

The Federation of Professional and Managerial Staff YTN

Director Employment Agreement - Template





Director Employment Agreement - Template

1. Parties

Company Ltd (Business ID)

Address

(hereinafter referred to as the "Employer") and

Name of the Director (personal ID) (hereinafter referred to as "Director")

2. Background and purpose of the agreement

The purpose of this agreement is to agree upon the responsibilities of the Director to act for the benefit of the company, the remuneration provided to the Director and other rights and obligations between the parties.

3. Duties and responsibilities

The Director's position under this agreement is to act as _____ director of the company. The position is in the scope of the Employment Contracts Act and the main responsibility is _____.

The Director's primary tasks are:

4. Term

The employment in accordance with this agreement shall begin on _____.

The employment relationship is in force until further notice.

[Alternativt: "Avtalsförhållandet är i kraft fram till utsatt tid _____"]

5. Place of work

The primary place of work of the Director is _____.

6. Working hours

The director works in a position in which, according to the Chapter 1 Section 2 Article 1 of the Working Hours Act, based on the tasks and

the position of the employee, is considered to be as management of a company, corporation or foundation or an independent part thereof or an independent work directly comparable to such management. Thus, the Director is not in the scope of the Working Hours Act.

The working hours of the Director are approximately 8 hours per day and 40 hours per week. Working hours exceeding the aforementioned normal working hours are compensated to the Director as corresponding free time in a way that is not causing harm to the Employer's operations.

[Alternatively "The following is agreed concerning working hours:"]

7. Salary

The salary shall be EUR _____ per month and shall be paid monthly by _____ day of each month to a bank account specified by the Director. The aforementioned salary is agreed upon as compensation for the regular weekly working hours referred to in section "Working hours".

The salary of the Director is reviewed annually in connection with the closing of the books and shall be increased at least with the same general increase that is applied to the senior salaried employees of the Employer.

In addition to the above mentioned monetary salary Director is entitled to the following fringe benefits:

- Unlimited car benefit, the value of the purchase price _____ max. EUR
- Limited car benefit, the value of the purchase price _____ max. EUR
- Phone benefit
- Lunch benefit
- Housing benefit
- Other

8. Bonuses, performance bonuses etc.

The Director shall be paid an annual bonus/ performance bonus within one month of the date when the final accounts are approved by the General Meeting of Shareholders.

The bonus/performance bonus is determined as follows:

[Alternatively: "The determination of the bonus/ performance bonus has been agreed upon with a separate attachment."]

After termination of this agreement, regardless of the reason, the company shall pay the Director a share of the bonus/performance bonus corresponding to the number of full months that he/she has worked during the fiscal year concerned. The annual bonus/performance bonus shall be paid immediately after the final accounts have been adopted.

For other profit-based remuneration, the Employer policy in force shall be applied.

9. Options

Options have been agreed on between the Employer and the Director as follows:

[Alternatively: "The determination of the options have been agreed upon with a separate attachment."]

10. Pension benefits

In addition to the compulsory pension set forth in the Employees Pensions Act, the Employer shall take for the Director a voluntary pension from the company _____.

The terms of the supplementary pension shall be agreed separately in writing between the pension insurance company, the Employer and the Director. Upon the end of the employment relationship, the Director shall receive a so-called paid-up policy for the pension. The company has no right to cancel or redeem the supplementary pension without consent of the Director.

At the beginning of the employment the supplementary pension payment made by the Employer is EUR _____/year.

11. Insurances

In addition to the normal accident insurance the Employer shall provide the Director with a leisure time accident insurance and a travel insurance.

The Employer shall provide the Director life insurance policy of EUR _____ in accordance with the terms and conditions of such policy.

The Company shall undertake to acquire and maintain the Director's liability insurance. The liability insurance also covers the actions of the Director in the boards of companies controlled by the Employer.

The terms of the above mentioned insurances shall be agreed separately in writing between the pension insurance company, the Employer and the Director.

12. Holiday Entitlement

The Director shall be entitled to holiday in accordance with Annual Holidays Act. In addition to the statutory holiday entitlement, the Director shall be entitled to additional paid holiday of _____ week(s) per holiday credit year.

For the first year of employment, the Director shall be provided _____ weekdays of paid summer holiday and _____ weekdays of paid winter holiday.

The Director shall receive, in connection with holiday pay, a holiday bonus that is 50% of the monetary value of the holiday pay.

Holiday pay and holiday bonus are paid from the accrued and the agreed holiday days also in such case if the Director is not able to keep the holiday days during the term of this agreement.

The Director has the right to determine the timing of his/her holiday and freely divide the holiday as far as it does not cause any substantial harm to Employer's business.

13. Sick pay

If the Director is absent from work due to illness or accident, he/she shall be entitled to same salary with fringe benefits as he/she would have received if he/she had been normally at work. The salary shall be paid per each illness or

accident for the maximum duration of three (3) months.

The Director is entitled to occupational health-care in accordance with the Employer policy.

14. Family Leave

Director is entitled to family leaves in accordance with Chapter 4 of the Finnish Employment Contracts Act.

Director shall be paid full salary of three months for the duration of maternity leave or full salary of one month for paternity leave.

When an under 10-year-old child of the Director or other under 10-year-old child living permanently in the same household suddenly falls ill, the Director is provided necessary, short-term paid leave for up to four calendar days, in order to arrange child care or care for the child.

15. Travel

The Director's expenses for travel and accommodation shall be paid according to vouchers submitted.

The Director shall be entitled from both domestic and international travels the per diem and kilometer allowances in accordance with the tax-free maximum amounts established by the tax authorities.

When the Director is travelling outside his/her normal working hours, the Director shall be entitled to free time corresponding the travelling time in a way that it is not causing harm to the Employer's operation.

16. Representation

The Director shall be fully compensated for representation expenses. The following has been agreed on the representation expenses:

17. Confidentiality obligation

During the employment, the Director undertakes not to exploit, or disclose to any third parties, any business or trade secrets that are entrusted to Director by the Employer or its subsidiaries or that otherwise may come to Director's knowledge.

Information published by the company itself or otherwise being in the common knowledge are not to be considered business or trade secrets.

For the sake of clarity, it is noted that the previously mentioned confidentiality obligation does not prevent the Director from utilising his/her education, experience or professional skills in the future or, after the termination of this agreement, from being employed by another employer. The confidentiality obligation shall continue for _____ months after the end of this agreement.

18. Non-competition

The Director undertakes to refrain, for a period of _____ months following the termination of this agreement, from entering the employment of a competitor, from setting up a company to compete with the company and from acquiring shares in a company that can, on the basis of the nature of its operations and business, be regarded as a competitor of the Employer.

The business covered by this non-competition restriction is considered to be:

For the sake of clarity it is noted that the non-competition obligation shall not be applied if the Employer terminates the employment agreement.

Should the Director breach the non-competition obligation agreed in this agreement, the Director shall compensate the damage done to the Employer by the breach, for a sum up to six (6) months worth of salary of the Director.

19. Secondary occupations

Employer is aware of the following secondary occupations/positions of trust held by Director and Employer shall not prevent Director from holding them in the future during the employment relationship.

Any future secondary occupations/positions of trust shall require the consent of Employer.

20. Training

Director has the right to obtain necessary supplemental, further and re-training at the Employer's expense. Training that exceeds the

usual training referred to in the Employment Contracts Act shall be agreed upon case-by-case.

21. Inventions/Copyright

Inventions made by the Director shall be subject to the provisions of the Finnish Act on the Right in Employee Inventions. Any compensation payable for such inventions shall be agreed on a case-by-case basis.

Copyright to works that are protected by copyright and produced as a result of any work made by the Director shall belong to the Director. The Employer shall have a right of exploitation to the aforementioned works for the duration of this agreement. The transfer of the right of exploitation of the copyright following the end of the contractual relationship shall be agreed separately by the parties.

22. Termination of Director contract

This agreement can be terminated or cancelled in accordance with the terminating or cancellation grounds laid down in the Employment Contracts Act. If employment is terminated by the Employer, the notice period shall be in accordance with the Employment Contracts Act, however, not less than _____ months. If the employment is terminated by the Director, the notice period shall be _____ months.

The Director shall not have working obligation during the notice period should the Employer terminate this agreement.

23. Severance Pay

If this agreement is terminated by the Employer, Director shall be paid _____ months' total salary in addition to his/her normal salary from the notice period. This severance pay shall be paid to Director no later than at the end of the employment relationship, unless otherwise agreed by the parties.

In the event of Director's death, the salary from the notice period and/or the severance pay shall be paid to Director's estate.

Director has the right to reschedule the payment date of the severance pay by informing the Employer of the date rescheduling no later

than _____ day(s) before the end of this agreement.

24. Settlement of disputes

Any disputes arising out of this agreement, its provisions or termination thereof shall be settled by negotiations of the parties. As a last resource, disputes shall be settled by the court of jurisdiction.

25. Other provisions

The _____ collective agreement shall be applied to the extent that better terms for the Director have not been agreed on in this agreement.

Upon the end of this agreement Director shall return to the Employer all property he/she has received in return for an acknowledgement of receipt.

This agreement revokes all the agreements previously made between the parties that concern Director's employment relationship or its terms thereof.

This agreement can be amended in writing only with the consent of both parties.

26. Counterparts

This agreement has been drawn up as two identical copies, one for each party.

Date and signatures

Date and place

Company Ltd

Director

Instructions for application

1. Parties

THE parties in the template are the employer and the director as an employee. While Director is temporarily substituting the managing director in addition to his/her other duties, employment security according to the Finnish Employment Contracts Act is applied to director. The situation may change if director, as part of his/her duties as vice managing director, serves in place and acts as the actual managing director.

Therefore, it is recommended to draw up a separate written annex in the current director agreement of the person working as substitute of managing director. The annex shall define the rights and obligations of the substitute of managing director, which shall be applied for the duration that the person in question acts as the managing director.

2. Background and purpose of the agreement

AGREEMENT WITH the headline Director Agreement constitutes an employment .

3. Duties and responsibilities

The duties and responsibilities of director should be defined as explicitly and carefully as possible.

4. Duration of the agreement

The main rule in the DIRECTOR agreements is that the agreement is in force until further notice. In case of a fixed-term director agreement is concluded, the employer must have a justified reason to do so as referred to in Employment Contracts Act.

Both parties are bound by the fixed-term agreement. Fixed-term agreements cannot be unilaterally terminated with notice, unless such a possibility has been expressly agreed upon.

5. Place of work

The director's place of work should be carefully defined, because with several places of work the employer may use its right of direction and order the place of work from among the agreed places. Employer has a unilateral right to order the director to be in attendance on a specific place of work. Because commute between home and place of work does not entitle an employee to kilometer and per diem allowances, an agreement on several places of work in the agreement may force the director to travel long distances at his/her own expense when moving between places of work.

6. Working hours

THE WORKING Hours Act excludes managing directors and other company executives in accordance with legislative drafts and the prevailing view adopted in legal praxis.

Even though the Working Hours Act does not apply to the director, the average working hours of the director should be determined. Then the contractual obligations of the director and the time of attendance can also be determined. By determining the average working hours the relationship between the working hours and the director's monthly salary can be assessed.

7. Salary

MATTERS AFFECTING personal salary in addition to experience are inter alia size and cost-effectiveness of the company, competition in the field and accountability of the director position.

8. Bonuses, performance bonuses etc.

COMPENSATION AWARDED to director may be based on the company's results, personal performance of the director or both.

A bonus, tantieme or other similar performance bonus that is often agreed upon to be awarded to the director should not be confused with for example the production bonuses and profits payable to all staff members but may be purely a personal bonus paid in addition to the above mentioned ways of compensation.

Usually the director's bonus is tied to fiscal profit or operating margin. For the benefit of the director it is essential to tie the bonus to a condition that is easily defined and calculated in order to avoid any disagreements in interpretation.

It is also important to adequately define the payment time of the bonus, especially in such cases when the service relationship is terminated during fiscal year or before time of the bonus' payment.

9. Options

EMPLOYEE STOCK option (an ESO scheme, an option based on an employment relationship) means the director's relationship-based right to receive or obtain shares or stakes in a pre-defined price below the market price. The shares or stakes in question can include convertible bond, bond with warrants, option right or other such agreement or other commitment.

When assessing the taxation of the options the value of the benefit is the fair market value of the shares or stakes when the employee stock options are exercised, minus the price the taxpayer has paid for the shares or stakes and the employee stock

options in total. The benefit is regarded as income for the tax year during which the stock options are exercised.

The right to participate in an ESO scheme is usually tied to an ongoing employment relationship and if the director relationship is terminated, the option rights that have not been exercised are lost. In some termination contracts it is agreed that the employee stock option is preserved even after the termination of the service or employment relationship.

10. Pension benefits

IN ADDITION to statutory pension, director agreements often contain voluntary supplementary pensions with the aim of lowering the pension age or raising the amount of pension in money. The costs of the supplementary pension are borne by the employer. The supplementary pension is tailored to the needs of the employer and the director by drawing up a contract between the insurance company, director and the company. The director shall also ensure that the employer is restricted from cancelling the supplementary pension (so-called agreement of irrevocability (transl. here)). To execute this, an agreement of irrevocability of the pension can be made with the employer.

A personal retirement pension provides a variety of options to flexible retirement: the position may be partly or completely given up before retirement age or the pension may be raised.

The duration of the supplementary pension can be defined as lifetime or a fixed time. The insurance is specific to the person insured, and pension is only paid to this person. In case of death of the insured before the start of the pension payment, the insurance-based pension shall not be paid. Complementing the voluntary supplementary pension with a life insurance or survivor's pension secures the situation in case of death of the insured.

It is important to remember that for tax reasons the employer is marked as the policy holder which means also that the employer can quite far decide on the use of the insurance. The director's right to a paid-up policy should be explicitly guaranteed by way of director agreement or other agreement in cases where the employment relationships ends before reaching retirement age. The paid-up policy means that the director is entitled to receive the accumulated insurance assets when eventually retiring even if the employment relationship of director has ended before reaching retirement age.

If the company is the policy holder of the supplementary pension, director's pension income is subtracted from his/her unemployment benefit.

If the director himself/herself is the policy holder of the supplementary pension, the pension does not reduce the unemployment benefit. The supplementary pension can often be postponed for example to start after a period of unemployment.

Because laws and their interpretations are subject to change, anyone receiving pension and planning retirement should take legislation into account, especially the Unemployment Security Act.

11. Insurances

DIRECTOR AGREEMENTS usually contain clauses on leisure time accident insurance and travel insurance. Often the individual pension insurance is accompanied with an individual life insurance. The director is a key employee of the employer. The employer may suffer remarkable financial damage if a key employee is unable to perform his/her work duties because of illness or other reason. Companies may acquire various insurances as a part of employer's risk management measures.

12. Holiday Entitlement

THE FINNISH Annual Holidays Act is applicable to the employment relationship of a director. Agreements often allow director to have an additional paid holiday of one week. The basis for it is usually the substantial workload and time-demanding nature of the position.

Holiday bonus

THE CONTRACT must include provision on holiday bonus. The law does not contain provisions on holiday bonus. Instead holiday bonus is usually based on the provisions of collective agreements. With the term holiday bonus the agreement template refers to a compensation paid in connection with the holiday pay before the start of holiday or its part. Holiday bonus is usually not paid from the holiday compensation paid at the end of the employment relationship, and therefore the holiday bonus paid with holiday compensation must be agreed upon separately.

13. Sick pay

THE DIRECTOR is entitled to sick pay of 1 + 9 days as regulated in the Employment Contracts Act. However, agreeing upon a fixed right to three months of salary for sick time for the director might be advisable.

14. Family Leave

THE DIRECTOR shall have the right to family leaves according to the Employment Contracts Act. The Employment Contracts Act does not require the employer to pay the director any salary for the period

of family leaves. Thus, it should be agreed with the director whether or not the family leaves are paid.

15. Travel

KILOMETRE ALLOWANCES and per diem allowances are not regulated by legislation but are to be agreed between the director and the employer. The Tax Administration decision only specifies the annual tax-exempt maximum amounts of per diem- and kilometer allowances. In practice nearly all companies agree to pay kilometer- and per diem allowance according to the tax-exempt maximum amounts specified in the Tax Administration guidelines.

If the position of the director requires more travel than normal, the director should consider how the agreement takes leisure travel into account and how the possible extra burden can be compensated.

16. Representation

According to the contract template the representation expenses paid by the director shall be compensated to him/her. Agreeing on for example a representation budget with the employer is advisable in order to avoid disagreements.

17. Confidentiality obligation

INFORMATION SUBJECT to confidentiality obligation shall be defined as carefully as possible, or at the minimum the issues outside of confidentiality obligation shall be determined. Confidentiality obligation shall not be extended to the professional skills or experience of the director. The duration of the confidentiality obligation shall be defined, and the recommended duration is no more than two years after the end of the employment relationship.

The confidentiality obligation referred to in the Chapter 3 Section 4 of the Employment Contracts Act only pertains to the duration of the employment relationship. According to the Employment Contracts Act the employee may not, during the employment, disclose the business or trade secrets of the employer to others or use them to his/her own advantage. Disclosure and misuse of business or trade secrets is punishable by the Criminal Code of Finland.

Director agreement is a way to ensure the confidentiality of the director regarding trade secrets. However, the confidentiality obligation regarding director agreement should also be limited to the duration of the contractual relationship, and thus, it is not advisable to needlessly commit to or have someone commit to an confidentiality obligation for a long period of time after the end of the contractual relationship. A reasonable time may vary between 6

to 24 months.

The consequence of breaching the confidentiality obligation may be compensation for damage or a contractual penalty agreed separately. The contractual penalty is a matter of careful consideration, because contractual penalty does not require actual damage to be done. A breach of agreement alone creates the obligation to pay.

It is advisable to agree upon a maximum compensation/penalty payment.

Some special issues

DISCLOSING A trade secret may be punishable under the Unfair Business Practices Act. This action may also be punishable by the Criminal Code.

Violation of business secrecy

CHAPTER 30 of the Criminal Code regulates violating business secrecy during an employment relationship. In accordance with the legislation the director may be liable, on sentence, to a fine or imprisonment for up to two years in case he/she has, in order to obtain financial benefit for himself/herself or another, or to injure another, unlawfully disclosed or utilised the business secret of another. Even though the legislation referred to primarily concern the duration of the employment relationship, the director should be careful when starting a competing business or entering into an employment relationship with a competitor. The director should take care not to operate in a competing manner, such as marketing, solicitation of customers or other activities while still under the employment relationship. The Chapter 30 Section 5 of the Criminal Code of Finland refers to actions that are carried out within two years since a person's service relationship has ended. An attempt at violating a business secret is punishable.

18. Non-competition

IN ACCORDANCE with the Chapter 3 Section 5 of the Finnish Employment Contracts Act an employer and a director may make an agreement of non-competition, which for a certain amount of time after the end of the employment limits the director's right to transfer to the service of an competing employer or setting up a competing company. As a prerequisite for the non-competition is always that the employer has had a particularly weighty reason to draw up an agreement of non-competition. The limitations made in the Employment Contracts Act on the duration of the agreement of non-competition (up to 6 months without a separate compensation and up to 12 months with a separate compensation) and

on the contractual penalty (a sum not exceeding the amount of salary received by the employee in 6 months) do not apply to directors outside the scope of the Finnish Working Hours Act.

The employer may have an interest in restricting competing operations even after the termination of the employment relationship. However, the non-competition agreement shall not limit the director's operations in an unreasonable manner or with respect to time, content or region. The content of the non-competition agreement shall always be detailed in a careful manner: what kind of operations constitute competition, who are the competitors, what are the geographical boundaries etc.

A contractual penalty is often agreed upon in connection with non-competition, non-solicitation and confidentiality provisions. Demanding a contractual penalty does not require the company to be able to indicate the amount of financial damage. It is preferable for the parties to agree on a liability for damages according to the Finnish Tort Liability Act, in which case the damage shall be compensated according to the damage caused. It is advisable to agree upon a maximum compensation on liability for damages.

If the parties agree on a contractual penalty, the company may not claim further compensation under the Tort Liability Act. If the parties have not agreed on a contractual penalty, the Tort Liability Act applies.

If the director's salary also consists of a variable remuneration (for example, performance bonuses), the contractual penalty is recommended to be tied to a fixed monthly salary.

It is worth remembering that the contractual relationship with the company is still valid during the notice period, even if there is no obligation to work. Similarly, the contractual relationship and the aforementioned non-compete restrictions are in force during the annual holiday.

Regarding non-competition and confidentiality obligations it is advisable to read the guide Employment-related competing restrictions and confidentiality (original title "Työsuhteeseen liittyvät kilpailunrajoitukset ja salassapito") created by lawyers of The Finnish Federation of Professional and Managerial Staff (YTN).

19. Secondary occupations

THE PERMISSION granted for secondary occupations or permission for existing secondary occupations or positions of trust should be noted in the director contract.

20. Training

DIRECTOR CONTRACT may include provisions on training arranged by the company. It can also detail, whether or not the director can participate in company-paid training not arranged by the company while receiving full salary.

If the director wishes to take part in training with an unusually large scope, the participation should be agreed upon with the employer in writing before the start of the training.

21. Employee inventions/Copyright

In most cases if the director makes a patentable invention while serving a company, the company is entitled the rights related to the invention. The specific rights of the company to each invention are specified in the Finnish Act on the Right in Employee Inventions.

The director agreement may state the grounds of compensations for inventions. The lawful procedures of notifying the inventor, payment of compensation and applying for patent should be carefully established after or during the making process of an employee invention.

Copyright

THE RIGHT to a work lies always with its author. As a rule, the employer is entitled to obtain a right of exploitation to an employee-made creation that falls within the scope of the employer's usual industry. Any extensive transfer of copyright to the employer has to be evaluated case by case. The evaluation considers the meaning of the employment relationship and nature of the work duties, regular use of the creation in the employer's field and common practice in the field.

The prerequisite for applying regulations and principles of employment relationship copyright legislation is that a work is created under employment relationship.

22. Termination of Director agreement

The duration of the notice period can be agreed upon freely within the boundaries of the Employment Contracts Act. In this agreement template the notice periods are left to be agreed by the parties.. At times the notice period of the company and that of the managing director differ from each other. In most cases when employment is terminated by the employer, notice period is six months, while when the director gives his/her notice, the notice period is not more than three months.

Cancellation of Director agreement

THE EMPLOYER and the director may cancel the director agreement on the grounds specified in the Employment Contracts Act.

Other situations

DIRECTOR AGREEMENT may be drawn as fixed-term for a justified reason. A fixed-term director agreement can be terminated during the contract period only if such possibility has been explicitly agreed. If one party commits a substantial breach of the director agreement, even a fixed-term director agreement may be terminated on grounds specified in the Employment Contracts Act.

23. Severance Pay

Usually it is agreed in the director agreements that the employer commits to pay the director a severance pay of a certain amount in money in addition to the salary of the notice period. The amount of severance pay can be agreed upon freely. Usually it varies between a sum corresponding to three months of salary and a sum corresponding to one year of salary.

In case the salary of the director contains variable remuneration, and severance pay refers to the salary received by the director during the contract period, it should be agreed that the variable remuneration is taken into account when defining severance pay. It is advisable to see the Supreme Court precedent KKO:2006:42 which considers the income accrued from an ESO scheme as salary in connection with assigning a compensation for wrongful dismissal of the employment relationship.

If the director dies, the employer may agree to pay the estate a sum corresponding to the notice period salary including possible fringe benefits, tantiemes etc. In case the director also leaves behind a widow and/or underage children, the company may agree by way of contract to pay them a sum corresponding to severance pay in addition to the salary of the notice period.

For taxation reasons it might be necessary or beneficial to the director to postpone the payment of the severance pay until next tax year, and thus, it might be good that the agreement enables it.

Impact on unemployment security

UNEMPLOYMENT SECURITY should be cleared up before terminating the director agreement. In case the director terminates the agreement without reasonable grounds or the director's conduct causes the termination, a three month suspension period may

be imposed on the director before he/she is entitled to the unemployment allowance. Interpretations may vary depending on TE-office and the details of each case.

According to Finnish Unemployment Security Act, director is not entitled to unemployment allowance during the time she/he receives severance pay.

However, it is important to register to the TE-office on the first day of unemployment after termination of the service relationship in order to secure the unemployment allowance.

24. Settlement of disputes

THE MAIN route of settling disputes should be by negotiations between the director and employer. The lawyers of your trade union will help you in the negotiations.

If the dispute cannot be solved by negotiation, the matter may be referred to court. In most such situations the legal expenses insurance of the union is available to the member. However, the law proceedings should not be initiated before negotiations with the union lawyer.

The best solution for the director is to agree that settling any eventual disputes about the interpretation of the director agreement or its termination are solved with the court of jurisdiction.

However, if disagreements are going to be settled by way of arbitration proceeding, the chosen method shall be a one-man arbitration process, and that the company shall pay the costs incurred by the arbitration. As a rule, the possibly considerable expenses of the arbitrator are not covered by unions' legal expenses insurance.

It should be noted that the decision of the arbitration is not subject to appeal.

25. Other provisions

The section "Other provisions" includes practical procedures which are advised to be left unchanged.

If the director is subject to the terms of some collective agreement, the name of such collective agreement should write into the director agreement.

26. Counterparts

THE DIRECTOR agreement should include the place and date of its conclusion with the signatures of the parties. Both parties shall have their own copies of the agreement.



The Federation of Professional and Managerial Staff YTN

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