

## Holidays Act Remediation Project FAQs

### Who may be affected?

The issues identified may affect past and present Arvida employees who were employed on a permanent basis at any time from 15 May 2018, or from the date your community was acquired if after this date, up to when Arvida has confirmed compliance with the Holidays Act 2003. We expect this to happen towards the end of 2025 at the earliest.

Not all individuals who were employed by Arvida during that period have been underpaid, as many will have been paid their correct entitlements.

### How do I know if I am impacted?

Arvida is working on a holiday pay remediation project which will identify the employees affected. We're also working on a process of how we're going to contact anyone impacted, we'll advise you as soon as possible on what this process will be. Please note that this project only impacts permanent employees.

### What will I need to do?

You don't need to do anything yet, the purpose of these communications is to let you know that we have started this process. We will be in contact with you with next steps. Typically current employees do not need to provide any documentation to receive their remediation payments or entitlements.

Past employees, who are entitled to remediation payments, will need to provide information so that we can make any payments owed and we'll update you on the process as soon as possible.

### How much will my payment be?

We cannot confirm individual payments at this stage, and as mentioned, you may not be impacted (if your entitlements have been paid correctly).

If you are a current employee, and we find that we do need to make an adjustment for you, then it is possible that you may receive additional leave entitlements rather than a payment (or a combination of both). Further details will be provided when we get in touch with individuals regarding any entitlements owing to them. Each employee is different depending on the hours they work and the extent of variability in the pay you receive. We are carefully working through this with our expert advisors.

### **When will I get paid?**

The remediation process is complex and may take a number of months. At this stage we are aiming to contact individuals who have been impacted in the second half of 2025 and make payments thereafter. These timeframes may change, and we will provide further updates if that is the case.

### **How far back do these issues go?**

Guidance under legislation stipulates that remediation should go back 6 years. Arvida will make calculations dating back to 2018. This would be six years back from the date (in 2024) when Arvida entered into an enforceable undertaking with MBIE.

Since becoming aware of the compliance issues Arvida has:

- Engaged with an external provider (who is an independent specialist in this work) to test and verify issues; and
- Engaged expert legal and accounting advice.

### **How will this payment be taxed, and how will it affect my KiwiSaver contributions and Student Loan payments?**

Remediation payments will be taxed as a lump sum and any usual deductions you have from lump sum income received will be applied.

### **I'm acting on behalf of someone, how do I claim for them?**

To check if a deceased person's estate or someone you act for is due a remediation payment, you'll need to verify your identity and provide documentation confirming you are authorised to act on their behalf.

### **Why has this happened?**

Many New Zealand businesses miscalculated entitlements due to the complexities in the Holidays Act 2003. Businesses impacted have included Bunnings, McDonalds, Countdown, and many Government departments.

### **Can my payment be made into an overseas bank account?**

No, we can only make payments to New Zealand bank accounts.

### **Will I have pay deducted?**

No, there will be no pay deduction - you'll either receive something or nothing from this process.

**Will I receive interest on top of my payment?**

Interest is not payable on remediation payments.

**When will this project be completed?**

We're still exploring this complex project and we don't have a payment date or completion date at this stage.

**What steps have Arvida taken to ensure my future holiday pay is correct?**

Arvida has conducted an external review of its payroll processes and changes will be made going forward to ensure that leave is calculated correctly. We will continue to monitor our systems going forward.

**Can I seek legal advice independently?**

Yes, you are entitled to seek advice independently.

**Who can I contact if I need more information?**

Please send your query to your village manager or support office manager.