

1. Employee leasing

The company ARWA Personaldienstleistungen GmbH (hereinafter referred to as ARWA) provides the Client with employees for temporary work on the basis of the Arbeitnehmerüberlassungsgesetz (AÜG) [German Personnel Leasing Act] of 7 August 1972 as last updated. These General Terms and Conditions (GTC) form the basis of all agreements between ARWA and its Clients.

ARWA is the employer of the employees; they have no contractual relationship with the Client. ARWA pays the employer's contributions for pension insurance, unemployment insurance, health insurance and long-term care insurance. All essential features of the activity as well as any new dispositions shall be agreed with ARWA exclusively; ARWA shall take into account the special circumstances of the operations and the wishes of the Client as far as possible.

2. Equal pay, maximum duration of temporary employment, revolving door clause, obligations of the Client

On the basis of the provision of art. 9, paragraph 2, AÜG (revolving door clause), the Client undertakes to check prior to each employment of a new employee to be assigned whether this employee was in an employment with the Client itself or with a company affiliated with the Client as a group within the meaning of art. 18 Aktiengesetz [German Stock Corporation Act] in the last six months prior to the transfer. If this is the case, the Client must immediately inform ARWA of the previous employment and reject the employee.

The Client must also inform ARWA if the employee has previously been employed by the Client through another temporary employment agency.

After 9 months of temporary employment, the employee is entitled to equal pay if no collective agreement on industry surcharges (TV BZ) applies. Upon request, the Client shall inform ARWA in good time in advance, in writing and with clear reference to the respective employee leasing agreement, how the remuneration of comparable permanent employees is composed. The principal shall make available benefits in kind provided in the Principal's company to the employees to be transferred in the same way as of the date on which equal pay applies at the latest. One-time payments such as Christmas bonuses, additional holiday pay or monthly recurring payments such as family allowance, child allowance, etc. are then invoiced to the Principal with the corresponding calculation factor if the Principal grants this payment to its employees.

Subject to the collective bargaining agreements applicable in the Client's company or single plant bargaining agreements issued on this basis, which may provide for a different maximum period of temporary employment, the legally permissible maximum period of temporary employment is limited to 18 months as of 1 April 2017. The Client shall inform ARWA of any existing deviations in its operations of its own accord and provide proof thereof.

3. Billing / due date

The Client must check the records of the time worked by the employees (time sheets), irrespective of how the work is performed.

The time sheets of the employees must be stamped and signed by the Client.

If the Client uses or wishes to use electronic time sheets, the electronic provision / transmission of these electronic time sheets shall suffice.

Upon handover or electronic provision / transmission of the time sheets to ARWA, they shall be deemed confirmed by the Client.

In the event that the Client does not confirm or submit the time sheets, ARWA shall be entitled to calculate a daily working time in accordance with the information provided by the employee. The Client may, if necessary, provide proof of a shorter period of employment. The regulations on the duration of employment shall remain unaffected by this.

ARWA's remuneration shall become due for payment upon receipt of the invoice. The Principal falls into arrears if ARWA does not receive the invoiced amount in its business account within 10 calendar days as of receipt of the invoice. A prior reminder is not required. In the event of default, the Client shall owe default interest in the amount of nine percentage points above the base interest rate (art. 288, paragraph 2 BGB [German Civil Code]).

If the Client is in default of payment in full or in part, the remuneration for all hours not yet invoiced, the completion of which the Client has already confirmed on the activity record, shall become due immediately. In case of non-performance by the Client, ARWA has the right to refuse performance.

Offsetting with any counterclaims or the assertion of a right of retention is excluded unless the claims have been acknowledged in writing or have been established as final and absolute. ARWA's leased employees are not authorised to collect payments.

Irrespective of other payment agreements, corrective invoices are due for immediate payment, irrespective of the reason.

4. Liability / warranty

With regard to the selection of the employee, ARWA shall not be liable for slight negligence with the exception of cases in which this leads to injury to life, body or health. In the latter cases, ARWA shall only be liable for the foreseeable damage typical for the agreement; this applies to both the scope and the amount of the damage.

In the event of average and gross negligence, ARWA's liability for the selection of the employee shall be limited to the foreseeable damage typical for the agreement; this shall apply to both the scope and the amount of the damage. This applies with the exception of cases in which the selection of the employee results in injury to life, body or health.

In all other respects, liability on the part of ARWA for the actions of the respective assigned employee is excluded in its entirety.

The Client shall indemnify ARWA against all possible claims which third parties may assert in connection with the execution and performance of the work assigned to the employee. Claims based on intentional or grossly negligent conduct on the part of ARWA are excluded from this.

The Client shall indemnify ARWA against all claims arising from the following breaches of duty:

- Incorrect assignment of the industry affiliation
- Assignment in another company
- A failure to verify and employ an employee in accordance with art. 2 hereunder
- In the case of applicability of a TV BZ, the naming of an incorrect comparative remuneration or the failure to notify changes in the comparative remuneration
- In the event of the applicability of a TV BZ, a missing or incorrect notification of deviating company agreements
- In the case of all omitted further verification and notification obligations of the Client in accordance with art. 2 hereunder

5. Right of direction / complaint / replacement

The Client is entitled to issue instructions to the employee regarding the specific organisation of the activity and to supervise the execution of the work. The Client must explain the work before the employee commences the work. ARWA's employees are to be entrusted exclusively with the activities specified in the employee leasing agreement or in the following specification and exclusively in the company they are transferred to. Any change requires the prior consent of ARWA.

In accordance with the AÜG, the Client is responsible for training, monitoring and instructing the transferred employees to ensure that the work is carried out in accordance with the agreement.

Both parties can deregister employees from ARWA observing a period of notice of 5 working days. The validity of a concluded employee leasing agreement shall remain unaffected by this.

The Client is obliged to satisfy themselves of the suitability of the employee provided to them for the intended activities and to inform ARWA immediately of any complaints.

If the employee does not take up their employment with the Client or does not continue their employment at a later date or if the Client determines that the employee does not meet the agreed requirement profile and reports this to ARWA within the first four working hours of the first day of employment, ARWA may replace the employee with a suitable employee. These maximum 4 working hours will not be charged to the Client by ARWA. If ARWA cannot or does not wish to comply with this exchange, ARWA may terminate this temporary employment with immediate effect. In this case, ARWA shall be released from the specific assignment obligation. The validity of the concluded employee leasing agreement shall remain unaffected by this.

6. Personnel deployment / strike

The Client shall ensure the following: If the Client's business goes on strike, the Client may not allow temporary workers to work in the company, contrary to the provision in art. 11, paragraph 5 AÜG. This also applies to strikes initiated by member unions of the DGB collective bargaining community and also to employees who had already been assigned before the start of the industrial action. Accordingly, the temporary worker will not be employed in businesses or parts of businesses which are the subject of a proper strike to the extent of the strike call. ARWA is not obliged to assign employees in this regard. The Client shall inform ARWA immediately of any ongoing or planned strike.

7. Overtime / surcharges

The Client shall ensure that any necessary official approval for overtime and Sunday work is obtained. It shall also provide ARWA with the exceptional reasons for the extra work.

8. Occupational health and safety agreement / Occupational safety

ARWA is a member of the Verwaltungs-Berufsgenossenschaft [Professional Association of Administrators]. In terms of safety, ARWA is supervised by ias Aktiengesellschaft, and in terms of occupational medicine by Werksarztzentrum Deutschland GmbH.

Pursuant to art. 11, paragraph 6 AÜG, the activities of the employees shall be subject to the public-law provisions for occupational health and safety applicable to the Client's business; the obligations for the employer arising from them shall be incumbent on the Client without prejudice to ARWA's obligations. The Client must ensure that ARWA employees are only commissioned with activities and employed at workplaces that have been subjected to a risk and stress assessment in accordance with art. 5 and 6 ArbSchG [German Occupational Health and Safety Act]. The Client shall ensure and continuously satisfy itself that all accident prevention and occupational health and safety regulations applicable at the workplace are complied with. Furthermore, ARWA as well as its authorised representatives shall be granted access to the business premises during the working hours of the leased employees in order to comply with its employer's obligations.

The occupational health and safety agreements concluded between the parties hereunder include but are not limited to:

a) Personal protective equipment (PPE):

Employees are equipped with safety shoes and work clothes. Further necessary or expedient PPE is to be provided by the Client. If this is not possible, ARWA must be informed before the start of work so that it can equip the employees accordingly.

b) First aid:

The Client shall provide first aid facilities and measures.

c) Occupational health screening:

The Client undertakes to inform ARWA whether the workplace is hazardous to health and whether preventive medical examinations are therefore necessary. ARWA will then take care of the preventive medical check-ups. After consultation, the Client can also carry out necessary preventive examinations. In these cases, it must provide ARWA with copies of the medical certificates of the arranged occupational health check-up.

d) Safety briefing at the place of work:

Before they are commencing work, the Client must instruct the employees in the specific hazards of the place of work and in the measures to be taken to avoid them. The instruction must be documented by the Client.

e) Accident reporting:

Occupational accidents must be reported to ARWA immediately and jointly investigated. The Client will grant to the security officer and the security staff of ARWA or their representatives free access to all places of operation. The Client must immediately send a copy of the accident report to the relevant employers' liability insurance association. The actual accident report in accordance with art. 193, paragraph 1 SGB [German Social Code] VII is made by ARWA.

9. Placement fee

ARWA shall be entitled to a placement fee if the Client or a company legally or economically affiliated with the Client takes an employee into its employment after the assignment.

The amount of the placement fee is staggered as follows:

- Takeover within the first three months 2 gross monthly wages,
- takeover after three months 1.5 gross monthly wages,
- takeover after six months 1 gross monthly wage,
- takeover after nine months half of the gross monthly wage,
- takeover after twelve months no placement fee.

The gross monthly wage means the wage that the employee will earn in the new employment after being taken over by the employer.

ARWA shall also be entitled to the placement fee if an employment is established between the Client or a company legally or economically affiliated with the Client and the employee without any prior actual placement after the contact has been established by ARWA.

A placement fee shall not be payable if ARWA, for its part, has terminated the employment with the employee by giving notice, unless the employee has given cause for termination by reason of their conduct.

ARWA shall also be entitled to the placement fee if an employment is established between the Client or a company legally or economically affiliated with the Client and the employee within six months of the last assignment; the Client reserves the right to prove that the employment was not concluded due to the assignment.

The Client is obliged to inform ARWA whether and when an employment agreement with the employee has been concluded and to which amount the monthly and annual remuneration has been agreed.

The fee is due 14 days after the establishment of the employment, i.e. after signing the agreement, plus applicable value added tax.

10. Data protection / transfer of data to third parties

In the context of execution of the contractual relationship, the Principal is granted access to personal data. This includes but is not limited to information about the proposed or assigned employee of ARWA, who is organisationally entrusted with the execution of the contractual relationship. The Client undertakes to exclusively process all personal data about the employee transferred to it by ARWA or otherwise collected from the sphere of ARWA for the purpose of implementing the contractual relationship existing with ARWA and to comply with all data protection regulations. The Principal shall comply with any reasonable instructions issued by ARWA regarding the handling of such personal data, which serve to ensure compliance with the provisions of data protection law. This includes but is not limited to personal data being deleted immediately if the purpose of the legal basis for their processing no longer requires their further storage and there are no other legal obligations for their further storage. If the Principal wishes to permissibly process the data for another purpose, the Principal shall inform not only the data subject but also ARWA. The details of the employee proposed and not selected by the Client shall therefore be deleted immediately after rejection. Furthermore, the Principal undertakes to take all technical and organisational measures to guarantee the principles of data protection, including but not limited to security of the data. If the Client becomes aware that personal data about the employee from the sphere of ARWA were accessible to unauthorised third parties, the Client shall inform ARWA about this immediately and discuss the measures to be taken thereupon with ARWA. The provisions on data protection shall not affect any further obligations arising from any agreements on confidentiality between the parties hereunder.

11. Termination

In addition to the termination options provided for in the agreement, the employee leasing agreement may be terminated in accordance with § 314 BGB [German Civil Code] (for cause). Reasons for extraordinary termination without notice include but are not limited to:

- exceeding the agreed payment term by more than one month despite a reminder
- a repeated breach of the verification and notification obligations under art. 2 of this agreement
- in the case of applicability of a TV BZ, an incorrect allocation of the industry classification by the Client
- in the case of applicability of a TV BZ, the naming of an incorrect comparative remuneration or the failure to notify changes in the comparative remuneration

12. Final provisions

General terms and conditions of the Client are excluded.

The law of the Federal Republic of Germany shall apply exclusively. The place of jurisdiction for both parties is Mainz.

Amendments and/or supplements to this agreement, including this written form clause, must be made in writing to be effective. There are no oral supplementary agreements.

Should individual provisions of the agreement be invalid, the validity of the other provisions of the agreement shall remain unaffected.