

General Business Terms and Conditions for the Provision of Temporary Workers ARBEIT UND MEHR GmbH

## **1. Subject of contract, performance**

1.1. ARBEIT UND MEHR GmbH (hereinafter, "ARBEIT UND MEHR") agrees to provide the client, on the basis of contracts for the provision of temporary workers, with temporary employees at the agreed place of deployment in accordance with the following General Business Terms and Conditions. Deviating general business terms and conditions of the client that are not expressly acknowledged by ARBEIT UND MEHR in writing are not binding on ARBEIT UND MEHR, even where the use of other general business terms and conditions is not expressly objected to.

1.2. The employees provided bay ARBEIT UND MEHR have been selected in accordance with the technical requirements profile described by the client, and they may be deployed only in the contractually agreed area of work. In particular, the client is not allowed to assign the employees the task of transporting, handling or collecting money or other means of payment. If the client intends to assign such work to the employees, this requires a separate agreement between ARBEIT UND MEHR and the client. In addition, the employees are not authorised to accept documents intended for ARBEIT UND MEHR, other than the time records pursuant to Section 10.1.

1.3. During deployment at the client, the employees are subject to its instructions and work under its supervision and direction. No contractual relationships are established between the client and the employee. Agreements concerning the nature and duration of the work, working time, and other understandings may be entered into only with ARBEIT UND MEHR.

## 2. Rejection

2.1. If the client is dissatisfied with the employee's performance, it may reject the worker within four hours of the start of the provision.

2.2. The client may reject the employee with immediate effect if grounds exist that would entitle the employer to terminate without notice (section 626 of the German Civil Code [BGB]).

2.3. The rejection must take place through a written declaration made to ARBEIT UND MEHR, setting forth the reasons.

## 3. Replacement of the employee/strike

3.1. In cases of rejection under Section 2.1 and 2.2, as well as in the event of the unforeseen unavailability of the employee, e.g., as a result of illness, ARBEIT UND MEHR is entitled to provide an equivalent staff substitute within 24 hours. If this is not possible, ARBEIT UND MEHR is released from its obligation to perform.

3.2. If the client's business is affected by a lawful industrial action, ARBEIT UND MEHR is entitled, subject to emergency service agreed upon for the client business, to withdraw its employees until the industrial action ends.

3.3. In addition, ARBEIT UND MEHR is entitled to replace the provided employee at any time for internal operational, organisational or statutory reasons and to provide a technically equivalent employee.

## 4. Force majeure

Cancellations and changes by ARBEIT UND MEHR are possible if contractual performance is jeopardised, impaired, or made difficult. This applies to extraordinary circumstances that were not foreseeable at the time of contract conclusion, such as civil unrest, catastrophes, epidemics, sovereign decrees, strikes, illness, or the like. Claims by the client against ARBEIT UND MEHR for compensation of damages are excluded in such cases.

## 5. Occupational safety

5.1. During the work deployment, the client assumes the duty of care of an employer vis-à-vis the employee. It must ensure that the applicable accident prevention and occupational safety requirements and the statutorily permissible limits on working time are complied with at the employee's place of work and that first-aid equipment and measures are assured there. If the employee's work requires an occupational health screening, the client must perform such examination prior to the start of work. 5.2. Pursuant to section 12 of the German Occupational Safety Act (*Arbeitsschutzgesetz*, ArbSchG), the client is obligated to give employees sufficient and appropriate training regarding safety and health protection at work. In addition, it is obligated to monitor worker protection rules. The foregoing obligations exist irrespective of the obligations of ARBEIT UND MEHR. For the purpose of meeting its obligations as employer, ARBEIT UND MEHR is granted a right to access the workstations of the provided employees at any time during business hours.

5.3. The client is obligated to immediately notify ARBEIT UND MEHR of any work accident and to provide it with all information for reporting the accident in accordance with section 193 (1) of the German Social Code, Book VII (SGB VII). Work accidents subject to reporting must be notified to the Employer's Liability Insurance Association (Verwaltungsberufsgenossenschaft) without delay by means of an accident notice. The client must transmit a copy of the accident notice to the liability insurance association responsible for its business.

5.4. If the employee justifiably refuses to commence or continue work due to defective or non-existent safety devices, equipment or protective clothing, the client is liable for the wages lost as a result of this.

# 6. Remuneration, deployment-related surcharge, industry surcharges, other surcharges

6.1. The hourly billing rate agreed upon in the respective contract for the provision of temporary workers is controlling for billing purposes. The billing rates take into account all wage costs and ancillary wage costs, including any industry surcharges that are payable for the provided employees. The prices specified there are net of value-added tax. The hourly billing rate is normally based on weekly working time of 35 hours. However, this may be set at a higher or lower rate, e. g. depending on the length of working time or the client's needs.

6.2. The hourly billing rate may be increased under a separate contractual agreement by a deployment-related surcharge of 1.5% if the employee is deployed at the client for nine months without interruption or by 3.0% for a deployment of 12 months without interruption. The due dates for the increase are postponed by the interruption

periods if these amount to up to three months. Interruption periods lasting longer than three months result in a recalculation of the time periods. The deployment-related surcharge is not due if the worker is entitled to an industry surcharge (see Section 6.3) that exceeds the amount of the deployment-related surcharge.

6.3. If the employee is entitled to industry surcharges because he or she is provided to a client business that is subject to a surcharge, the hourly billing rates are increased in accordance with the terms of the relevant collective bargaining agreement on industry surcharges for the first time after four or six weeks, as the case may be, of the uninterrupted deployment of the employee at the client business. Further increases are incrementally applied after three, five, seven, nine and 15 months of uninterrupted deployment.

6.4. Interruptions in deployment (e.g. through change of deployment to another client business) that last longer than three months and one day result in the extinguishment of an entitlement to the industry surcharge that has already arisen, and the time periods for acquiring the entitlement to the industry surcharge and thus a correspondingly higher billing rate begin to run anew. Interruption periods that occur during the ongoing deployment as a result of illness of up to six weeks, personal holiday or public holidays falling in the deployment period and do not exceed a total duration of three months and one day are irrelevant and result in an increase in the billing rate. By contrast, other interruption periods of less than three months (e.g. through change of deployment to another client business) during the deployment suspend the running of the time period.

6.5. The interruption arrangement in the collective bargaining agreements on industry surcharges that is referred to in Section 6.4 is applicable to the scaling of the billing rates in accordance with Section 6.3, which is dependent on the industry surcharges. This may result in the postponement of the regular due date for the billing rate increase pursuant to Section 6.3. Accordingly, the billing rate first increases when the employee actually acquires a correspondingly higher remuneration entitlement pursuant to the relevant collective bargaining agreement on industry surcharges. Only at that point will the client be invoiced at the increased hourly billing rate.

6.6. If the client demonstrates that the employee's remuneration, including the industry surcharge, exceeds the current, regularly paid hourly wage for a comparable worker at the client business, the employee's earnings can be capped at 90% of same (known as "comparable wage") until the end of the 15th month of deployment. The client is obligated to give ARBEIT UND MEHR prompt notice of any change in the current, regularly paid hourly wage. ARBEIT UND MEHR is entitled to demand an appropriate adjustment of the billing rates if the comparable wage changes as a result of the change in the current, regularly paid hourly wage. The same applies if a change in the employee's job profile makes it necessary to adjust the comparable wage. Any schedule of prices is to be adjusted accordingly.

6.7. Agreements made by the client business for the benefit of employees and that provide more favourable pay to deployed workers (*Besserstellungsvereinbarungen*) within the meaning of section 4 of the collective bargaining agreements on industry surcharges may have an impact on the billing rate. A separate agreement is required for this purpose. Travel costs and per-diem payments are likewise required to be remunerated only if separately agreed upon.

6.8. The client is subject to the information obligations specified in Section 8.1 for the purpose of determining the precise amount of the industry surcharge.

6.9. ARBEIT UND MEHR is entitled to demand an appropriate adjustment of the billing rate if circumstances exist that cause a cost increase. These include, in particular, the replacement of an employee with an employee with higher qualifications or an obligation to grant key employment terms that are applicable for a comparable worker of the client.

6.10. If the client desires overtime work, night work, or work on Sundays or on public holidays, a prior separate understanding with ARBEIT UND MEHR is necessary. In such cases, the following surcharges will be applied on the basis of the respective applicable hourly billing rate:

ι	<ul> <li>a) Overtime work (work hours that exceed 40 hours per week)</li> </ul>	25%,
ι	b) Night work (work between 11.00 p.m. and 6.00 a.m.)	25%,
	c) Overtime work in the time between 8.00 p.m. and 6.00 a.m.	50%,
-	d) The first two work hours on Saturday	25%,
9	e) The third and every successive work hour on Saturday	50%,
)	f) Work on Sundays (work between 12.00 midnight and 11.59 p.m.)	50%,

g) Work on public holidays (work between 12.00 midnight and 11.59 p.m.) 100%. If surcharges for night work, work on Sundays, and work on public holidays overlap, only the highest applicable surcharge is applied.

6.11. If after nine months of uninterrupted provision to the client, the provided employee is entitled under section 8 of the German Act on the Provision of Temporary Workers (*Arbeitnehmerüberlassungsgesetz*, AÜG), new version, to the wage of a comparable worker (equal pay), the client is obligated to notify the personnel service provider about all wage components of a comparable worker as may be required in order to calculate the equal pay entitlement, and it must give such notice sufficiently in advance of the end of the time period. If this should result in the employee having additional claims, the parties are to commence negotiations with the aim of an appropriate adjustment of the hourly rate. In addition, Section 8.1, below, applies mutatis mutandis. The foregoing does not apply if industry surcharges under collective bargaining agreements are applicable.

## 7. Placement commission

7.1. If the client or an enterprise in group affiliation with it under sections 18 et seq. of the German Stock Corporation Act (*Aktiengesetz*, AktG) hires a temporary employee provided by ARBEIT UND MEHR, ARBEIT UND MEHR is entitled to a placement commission. Depending on the duration of the deployment of the employee, ARBEIT UND MEHR charges the following placement commission, plus value-added tax:

In the first 2 months of deployment, 25%, from the 3rd to the 4th month of deployment, 20%, from the 5th to the 8th month of deployment, 15%, from the 9th to the 12th month of deployment, 10% of the gross annual salary agreed upon by the client with the employee, including all monthly salary payments and all additional benefits such as Christmas bonus, holiday pay, commissions, etc. The placement commission is no longer due after 12 months. There is no claim to the guarantee granted by ARBEIT UND MEHR in connection with personnel placement without prior

provision of temporary workers. In the event of a takeover from temporary work through the customer, the employee is obliged to comply with the contractual notice period vis-à-vis ARBEIT UND MEHR.

7.2. The client is obligated to notify ARBEIT UND MEHR without delay about the conclusion of an agreement establishing the claim to a placement commission and to provide proof of same upon first demand. In this regard, the client must inform ARBEIT UND MEHR about the amount of the agreed gross annual salary, including all components specified in Section 7.1. Should the client fail to meet its obligation to provide proof of the agreed gross annual salary, ARBEIT UND MEHR is entitled to set a gross annual salary that is customary on the market for a candidate with those qualifications.

7.3. If there is no direct link in time between the employee's employment relationship and the preceding provision of the employee, ARBEIT UND MEHR is nevertheless entitled to demand a placement commission if the employment relationship is attributable to the provision of the employee. The employment relationship is presumed to be attributable to the preceding provision of the employee if the employment relationship between the client and the employee is established within six months of the last provision of the employee. The client is at liberty to present proof to the contrary and in this way to release itself from its obligation to pay.

## 8. Information obligations of the client

8.1. The client is obligated to provide ARBEIT UND MEHR with the information necessary in order to assign the client's business to an industry that is subject to a surcharge and to calculate the industry surcharge due there. In particular, the client undertakes to inform ARBEIT UND MEHR about agreements in the client business within the meaning of Section 6.7 that provide benefits for the employees. Such *Besserstellungsvereinbarungen* are to be set forth in the contract for the provision of temporary workers. The foregoing information is to be entered on the information sheet found in the annex to the contract for the provision of temporary workers and must be provided correctly and truthfully. The client is aware that untruthful information may have serious legal consequences for ARBEIT UND MEHR. If this is omitted, ARBEIT UND MEHR may suspend the provision of employees to the client despite an existing contract for the provision of temporary workers. The right of ARBEIT UND MEHR to refuse to perform in the event of breaches of the information obligations arises irrespective of any liability claim of ARBEIT UND MEHR pursuant to Section 9.5.

8.2. The client confirms to ARBEIT UND MEHR that in the six months prior to their start of deployment, the named employees have not been employed as workers either in its enterprise or in an enterprise legally affiliated with it under section 18 AktG. Should it be determined that such an employment relationship existed, the client is obligated to inform ARBEIT UND MEHR without delay. In such cases, the client must provide all relevant information with respect to the key employment terms, including the wage paid to comparable permanent employees. The inalienable legal basis for the disclosure of these data are sections 9 No. 2 and 12 (1) sentence 3 AÜG. Based on the written documentation, an appropriate adjustment is made to the respective hourly billing rate pursuant to Section 6.9.

8.3. The client must inform ARBEIT UND MEHR without delay of planned industrial actions known to it that directly affect its business so that ARBEIT UND MEHR can meet its notification obligation to the employee pursuant to section 11 (5) AÜG.

# 9. Liability/indemnification/compensation

9.1. ARBEIT UND MEHR is liable only for the flawless selection of its employees for the agreed work. ARBEIT UND MEHR is not liable for the performance of the work by the employee or for damages that he or she causes in performing his or her work. The client is obligated to indemnify ARBEIT UND MEHR against all claims that third parties make in connection with the performance and execution of the work assigned to the provided employee.

9.2. ARBEIT UND MEHR is liable in accordance with statutory provisions for loss of life, personal injury, and damage to health where it is at fault.

9.3. For all other damages, ARBEIT UND MEHR is liable only for wilful misconduct and gross negligence where it is at fault. Liability for simple/normal negligence is excluded.9.4. ARBEIT UND MEHR is not obligated to check the accuracy of submitted work papers, including certificates, or to obtain criminal record extracts.

9.5. Should the client breach its information obligations under Sections 6.6, 6.11 and 8 because it either failed to meet them or the information provided by it is inaccurate, incomplete, or erroneous, or if the client informs ARBEIT UND MEHR of changes pursuant to Section 6.6 incompletely, erroneously or not promptly, and if for these reasons ARBEIT UND MEHR is obligated to pay arrears of industry surcharges or equal pay claims to its employees, the client is obligated to compensate all damages incurred by ARBEIT UND MEHR as a result of this. If the breach of the information obligations results in the employee having claims against ARBEIT UND MEHR, ARBEIT UND MEHR is at liberty to decide whether to invoke exclusionary periods vis-a-vis its employees; to this extent, ARBEIT UND MEHR is not subject to an obligation to mitigate damages. In the case of the retroactive granting of remuneration claims, the damage to be compensated is considered to be the total gross amounts to be paid by ARBEIT UND MEHR, plus the employer share of social insurance. At the same time, the client is obligated to indemnify ARBEIT UND MEHR against claims asserted by social insurance providers and the fiscal authorities on the basis of the aforementioned liability elements, irrespective of payments of gross wages.

9.6. The foregoing does not affect other claims of ARBEIT UND MEHR for compensation of damages.

9.7. In the event of failure to reach the daily, weekly, or monthly number of hours agreed upon in the contract for the provision of temporary workers, ARBEIT UND MEHR is entitled to invoice the client for the agreed hours, provided that the client is responsible for the missing hours (e. g. in the event of delayed start of deployment/project, lack of work, etc.).

## 10. Invoicing/payment terms

10.1. Invoices are sent to the client on a weekly basis, but at least one a month. Billing is based on the employee's time records signed by the client. If the customer does not comply with this obligation, the employee's time records are used as the basis for billing. The time records are submitted to the client on a weekly basis, at the end of the calendar month, or directly following the end of the engagement. Invoices issued by ARBEIT UND MEHR are immediately due for payment without deduction. The employee is not entitled to accept advances or other payments.

10.2. If the client is a merchant, then the following applies: Pursuant to sections 352 and 353 of the German Commercial Code (HGB), the amount of the invoice bears interest from the due date at the rate of 5% p.a. Pursuant to sections 286 (3) and 288 (2) BGB, the interest rate increases thirty days after the invoice date to nine percentage points above the base interest rate.

10.3. If the client is in payment default, ARBEIT UND MEHR is entitled to make all open invoices immediately due and payable, including those for which deferrals have been granted, and to demand immediate payment or the posting of security. At the same time, ARBEIT UND MEHR is entitled to withhold the workers to be provided by it until settlement of the payment.

## 11. Set-off/retention

11.1. The client is not entitled to set off against ARBEIT UND MEHR or to assert a right of retention against it unless the counterclaim is uncontested or has been reduced to an enforceable judgment.

11.2. The client may not assign or pledge to third parties any receivables under the contract for the provision of temporary workers without the consent of ARBEIT UND MEHR.

### 12. Termination

12.1. If the end of the staff transfer is unknown, the contract is deemed to be concluded for an indefinite period of time. Until then, the following notice period applies: 5 working days to the end of the calendar week. If the borrower wishes to terminate 5 or more temporary employment contracts within 10 business days, the termination notice period amounts to four weeks, effective on the 15th or last day of the respective month.

12.2. If ARBEIT UND MEHR does not make use of its right of replacement in the cases specified in Section 3.1 to 3.2, the contract may be terminated by either party without notice.

12.3. ARBEIT UND MEHR is also entitled to terminate without notice if the client does not meet a demand pursuant to Section 10.3 in the case of payment default or a material deterioration in its financial circumstances.

12.4. Notice of termination must be given in writing in all cases. Notice of termination by the client is effective only if it is addressed to ARBEIT UND MEHR. The provided employee is not authorised to accept notice of termination.

## 13. Confidentiality / Data Protection

13.1. ARBEIT UND MEHR and the client are obligated to maintain in confidence all documents and other information of the contracting parties of which they gain knowledge in connection with the collaboration and to refrain from disclosing same to third parties unless this is necessary for contract performance.

13.2. The application documents and data provided to the client are likewise subject to the obligation of confidentiality.

13.3. Information that ARBEIT UND MEHR is not permitted to disclose must be labelled by the client as strictly confidential when it is transmitted.

13.4. ARBEIT UND MEHR will disclose to the client the documents and information received from the employees only with their consent and, in particular, observe any blocking notices. ARBEIT UND MEHR obtains references only with the employee's consent. The client may contact the employee's previous employers only with the employee's consent.

13.5 If employees are provided by ARBEIT UND MEHR, in many cases there is a joint responsibility for the processing of personal data. The rights and obligations of the responsible parties are concluded in the agreement pursuant to DSGVO/GDPR Art. 26, which is attached to these GTC.

#### 14. Final provisions

14.1. Side agreements and contract amendments must be made in writing in order to be effective.

14.2. If the client is a merchant, Hamburg is the exclusive place of jurisdiction for all disputes arising directly or indirectly from the contractual relationship.

14.3. If individual provisions of the contract for the provision of temporary workers should be or become ineffective, this does not affect the effectiveness of the other provisions. In such case, the contracting parties undertake to reach an agreement in place of the ineffective provision that most closely approximates in economic and legal terms the contractual intention that was expressed.

14.4. Purely for reasons of better legibility, this text does not contain specific references to male and female persons; only one form is used instead.

## **ARBEIT UND MEHR GmbH**

www.arbeit-und-mehr.de · mail@aum-hh.de Hudtwalckerstraße 11 · 22299 Hamburg Tel 040 460 635-0 · Fax -199