiner Selection Date +5 Working Days], all Claims Examiner positions in the Company shall be identified and communicated to the Union as well as all those regular Claims Examiners (Head Office) who are not selected for Senior Claims Examiner positions. These employees shall have three (3) working days to select and be assigned to the Claims Examiner position, in seniority order.
13. Any remaining Claims Examiner positions will be posted in accordance with Article 7 of the Collective Agreement.
14. The posting shall be open only to employees holding regular positions as Bodily Injury Adjusters at the time of the posting.
15. Applicants will be selected in seniority order, subject only to the following conditions:
  - a. The applicant must have prior experience handling litigated claims;
  - b. The applicant must have been rated as fully successful or better in the year preceding the Implementation Date, and rated as on track for the year in which the Implementation date occurs.
16. Successful candidates will be selected and informed within five (5) working days after the close of the posting.

**SENIOR INJURY ADJUSTER**

17. On [Claims Examiner Selection Date +5 Working Days], all Senior Injury Adjuster positions will be posted in accordance with Article 7 of the Collective Agreement.
18. The posting shall be open only to employees holding regular positions as Bodily Injury Adjusters at the time of the posting.

19. Applicants will be selected in seniority order, subject only to the following conditions:
- a. The applicant must have prior experience handling litigated claims;
  - b. The applicant must have been rated as fully successful or better in the year preceding the Implementation Date, and rated as on track for the year in which the Implementation date occurs.
20. Successful candidates will be selected and informed within five (5) working days after the close of the posting.

**INJURY ADJUSTER POSITIONS**

21. On [Senior Injury Adjuster Selection Date +1] all Injury Adjuster positions in the Company shall be identified and communicated to the Union as well as all those Claims and Bodily Injury Examiners who have not yet been assigned a position. These employees must identify their preferred position(s) within five (5) days of being notified of the available positions.
22. Applicants will be assigned their choice of position in seniority order.
23. Successful candidates will be selected and informed within five (5) working days after employees have indicated their position preference.

**RECOVERY COORDINATOR**

24. All Recovery Coordinator positions will be posted in accordance with Article 7 of the Collective Agreement.
25. The posting will be only open to employees holding positions as regular Claims Adjusters. Selection will occur in accordance with Article 7 of the Collective Agreement

**CLAIMS HANDLING ADJUSTERS**

26. All existing Claims Handling Adjusters will be provided with the following options:
- a. Placement in a role as a Claims Contact Adjuster; or
  - b. Placement in a role as Claims Adjuster (subject to a maximum number established by the Company).
27. In the event there are not sufficient Claims Adjuster positions to accommodate placement requests, positions will be awarded in seniority order.

**WORKFORCE REDUCTIONS**

28. The reduction of FTE positions as a result of the introduction of new systems and processes in the Claims Division shall be accomplished in accordance with Article 9 of the Collective Agreement.
29. In order to facilitate reductions by attrition the parties agree that the length of temporary and acting appointments may be extended by the Employer to eighteen (18) months, for the duration of the Collective Agreement for the following positions:
- Office Assistant II
  - Office Assistant III
  - Claims Handling Adjuster
  - Claims Contact Adjuster
  - Claims Adjuster
  - BI Adjuster
  - Claims Examiner
  - Supervisor, Claims Administration
  - Supervisor, Telephone Claims
  - Supervisor Material Damage
30. On a monthly basis, the Employer shall provide the Union with a list of positions and locations which must be reduced within the next six (6) months. Employees in affected positions and locations will also be advised of this information.
31. Where vacancies occur in the company, the parties agree that first priority shall be provided to employees on the recall list, then those in positions and locations identified by the Company for reduction. Applicants from identified positions and locations shall be offered the job in question in seniority order, as long they are able to perform the duties of the role after appropriate training and orientation (3 months as per Article 9).
32. The Union agrees to withdraw Union Policy Grievance 10-0534 Express Repair, filed November 15<sup>th</sup>, 2010.

**FOR THE UNION:**

**J. Zygmunt**

**Date:**

**FOR THE CORPORATION:**

**B. Hale**

**Date:**