Collective Labour Agreements on Temporary Agency Work Federal Employers' Association of Staffing Services/Negotiation Body of the German Confederations of Trade Unions

(BAP/DGB-Tarifgemeinschaft)

dated 22/07/2003, amended by revised collective labour agreements

- dated 22/12/2004,
- dated 30/05/2006,
- dated 09/03/2010, and
- dated 17/09/2013,

and supplemented by the supplementary collective labour agreements of the BAP regarding sector-specific supplemental payments.

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Framework Collective Pay Agreement on Temporary Agency Work

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Collective Pay Agreement on Temporary Agency Work

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Framework Collective labour agreement on Temporary Agency Work

dated 22/07/2003, amended by revised collective labour agreements

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and supplemented by the supplementary collective labour agreements of the BAP (*Bundesarbeitgeberverband der Personaldienstleister e. V. –* Federal Employers' Association of Staffing Services) regarding sector-specific supplemental payments.

between

 Bundesarbeitgeberverband der Personaldienstleister e. V. (BAP) Universitätsstr. 2-3a, 10117 Berlin

and the undersigning member trade unions of the DGB (*Deutscher Gewerkschaftsbund* - German Confederations of Trade Unions)

- Industriegewerkschaft Bergbau, Chemie, Energie (IG BCE), Königsworther Platz 6, 30167 Hannover
- Gewerkschaft Nahrung Genuss Gaststätten (NGG), Haubachstr. 76, 22765 Hamburg
- Industriegewerkschaft Metall (IG Metall), Wilhelm-Leuschner-Straße 79, 60329 Frankfurt am Main
- Gewerkschaft Erziehung und Wissenschaft (GEW), Reifenberger Str. 21, 60489 Frankfurt am Main
- Vereinte Dienstleistungsgewerkschaft (ver.di), Paula-Thiede-Ufer 10, 10179 Berlin
- Industriegewerkschaft Bauen Agrar Umwelt (IG BAU), Olof-Palme-Straße 19, 60439 Frankfurt am Main
- Eisenbahn- und Verkehrsgesellschaft (EVG), Weilburger Straße 24, 60326 Frankfurt am Main
- Gewerkschaft der Polizei (GdP), Stromstraße 4, 10555 Berlin

Sec. 1 Scope of Application

This collective labour agreement applies

Sec. 1.1 Geographically:

to the Federal Republic of Germany;

Sec. 1.2 Professionally:

to the member companies of the BAP that are bound by collective labour agreements (including their auxiliary and subsidiary establishments).

The collective labour agreement shall not apply to temporary employment agencies and parts of temporary employment agencies that, together with the client company, constitute a group of companies as defined by Section 18 of the German Stock Corporation Act (*Aktiengesetz*, abbr. "*AktG*") if:

- a) the temporary employment agency takes over a significant number of employees who were previously employed by the client company, and
- b) those employees are assigned to their original position or in a comparable position in the client company, and
- c) collective pay agreements in effect at the client company are thereby circumvented to the detriment of those employees;

Sec. 1.3 Individually:

to employees who are assigned by a temporary employment agency (employer) to another business (client establishment) within the scope of the German Temporary Agency Employment Act (*Arbeitnehmerüberlas*sungsgesetz, abbr. $A\ddot{U}G$) and who are members of one of the trade unions which are a party to this agreement.

On an individual level, agreements deviating from the provisions of this collective labour agreement may be concluded on an individual basis with employees who are not employed under collective labour agreements if their total annual remuneration exceeds the total annual remuneration of the highest pay group category under the collective labour agreements.

The masculine gender in this collective labour agreement is solely used for reasons of better readability and applies to both genders.

Sec. 2 Duration of Working Time/Full-Time Employment

The individual regular monthly working time shall amount to 151.67 hours; this equates to an average weekly working time of 35 hours. Pursuant to Section 4, these working hours must be distributed over an average period of 12 calendar months.

In cases when an employee is on a long-term assignment to a company with longer working hours, the parties to the employment contract may agree on a longer working time (maximum of 40 hours per week). In this event, the remuneration shall be adjusted accordingly.

The individual regular annual working time is calculated based on the monthly working hours specified in Sentence 1 multiplied by 12.

Sec. 3 Part-Time Employment

Part-time employment exists when the employee's individual regular monthly working time is less than 151.67 hours.

Sec. 4 Distribution of Working Time/Flexible Working Time

Sec. 4.1 The actual schedule and distribution of the working time shall be adjusted to the working hours of the client establishment. The beginning and end of the workday, including breaks, as well as the distribution of the working time with regard to the individual days of the week shall depend on the client establishment's rules and requirements, as applicable.

Time used for changing, washing, and breaks as defined by the German Working Time Act (*Arbeitszeitgesetz*, abbr. *ArbZG*) (e.g. breakfast, lunch and coffee breaks) shall not be deemed working time unless different rules and regulations apply to the employees of the client establishment to which the employee is assigned.

- Sec. 4.2 As compensation for monthly differences between the contractually stipulated individual regular working time of the employee pursuant to Sections 2/3 and the actual working time pursuant to Sec. 4.1, a working time account shall be established. Plus and minus hours may be posted to the working time account.
- Sec. 4.3¹ Plus hours are those hours worked beyond the individual regular monthly working time. Minus hours are those hours worked less than the individual regular monthly working time.

The working time account may only contain a maximum of 200 plus hours.

For reasons of job security, the working time account may only contain a maximum of 230 plus hours in the event of seasonal fluctuations.

If the balance exceeds more than 150 plus hours, the employer shall be obliged to insure the hours in excess of the 150 plus hours, including the applicable social security contributions for those hours, against insolvency and provide the employee with written proof of such insolvency insurance. Without such proof, and in contrast to paragraphs 2 and 3, the working time account may not exceed maximum of 150 plus hours, and the employee shall not be obliged to work plus hours exceeding 150 plus hours.

For part-time employment, the limits of the working time account specified above shall be adjusted according to the stipulated working hours. The employer's obligation to furnish proof of insolvency insurance starting at a balance of 150 plus hours shall not be affected.

Hours not worked due to public holidays shall be posted to the working time account in the amount of the working time missed pursuant to the distribution of working time as defined in Sec. 4.1.

1) Addendum to Sec. 4.3

Upon the motion by one party, the parties to the collective labour agreement shall enter into negotiations at the beginning of 2005, based on the experience gained until then, with regard to whether the limit of hours specified above shall be removed or new limits shall be set or whether a limit on minus hours shall be introduced.

Sec. 4.4 The working time account must be balanced out within a maximum of 12 months.

If it is not possible to balance the working time account within this time period, it must be balanced within the following three months. To this end, the employer must reach an agreement with the respective employee no later than by the end of the period of 12 months pursuant to paragraph 1, with the aim of completely balancing out the account.

If it is not possible to balance the working time account within said time period due to operational reasons, a maximum of 150 hours period (pro rata for part-time employees) may be transferred into the next balancing (settlement) period. Any hours exceeding the allotted 150 hours shall be compensated by monetary payment.

The transfer of these plus hours shall take place within the scope of the working time limits account pursuant to Sec. 4.3 and does not extend those limits.

- Sec. 4.5 The working time accounts shall be balanced by taking time off pursuant to the following rules:
 - a) Upon agreement with the employee, the plus hours can be balanced anytime by taking time off work.
 - b) During his assignment at a client company, the employee shall be entitled to request to take one day of leave for each 35 plus hours. This entitlement may only be used once per calendar month and for a maximum of two days of leave.

This entitlement is subject to compliance with a notice period of one week.

The employer shall be entitled to deny the employee's request for leave on the basis of compelling operational reasons. Such a refusal on the part of the client establishment shall be deemed to be a compelling operational reason as defined here, provided a substitute employee is not available.

If the employee's request for time off is denied, the employee shall be entitled to a binding agreement regarding the subsequent timing of the requested days of leave.

- c) Upon agreement between the employee and the employer, additional days of leave in one month may be arranged, or the days off from several months may be combined together.
- d) Upon agreement between the employee and the employer, up to 70 plus hours from the working time account may be compensated by monetary payment within the balancing period.
- e) Upon the employee's request, for those hours in the working time account that exceed 105 plus hours compensation shall be paid out in monetary form. For part-time employees, the number of plus hours is pro-rated based on the individually stipulated working time.
- f) Time off which is taken by the employee in order to reduce the working time account balance of plus hours shall not be interrupted by an assignment to a new client establishment.

In the event of the employee's incapacity to work during a leave period, the claimed hours shall be re-credited to the working time account.

Sec. 4.6 In the event of a termination of employment, the balance of the working time account shall be settled as follows: Plus hours shall be compensated in a monetary payment, up to 35 minus hours shall be deducted if the employee gave notice or in the case of termination for cause, provided that additional work to make up the hours is not possible due to operational reasons.

Sec. 5 Duty Time/On-call Work/Stand-by Time/Rest Periods

To the extent that employees are assigned to client establishments with duty time (*Arbeitsbereitschaft*), on-call work (*Bereitschaftsdienst*) or stand-by work (*Rufbereitschaft*) and where special company rules and regulations and/or special collective labour agreements on working time and rest periods apply to the client establishment pursuant to Sec. 7 *ArbZG*, those respective rules, regulations and provisions fully apply to the employee.

Sec. 6 Overtime

Overtime hours are working hours which are worked in excess of and are not included in the stipulated individual regular working hours pursuant to Sections 2 to 4 and which are not based upon the actual working hours at the client establishment.

Sec. 7 Night Time Work, Sunday and Public Holiday Work/Supplemental Payments

Sec. 7.1 Full working hours which exceed the stipulated individual regular monthly working time of the employee pursuant to Sections 2/3 by more than 15% within one month shall entitle the employee to supplemental payments.

The supplemental payment shall amount to 25% of the respective hourly wage pursuant to Sections 2 to 6 of the collective pay agreement.

Sec. 7.2 Night time work is work performed between 11:00 pm and 6:00 am.

The amount of the supplemental payment for night time work shall be subject to the client establishment's rules and regulations on supplemental payments. It shall amount to a maximum of 25% of the respective hourly wage pursuant to Sections 2 to 6 of the collective pay agreement.

Sec. 7.3 Sunday and holiday work is work performed on Sundays or on public holidays between 12:00 am (midnight) and 12:00 am (midnight) of the following day. Sections 9 (2) and (3) of the Working Time Act (*ArbZG*) shall apply.

The local laws regarding public holidays which are applicable at the place of work shall determine whether work is regarded as work on a public holiday.

The amount of the supplemental payment for Sunday and public holiday work shall be subject to the client establishment's regulations on supplemental payments. It shall amount to a maximum of 50% of the respective hourly wage pursuant to Sections 2 to 6 of the collective pay agreement for Sunday work and a maximum of 100% for public holiday work and for work on Christmas Eve (24 December) and New Year's Eve (31 December) after 2 pm.

Sec. 7.4 If more than one of the criteria for supplemental payment are met simultaneously, only the highest applicable supplemental payment shall be paid.

Sec. 8 Provisions on Assignments

- Sec. 8.1 Insofar as the employee is assigned to perform duties in the client establishment, he shall be subject to the instructions of the client establishment. This shall not affect the general right of the employer to issue instructions to the employee.
- Sec. 8.2 The employee shall be obliged to perform work at varying places of work upon the instructions of the employer.

Any restrictions or limits require an express contractual agreement.

The employee shall be entitled to receive information regarding the assignment, including a description of the essential terms and conditions of the assignment to the client establishment.

- Sec. 8.3 If the commute during non-work hours from the branch office to the assigned place of work at the client establishment takes more than 1.5 hours one way using the most time efficient form of public transport, the employee shall receive remuneration for commuting time that exceeds 1.5 hours each way in accordance with Sections 2 to 6 of the collective pay agreement, provided the employee actually spent that time commuting between the office and the assigned place of work.
- Sec. 8.4 If the commuting time as defined in Sec. 8.3 exceeds more than 2 hours, the employee shall be entitled to reimbursement of expenses for overnight accommodations subject to the following:

In general, the temporary work agency shall arrange the accommodations and assume all expenses. If the accommodations have to be arranged by the employee himself, the employer shall assume said expenses or reimburse to the employee the expenses following prior approval and upon presentation of corresponding receipts/invoices.

Alternatively, a per diem (flat rate) payment for overnight accommodations in line with the tax-exempt allowances may be contractually agreed upon.

- Sec. 8.5 Deleted -
- Sec. 8.6 Deleted -
- Sec. 8.7 Any other reimbursement of expenses pursuant to Sec. 670 of the German Civil Code (*Bürgerliches Gesetzbuch BGB*) shall be regulated on an individual basis.

Sec. 9 Establishment/Termination of the Employment Relationship

Sec. 9.1 The employment relationship shall be established by concluding and signing a written employment contract.

If the employee does not report to work on the first day of work (unexcused absence), the employment relationship shall be deemed as not to have been established.

- Sec. 9.2 Differing from Sec. 14 (2) Sentence 1 of the German Part-Time and Fixed-Term Employment Act (*Teilzeit- und Befristungsgesetz,* abbr. *TzBfG*), the employment contract may provide for employment for a fixed term of up to two years, without any objective grounds being required. During this time period, the fixed term contract may be renewed up to four times. This shall not affect Sec. 14 (2) Sentences 2 and 3 *TzBfG*.
- Sec. 9.3 The first six months of the employment relationship shall be deemed a probationary period.

During the first three months of the probationary period, the employment relationship may be terminated with one week's notice. Thereafter, the statutory notice period of two weeks pursuant to Sec. 622 (3) of the German Civil Code (*BGB*) shall apply.

In the event of a new hire, the notice period may be shortened to one day during the first two weeks of the employment relationship. Employees who were not employed by the employer during the previous three months shall be considered new hires.

Sec. 9.4 As to the rest, the statutory notice period pursuant to Sections 622 (1) and (2) of the German Civil Code (*BGB*) shall apply to the termination of the employment relationship by the employee or the employee.

The notice must be in writing (Sec. 623 BGB).

- Sec. 9.5 The statutory regulations regarding termination for cause shall remain unaffected.
- Sec. 9.6 After giving notice of termination, the employer is entitled to release the employee from the duty to work upon continued payment of his wages and allowing for any holiday entitlement and positive balance in the working time account. In the event of a termination for operational reasons, a release from work in order to balance the working time account shall be permitted only upon the consent of the employee.

Sec. 10 - Deleted -

Sec. 11 Annual Holiday Entitlement

- Sec. 11.1 The employee shall be entitled to paid annual holiday leave in each calendar year. The holiday leave year is the calendar year.
- Sec. 11.2² The length of the annual holiday entitlement granted to the employee shall depend on the uninterrupted period of continuous employment.

The annual holiday entitlement shall amount to

- 24 working days in the first year,
- 25 working days in the second year,
- 26 working days in the third year,
- 28 working days in the fourth year, and
- 30 working days starting in the fifth year.

If the employment relationship is terminated during the first six months of the employee relationship, the employee shall be entitled to paid holiday leave pursuant to Sections 3 and 5 of the German Federal Leave Act (*Bundesurlaubsgesetz*, abbr. *BUrlG*).

If the individual regular weekly working time is distributed among more or less than five working days per week, the annual holiday entitlement shall be increased or reduced proportionately.

If a public holiday falls during the employee's holiday leave, the question of whether that public holiday is accounted for as a paid holiday leave day shall be determined by the local laws regarding public holidays applicable to the employer's registered place of business; if the assignment at a client establishment is interrupted due to annual holiday leave, this issue shall be determined in accordance with the local laws regarding public holidays applicable to the place of work.

During the first and last year of employment, the employee shall be entitled to the amount of one-twelfth of his full holiday entitlement for each full month he was employed.

A holiday entitlement shall not exist if, in the holiday leave year, the employee was already granted holiday leave by another employer or compensated otherwise in lieu of such leave. The employee shall present a corresponding statement by his former employer. 2) Addendum to Sec. 11.2 Sec. 5 no. 2 of the Posted Workers Act (*Arbeitnehmerentsendegesetz*, abbr. *AEntG*) shall remain unaffected.

- Sec. 11.3 If the annual holiday leave cannot be granted in full or in part due to the termination of the employment relationship, a payment shall be made in lieu of the holiday leave.
- Sec. 11.4 Assignments at client establishments which are already scheduled shall be taken into consideration when planning holidays. Holiday leave days already approved may not be utilised for assignments to client establishments.
- Sec. 11.5 Upon termination of the employment relationship, the holiday entitlement shall be granted and the holiday leave taken during the notice period. If this is not feasible, payment shall be made in lieu of the holiday leave.
- Sec. 11.6 As to the rest, the German Federal Leave Act (*BUrlG*) applies.

Sec. 12 Absence from Work/Leaves

Sec. 12.1 If the employee is prevented from working due to illness or other unforeseeable events, he shall inform the employer without any undue delay, if possible by telephone, and provide the information about his incapacity to work or the other reason(s) for the absence, as well as the estimated duration of his incapacity. The same obligation shall exist if the employee's incapacity to work lasts longer than initially reported.

In the event of incapacity to work due to illness, the employee shall be obliged, pursuant to Sec. 5 (2) Sentence 1 of the Continuation of Remuneration Act (*Entgeltfortzahlungsgesetz*, abbr. *EFZG*), to submit to the employer a doctor's certificate regarding the employee's incapacity to work and the estimated duration. The employer shall be entitled to request an earlier submission of the doctor's certificate. If the incapacity to work lasts longer than the period stated in the certificate, the employee shall be obliged to submit a new doctor's certificate. In the event of incapacity to work due to illness, the time of the resumption of work has to be communicated to the employer as early as possible, however, no later than one working day prior to resumption of work.

- Sec. 12.2 The employee may only be absent from work for foreseeable reasons upon prior consent by the employer.
- Sec. 12.3 Paid leaves of absences shall be granted if one of the following events occur on a regular working day of the employee:
 - a) Death of a close relative

Spouse, child, parent, and registered domestic partner: 2 days Sibling, parent-in-law: 1 day

- b) The employee's own wedding/marriage or registration of his own domestic partnership, or in the event of childbirth by the employee's wife or registered domestic partner: 1 day
- c) Administration of official public duties (e.g. honorary functions, summons to appear as a witness in court or similar situations); taking into account any compensation for this received shall be deducted from the employee's pay: leave for the required time
- d) Moving due to business reasons: 1 day

The amount of the remuneration to be paid shall be calculated pursuant to Sec. 13.3.

Sec. 12.4 Sec. 12.3. provides for all possible events within the scope of Sec. 616 of the German Civil Code (BGB).

Sec. 13 Remuneration Provisions

Sec. 13.1 Employees shall receive a monthly remuneration on the basis of their individual regular monthly working time, which shall be due and payable no later than on the 15th banking day of the following month.

Upon request of the employee, an advance payment of up to 80% of the expected net income shall be made with timely notice at the end of the respective payroll month. Advance payments already made shall be deducted. There is no entitlement to an advance payment if the employment relationship begins after the 20th of the respective payroll month and in the month the employee leaves the company. This provision on advance payments shall apply as of 01 July 2014.

- Sec. 13.2* The monthly remuneration shall consist of the current month's fixed remuneration components (the respective wages pursuant to Sections 2 and 3 of the collective pay agreement as well as supplemental payments in the amount of the actually worked working hours apply pursuant to Sections 4 and 6 of the collective pay agreement) and the variable remuneration components (e. g. supplemental payments and other variable components). Supplemental payments shall be paid together with the remuneration for the month in which they accrue and will not be credited to the working time account. Payments for hours credited to the working time account shall take place only in the amount of the hourly wages pursuant to the current month, without including sector-specific or other supplemental payments.
- Sec. 13.3³ The average remuneration and working time of the past three payrolled months (reference period) prior to the start of the incapacity to work or the holiday leave shall be the basis for calculating the continued remuneration in the event of illness or during holiday leave for each day of absence due to illness or holiday for which the employee is entitled to continued remuneration pursuant to statutory law or the collective labour agreement. The following applies:
 - a) The average remuneration during the reference period shall be calculated on the basis of the individual regular working time. The remuneration includes the remuneration components pursuant to Sec. 13.2 (excluding supplemental payments for overtime hours) as well as any other supplemental payments in accordance with the provisions of the German Federal Leave Act (*BUrlG*).
 - b) Additionally, the supplemental payments (excluding supplemental payments for overtime hours) earned on average during the reference period shall be taken into account on the basis of the average actual working hours which exceed the individual regular working time.
 - c) The average working time during the reference period according to letter b) shall be the basis for the hours to be credited to the working time account.

If the remuneration is reduced during the reference period due to reduced working hours (*Kurzarbeit*), sick leave which exceeds a period of six weeks and therefore leaves the employee without an entitlement to continued remuneration, absence from work through no fault of the employee, or periods of suspended employment, such a reduction shall not be included in this calculation.

Any special rules or regulations existing at the client establishment which are favourable for the employee shall not be affected by this.

The examples of the calculations included in the addendum are binding components of the collective labour agreement.

Continued remuneration for preventative medical and rehabilitation measures is subject to the provisions of the Continuation of Remuneration Act (*EFZG*).

3) Addendum to Sec. 13.3: The parties to the collective labour agreement agree on the calculation as shown in the following example:

Within the past three months (65 days) prior to his absence from work, for which the employee has already received remuneration, the employee was entitled to an hourly wage of EUR 10.22 (pay group 3 until 31/12/2013). He worked for 30 days for 7 hours a day subject to a supplemental payment of EUR 1.53 (pursuant to the Collective labour agreement on Sector-specific Supplemental Payments on Temporary Agency Work in the Metal and Electrical Industry, abbr. "*TV BZ ME*"). He then returns to a former assignment within the chemical industry and works there for 35 days for 8 hours a day subject to a sector-specific supplemental pay of EUR 1.02 (pursuant to the "*TV BZ Chemie*" Collective labour agreement on Sector-specific Supplemental Pay for the Chemical Industry).

This yields the following calculation regarding payment during holiday leave and continued remuneration in the case of illness:

- a) 151.67 x 3 x 10.22 € = 4650.20 € (base remuneration without supplemental pay on the basis of individual regular monthly working time during the reference period)
- b) 30 days x 7 hours x 1.53 € = + 35 days x 8 hours x 1.02 € = $\frac{321.30 €}{285.60 €}$ (supplemental pay on the basis of the actual work performed) $\frac{285.60 €}{606.90 €}$
- c) 4650.20 € + 606.90 € = <u>5257.10 €</u>
- d) 5257.10 € / 65 days = <u>80.88 € / day</u>

80.88 € shall be paid for each holiday leave day / day of absence due to illness.

e) (30 days x 7 hours + 35 days x 8 hours) / 65 days = <u>7.54 hours</u>

For every day of holiday leave / absence due to illness, 7.54 hours shall be credited to the working time account.

Sec. 13.4 If there is a pro rata entitlement to remuneration for a given month (e.g. in the case of commencement or termination of employment during the course of a month) or if the monthly remuneration is reduced for other reasons (e.g. unpaid absence from work), the remuneration entitlement shall be calculated based on the ratio of the regular working hours which the employee owed in this given month and the regular working hours of the entire month.

* Upon any sector-specific collective labour agreements on supplemental payments coming into effect, the sector-specific supplemental payments to be paid for that respective industry or sector shall become part of the fixed remuneration pursuant to Sec. 13.2.

Sec. 14 Deferred Compensation (Conversion)

Employees are entitled to convert remuneration components pursuant to the collective labour agreements into deferred compensation for the purpose of contributing to an old-age pension plan.

Employees may specify that up to 4% of the respective ceiling for the assessment of contributions to the general statutory pension insurance be taken from their future earnings and used for the company pension plan. This deferred compensation may not amount to less than 1/160 of the reference amount pursuant to Sec. 18 (1) of the German Social Security Code IV (*Viertes Sozialgesetzbuch*, abbr. *SGB IV*).

The details shall be agreed upon in writing by the employer and the employee.

Pursuant to the new statutory regulations on company pension plans, employees shall be entitled, as of 01 July 2005, to a monthly amount of EUR 13.30 with effect from the 7th month of employment. This amount shall be paid solely for the company pension plan (direct insurance, staff pension fund or retirement fund), provided the wishes this.

Sec. 15 Special Annual Payments

Sec. 15.1 After the sixth month of uninterrupted employment, the employee shall be entitled to special annual payments in the form of a holiday pay and an annual Christmas bonus.

The annual holiday pay shall be included in the payroll for the month of June each year, the Christmas bonus shall be included in the payroll for the month of December each year.

The amount of the annual holiday pay and Christmas bonus shall increase as the duration of employment increases, calculated on the dates of 30 June and 30 November of each year.

- Sec. 15.2 Depending on the duration of the uninterrupted employment relationship, the annual holiday pay and Christmas bonus shall amount to,:
 - EUR 150 gross each after the sixth month,
 - EUR 200 gross each for the third and the fourth year,
 - EUR 300 gross each with effect from the fifth year.

Part-time-employees shall receive the special annual payments pro-rated to the stipulated individual regular monthly working time.

Sec. 15.3⁴ A prerequisite for the special annual payments is that the employment relationship must be current (i.e. may not have been terminated) at the time of the payment.

Employees whose employment relationship is suspended during the calendar year shall not receive these special annual payments. If the employment relationship is suspended for only a part of the calendar year, they shall receive the payments on a pro rata basis.

Employees whose employment relationship terminates before or on March 31 of the following year shall be required to pay back the Christmas bonus. This shall not apply in the event of a termination by the employer due to operational reasons.

Time periods during which the employment relationship is suspended shall not be considered when calculating the duration of uninterrupted employment. Job-related illnesses and work-related accidents up to a period of 12 months following the end of the continued remuneration are exempt from this provision.

⁴⁾ Addendum to Sec. 15.3

Sec. 16 Preclusive Periods

Claims arising from the employment relationship shall be forfeited if they are not asserted in writing vis-á-vis the other contractual party within a preclusive period of three months after becoming due.

If the opposing party rejects the claim in writing, said claim must be asserted in court within another preclusive period of three months after receipt of the rejection.

Claims which are not asserted within these preclusive periods shall be forfeited.

Sec. 17 Final Provisions

Sec. 17.1 Employees shall not be assigned, within the scope of a call for a strike by a member trade union of the "*DGB-Tarifgemeinschaft*" (the negotiation body of the German Confederation of Trade Unions) to client establishments or parts of client establishments where a strike is properly and lawfully being conducted. This shall also apply to employees who were already assigned to the establishment prior to the start of the industrial action. The parties to the industrial action may agree on rules deviating from the foregoing ones (e.g. agreements to provide emergency services). The provisions in Sec. 11 (5) of the German Temporary Employment Act (*AÜG*) shall remain unaffected.

To the extent that employees are indirectly affected by industrial actions, reduced working hours may be requested. The parties to the collective labour agreement undertake to support the respective enforcement of reduced working hours. To this end, all necessary possibilities shall be utilised in this regard.

Sec. 17.2 The calculation of the uninterrupted existence of the employment relationship as defined by this collective labour agreement shall be based on the starting date effective as of 01 January 2002.

Sec. 18 Coming into Effect and Termination

Sec. 18.1 This framework collective labour agreement shall come into effect on 01 January 2004 for the employers and the employees bound by collective labour agreements.

It may be terminated with a notice period of six months, at the earliest on 31 December 2016.

Sec. 18.2 If the German Temporary Agency Employment Act (*Arbeitnehmerüberlassungsgesetz - AÜG*) is fundamentally amended after the framework collective labour agreement has come into effect, each party has the right to terminate for cause, notwithstanding Sec. 18.1 paragraph 2, with a notice period of one month to the end of the month.

Framework Collective Pay Agreement on Temporary Agency Work

dated 22/07/2003, amended by revised collective labour agreements

- dated 30/05/2006,
- dated 09/03/2010, and
- dated 17/09/2013

Sec. 1 Scope of Application

This collective labour agreement shall apply to the members of the parties to the collective labour agreement falling under the scope of application (Sec. 1) of the Framework Collective Labour Agreement on Temporary Agency Work.

Sec. 2 Classification Principles

- Sec. 2.1 The employees shall be classified into remuneration groups according to their predominant tasks. Only the tasks actually performed shall be relevant for the classification.
- Sec. 2.2 Further and continued professional/vocational training and qualifications shall not entitle the employee to a higher classification unless the tasks are actually performed.
- Sec. 2.3 Temporary performance of tasks allotted to a higher remuneration group shall not justify a new classification. If tasks in a higher remuneration group are assigned temporarily, a supplemental payment in the amount of the difference between the remuneration of the lower remuneration group and the remuneration designated for the task with effect from the sixth week shall be paid.
- Sec. 2.4 Employees may be instructed to temporarily perform tasks in a lower remuneration group. In this event, the remuneration amount shall remain unchanged.

Sec. 3 Remuneration Groups

Employees shall be classified into one of the following remuneration groups according to their actual, predominant tasks. The respective job/task descriptions are relevant to determining the classification:

Remuneration Group 1

Tasks which do not require any on-the-job training or only a very brief period of on-the-job training at the client establishment.

Remuneration Group 2

Tasks which require training time or require subject-related work experience, subject-specific knowledge or a subject-specific qualification.

Remuneration Group 3

Tasks which require knowledge and skills that are obtained during an apprenticeship or vocational training course (*Berufsausbildung*). Such knowledge and skills may also have been acquired through several years of work experience in Remuneration Group 2.

Remuneration Group 4

Tasks which require knowledge and skills that are obtained during an apprenticeship or vocational training course (*Berufsausbildung*) lasting a minimum of three years plus several years of work experience.

Employees with a term of service of more than one year in Remuneration Group 3 shall be advanced into Remuneration Group 4. The calculation of the term of service shall start as of 01/01/2014.

Remuneration Group 5

Tasks which require knowledge and skills that are obtained during an apprenticeship or vocational training course (*Berufsausbildung*) lasting a minimum of three years. In addition, special knowledge is required which is acquired through additional training as well as many years of work experience.

Remuneration Group 6

Tasks which require master craftsman training (*Meisterausbildung*) or technician training (*Technikerausbildung*) or comparable qualifications.

Remuneration Group 7

Tasks which, in addition to the classification criteria of Remuneration Group 6, require several years of work experience as well.

Remuneration Group 8

Tasks which require a degree from a university of applied sciences (Fachhochschulstudium).

Remuneration Group 9

Tasks which require a degree from a university (*Hochschulstudium*) or a degree from a university of applied sciences plus several years of work experience.

Sec. 4 Coming into Effect and Termination

Sec. 4.1 This framework collective pay agreement shall come into effect on 01 January 2004 for the employers and the employees bound by collective labour agreements.

It may be terminated with a six-month notice period, at the earliest on 31 December 2016.

Sec. 4.2 Differing from Sec. 4.1 paragraph 2, if the German Temporary Agency Employment (*Arbeitnehmerüberlassungsgesetz*, abbr. *AÜG*) is fundamentally amended after the collective pay agreement has come into effect, each party has the right to terminate for cause with a notice period of one month to the end of the month.

Collective Pay Agreement on Temporary Agency Work

dated 22/07/2003, amended by revised collective labour agreements

- dated 22/12/2004,
- dated 30/05/2006,
- dated 09/03/2010,
- dated 27/08/2012, and
- dated 17/09/2013.

Sec. 1 Scope of Application

This collective labour agreement shall apply to the members of the parties to the collective labour agreement falling under the scope of application (Sec. 1) of the Framework Collective Labour Agreement on Temporary Agency Work.

Sec. 2 Remuneration Rates

The hourly rates and supplemental payments shown in the appendix shall be paid. The entitlements and claims to the supplemental payments are specified in Sect. 4 of this collective labour agreement.

Sec. 3 Remuneration Tables

In the federal states of Berlin, Brandenburg, Mecklenburg-West Pomerania, Saxony, Saxony-Anhalt, and Thuringia, the hourly wages shall be paid according to the Remuneration Table for Eastern Germany as specified in the appendix.

In all other federal states, the hourly wages shall be paid according to the Remuneration Table for Western Germany as specified in the appendix.

The remuneration payable at the place of work (client establishment) shall apply. Employees assigned to workplaces that are out of town, however, shall retain entitlement to the remuneration payable at their place of hire, insofar as that remuneration is higher.

Sec. 4¹ Supplemental Payments

If there is an uninterrupted assignment to the same client, assignment-related supplemental payments shall become due in the following amounts:

- 1.5% after 9 calendar months have elapsed
- 3.0% after 12 calendar months have elapsed

If the assignment is interrupted for a period of up to 3 months, the assignment-related supplemental payments shall become due after the interruption, accounting for the preceding assignment periods.

The tables contained in the appendix shall apply.

1) Addendum to Sec. 4

The assignment time period relevant for the calculation of the supplemental payments shall begin when the collective pay agreement comes into force or with its earlier application pursuant to Sec. 8.

Sec. 6 Sector-specific Supplemental Payments

The wages listed in the remuneration tables shall be increased by the sector-specific supplemental payment stipulated for the respective industry. The sector-specific supplemental payment shall be stipulated in a separate collective labour agreement.

Sec. 7 Final Provisions

Sec. 7.1² An agreement deviating from this collective labour agreement may be concluded between the parties to this collective labour agreement and the employer at the client establishment (tripartite agreement) with regard to the remuneration for the periods of assignment and working times at the client establishment, if such an agreement is more favourable to the employees of the temporary work agency assigned to that client establishment.

2) Addendum to Sec. 7.1 To this effect, the party to the collective labour agreement on the side of the trade unions shall be the DGB member trade union pertinent to the client establishment.

Sec. 7.2 At least the minimum wage applicable in accordance with Sec. 5 no. 1 of the German Posted Workers Act (*Arbeitnehmerentsendegesetz*) shall be paid for each hour actually worked.

Sec. 8 Coming into Effect and Termination

Sec. 8.1 This collective pay agreement shall come into effect on 01 January 2004 for the employees and the employees bound by collective labour agreements.

It may be terminated with a six-month notice period, at the earliest on 31 December 2016.

Sec. 8.2 Differing from Sec. 8.1 paragraph 2, if the German Temporary Employment Agreement (*Arbeitnehmerüberlassungsgesetz, abbr. AÜG*) is fundamentally amended after the collective pay agreement has come into effect, each party has the right to terminate for cause, with a notice period of one month to the end of the month.

Attachment to Collective Pay Agreement

Bargaining District West

Remuneration Group	until 31 December 2013	from 01 January 2014	from 01 April 2015	from 01 June 2016
		3.8 %	3.5 %	2.3 %
E 1	8.19	8.50	8.80	9.00
E 2	8.74	9.07	9.39	9.61
E 3	10.22	10.61	10.98	11.23
E 4	10.81	11.22	11.61	11.88
E 5	12.21	12.67	13.11	13.41
E 6	13.73	14.25	14.75	15.09
E 7	16.03	16.64	17.22	17.62
E 8	17.24	17.90	18.53	18.96
E 9	18.20	18.89	19.55	20.00

Bargaining District West until 31 December 2013

Remuneration Group	Hourly Rates	1.5%	3.0%
		(> 9 months)	(> 12 months)
E 1	8.19	8.31	8.44
E 2	8.74	8.88	9.01
E 3	10.22	10.37	10.52
E 4	10.81	10.97	11.13
E 5	12.21	12.40	12.58
E 6	13.73	13.93	14.14
E 7	16.03	16.27	16.51
E 8	17.24	17.50	17.76
E 9	18.20	18.48	18.75

Bargaining District West from 01 January 2014 onwards

Remuneration Group	Hourly Rates	1.5%	3.0%
		(> 9 months)	(> 12 months)
E 1	8.50	8.63	8.76
E 2	9.07	9.21	9.34
E 3	10.61	10.77	10.93
E 4	11.22	11.39	11.56
E 5	12.67	12.86	13.05
E 6	14.25	14.46	14.68
E 7	16.64	16.89	17.14
E 8	17.90	18.17	18.44
E 9	18.89	19.17	19.46

Bargaining District West from 01 April 2015 onwards

Remuneration Group	Hourly Rates	1.5%	3.0%
		(> 9 months)	(> 12 months)
E 1	8.80	8.93	9.06
E 2	9.39	9.53	9.67
E 3	10.98	11.14	11.31
E 4	11.61	11.78	11.96
E 5	13.11	13.31	13.50
E 6	14.75	14.97	15.19
E 7	17.22	17.48	17.74
E 8	18.53	18.81	19.09
E 9	19.55	19.84	20.14

Bargaining District West from 01 June 2016 onwards

Remuneration Group	Hourly Rates	1.5%	3.0%
		(> 9 months)	(> 12 months)
E 1	9.00	9.14	9.27
E 2	9.61	9.75	9.90
E 3	11.23	11.40	11.57
E 4	11.88	12.06	12.24
E 5	13.41	13.61	13.81
E 6	15.09	15.32	15.54
E 7	17.62	17.88	18.15
E 8	18.96	19.24	19.53
E 9	20.00	20.30	20.60

Bargaining District East (including Berlin)

Remuneration Group	until 31 December 2013	from 01 January 2014	from 01 April 2015	from 01 June 2016
		4.8 %	4.3 %	3.7 %
E 1	7.50	7.86	8.20	8.50
E 2	7.64	8.01	8.35	8.66
E 3	8.93	9.36	9.76	10.12
E 4	9.45	9.90	10.33	10.71
E 5	10.68	11.19	11.67	12.10
E 6	12.00	12.58	13.12	13.61
E 7	14.01	14.68	15.31	15.88
E 8	15.07	15.79	16.47	17.08
E 9	15.91	16.67	17.39	18.03

Bargaining District East until 31 December 2013

Remuneration Group	Hourly Rates	1.5%	3.0%
		(> 9 months)	(> 12 months)
E 1	7.50	7.61	7.73
E 2	7.64	7.76	7.87
E 3	8.93	9.07	9.20
E 4	9.45	9.59	9.73
E 5	10.68	10.84	11.00
E 6	12.00	12.18	12.36
E 7	14.01	14.22	14.43
E 8	15.07	15.29	15.52
E 9	15.91	16.15	16.39

Bargaining District East from 01 January 2014 onwards

Remuneration Group	Hourly Rates	1.5%	3.0%
		(> 9 months)	(> 12 months)
E 1	7.86	7.98	8.10
E 2	8.01	8.13	8.25
E 3	9.36	9.50	9.64
E 4	9.90	10.05	10.20
E 5	11.19	11.36	11.53
E 6	12.58	12.77	12.96
E 7	14.68	14.90	15.12
E 8	15.79	16.03	16.26
E 9	16.67	16.92	17.17

Bargaining District East from 01 April 2015 onwards

Remuneration Group	Hourly Rates	1.5%	3.0%
		(> 9 months)	(> 12 months)
E 1	8.20	8.32	8.45
E 2	8.35	8.48	8.60
E 3	9.76	9.91	10.05
E 4	10.33	10.48	10.64
E 5	11.67	11.85	12.02
E 6	13.12	13.32	13.51
E 7	15.31	15.54	15.77
E 8	16.47	16.72	16.96
E 9	17.39	17.65	17.91

Remuneration Table East from 01 June 2016 onwards

Remuneration Group	Hourly Rates	1.5%	3.0%
		(> 9 months)	(> 12 months)
E 1	8.50	8.63	8.76
E 2	8.66	8.79	8.92
E 3	10.12	10.27	10.42
E 4	10.71	10.87	11.03
E 5	12.10	12.28	12.46
E 6	13.61	13.81	14.02
E 7	15.88	16.12	16.36
E 8	17.08	17.34	17.59
E 9	18.03	18.30	18.57