

General Terms and Conditions (Temporary Employment)

Scope

1. The following terms and conditions apply to all, including future business relations in the field of temporary employment between the companies of the Lorenz Group (Lorenz Office GmbH & Co. KG, Lorenz Technik GmbH & Co. KG, - hereinafter referred to only as: Lorenz) as the personnel service provider and the hirer (hereinafter referred to only as the "customer").

General information

- **2.** With the conclusion of contracts for the provision of temporary staff contractual relations are exclusively established between Lorenz and the customer. Employer in employment law sense is only Lorenz and in this function, he is obliged to temporary workers must comply with all labour, tax and social security regulations, in particular wage tax and social security contributions.
- **3.** The hiring-out and the taking of action of employees is only permissible as a temporary employee pursuant to § 1 para. 1 sentence 3 AÜG if an employment relationship exists between Lorenz and the temporary employee (so-called prohibition of chain leasing).
- **4**. Lorenz shall instruct his temporary workers prior to the hiring out to that it will maintain secrecy about all business transactions of the customer, in particular about trade and business secrets, and that it will not disclose any information to third parties and have maintained this obligation even after termination of the operation.
- **5.** The customer is prohibited from assigning temporary employees to pay any sums of money, in particular advances on wages and travel expenses, which are legally binding on Lorenz or to use them for the carriage of money or for the collection of money. The customer shall indemnify Lorenz to the extent of all claims free.

Right to direct

6. The right to direct the temporary workers in relation to the work performed during the assignment lies with the customer. Temporary workers may only be employed by the customer for the agreed activities. Insofar as there are changes with regard to the duration of employment, working time, place of work or type of activity in relation to the temporary employment agreement, the following is required a separate agreement between Lorenz and the customers.

Remuneration

- **7.** The temporary employees who have been made available shall, after consultation with the customer fill a weekly, 14-day or monthly time sheet. The customer undertakes to confirm the total hours worked on the time sheet by company stamp and signature of an authorised representative. The times of all total working hours for days not worked must be crossed out. The last copy of the record of hours shall be retained to control the customer.
- **8.** The customer shall pay Lorenz the hourly rate agreed in the temporary employment contract for each hour of work of a temporary employee provided by Lorenz.
- **9.** The regular working hours of the temporary workers hired by the customer is up to 8 hours per day and up to 40 hours per week. Working hours that are calculated weekly over the regular working time and night hours, sundays and public holidays will be with the surcharges agreed in the temporary employment agreement. If several surcharges coincide only one surcharge will be charged, the highest in each case. The assessment basis for the surcharges shall be the hourly rate agreed in the temporary employment agreement, excluding statutory sales tax.
- **10.** The legal value added tax is to be paid in addition in each case.

Sector surcharge collective agreements

11. If the information provided by the customer in the temporary employment agreement is incorrect or incomplete or if the customer informs Lorenz about changes inapplicable, incomplete or not and for this reason Lorenz has to pay industry surcharges to the temporary worker employed, the



customer is obliged to compensate Lorenz for all damages incurred. Lorenz shall be entitled, but not obliged, to appoint temporary employees for preclusion periods or to set up receivables for the past until the occurrence of the statutory statute of limitations; in this respect Lorenz is not obligated to the duty to mitigate the damage.

- **12.** The sum of the gross amounts to be paid in arrears by Lorenz (gross wage sum without employer's social security contribution) x factor 1.9 shall be deemed to be the damage to be compensated. The customer shall be entitled to prove that Lorenz has no, or a lower damage has arisen.
- **13.** Without prejudice to the rights of Lorenz under the statutory provisions of the customer is obliged to indemnify Lorenz against all claims and to indemnify third parties against claims, in particular against claims of the social insurance institutions and the tax authorities, which are asserted against Lorenz on the basis of the obligation to make back payments of industry surcharges are levied.

Adjustment of remuneration

- **14.** Lorenz shall be entitled and obliged to change prices (change of the respective hourly rate) if there are more than six months between the conclusion of the contract and the date of performance of the service and after conclusion of the contract, significant cost reductions or cost increases occur.
- **15.** Significant cost reductions or cost increases are as follows in particular changes in the tariff fee of the transferred temporary workers (including sectoral bonuses), the introduction or modification of statutory social security contributions, the introduction or amendment of statutory minimum wages or minimum working conditions in the temporary work industry, and the introduction or amendment of the statutory obligation to remuneration of temporary employees made available to the company in accordance with the Equal Pay/Equal Treatment.
- **16.** Lorenz has informed the customer about significant cost reductions and to inform us in writing of any cost increases within a period of two weeks, to notify us of any price changes (changes to the respective hourly rate) as well as the change in the to explain and prove the calculation.
- **17.** Price increases shall only be permissible in reasonable and the relationship between performance and consideration and only permissible to the extent that a reduction in profit is thereby avoided but no additional profit is achieved.
- **18.** If the price increase exceeds 10.0% of the last valid hourly rate, the customer can within two weeks from notification of the price increase by written declaration dated Employee leasing agreement with effect from the beginning of the price increase; Lorenz will release the temporary worker concerned from his contractual obligation to perform the contract free. In the event of withdrawal, the customer remains liable for the payment of the services already rendered.

Settlement

- **19.** Invoices shall be issued every 14 days in accordance with the hourly statements signed by the customer.
- **20.** the invoice is to be issued within eight days of receipt, without deduction due for payment. After expiry of the aforementioned period, the customer shall be in default of payment. The statutory provisions shall apply to the consequences of default in payment.

Offset

21. The customer shall not be entitled to make any claims against claims of Lorenz with counterclaims or to assert a right of retention or a right to refuse performance, unless the counterclaim or the right of retention are undisputed in reason and amount or legally established

Commission

22. Lorenz is entitled to payment of a commission, if the customer has a temporary employee with him during the period of temporary employment or within six months after expiration of the contract term of the temporary employment contract or employment relationship with the temporary worker or a contract for the subsequent establishment of an employment relationship.



- **23.** The amount of the brokerage commission shall be agreed in the temporary employment agreement.
- **24.** The agency commission is due with the conclusion of the contract as mediates current service or employment relationship, at the latest but at the start of actual employment. The customer is obliged to inform Lorenz immediately of the conclusion of the service or employment contract or, in the event of failure, to notify Lorenz in written based on Lorenz's request.
- **25.** The numbers 22 to 24 apply accordingly with the setting by a contract with the customer within the meaning of §§ 15 ff. of the German Civil Code (German Stock Corporation Act).
- **26.** The customer shall be released from the obligation to pay a commission if he demonstrates and proves that the previous hiring of the temporary employee was not the cause of the hiring.

Liability

- **27.** The obligation of Lorenz to pay benefits is limited to the provision of the name of the person to be hired out in the contract for the provision of temporary employment services of the temporary worker designated as such. If, therefore, this temporary worker is absent without Lorenz being responsible for this (e.g. in case of illness), he will be released from his obligation to pay benefits for the period of absence. However, Lorenz shall be entitled to cancel an insurance policy in the same period to provide suitable replacements.
- **28.** Lorenz as well as their legal representatives and vicarious agents shall not be liable for work carried out by the temporary worker, since the temporary workers made available to them carry out their activities exclusively in accordance with the customer's instructions. In particular, Lorenz shall not be liable for the loss or damage caused by the temporary employee poor performance or damage. A temporary employee is not a vicarious agent, performing agent or authorised representative of Lorenz.
- **29.** Lorenz shall be liable for culpable injury to life, limb or health in accordance with the statutory provisions.
- **30.** Lorenz is also liable in cases of intent or gross negligence, including intent or gross negligence on the part of its representatives or vicarious agents, in accordance with the statutory provisions. The liability of Lorenz is excluded in cases of gross negligence, the amount of which is limited to the amount of the temporary employment agreement foreseeable and contract-typical damages.
- **31.** Lorenz shall also be liable in accordance with the statutory provisions in case Lorenz culpably violates an essential contractual obligation, which if the breach of duty relates to a duty, which enables the proper performance of the temporary employment contract in the first place and whose performance is guaranteed by the customer. In this case, the liability of Lorenz also limited in amount to the amount of the dividend payable at the time of the foreseeable and contract-typical damages.
- **32.** In all other respects, the liability of Lorenz regardless of from which legal ground excluded. This shall apply in particular to claims for damages arising from culpa in contrahendo, from breach of contractual ancillary obligations and other breaches of duty, tortious acts and other tortious liability, as well as for claims arising from damages outside the scope of the contract, for indirect damages and consequential damages, in particular loss of production and loss of data of the customer as well as for claims for compensation for loss of profit.
- **33.** Insofar as liability is limited in accordance with the above provisions, this shall also apply to personal liability of the legal representatives, employees and vicarious agents of Lorenz.
- **34.** The above provisions pursuant to Sections 27 to 33 for claims for damages shall also apply to claims for reimbursement of expenses.
- **35.** If third parties assert claims based on the activity of a temporary employee employed under the temporary employment contract, the customer shall be obliged to indemnify Lorenz and/or Lorenz against all claims for damages to indemnify the temporary worker against such claims, if and insofar as their liability according to the above regulations is excluded pursuant to Sections 27 to 34. This obligation to indemnify shall apply mutatis mutandis if the customer has performed an inspection and/or obligation to provide information under the temporary employment agreement hurt her.



Occupational safety

- **36.** The customer undertakes to only send temporary workers to the following address to employ workers who comply with the provisions of the relevant comply with the applicable accident prevention regulations as well as the safety and occupational health regulations.
- **37.** The customer shall also continuously monitor that all safety regulations in force on the applicable accident prevention and occupational safety regulations as well as the provisions of the Working Hours Act must be complied with. First aid facilities and measures are to be guaranteed by the customer.
- **38.** The customer must inform the temporary worker before the start of employment and in the event of changes in his work area about the risks to safety and health to which he is exposed during work and about the risks to which he is exposed and the measures and devices taken to prevent such hazards. The customer has additionally informed the temporary worker about the necessity of special qualifications or professional skills or special medical supervision as well as increased to inform about special dangers of the workplace. The instructions must be documented in writing by the customer.
- **39.** Accidents at work must be reported immediately to Lorenz and the employers' liability insurance association by means of a written accident report. A reportable industrial accident must be investigated jointly. A copy of the accident report must be provided by the customer in accordance with § 193 SGB (German Social Code) VII of the professional association responsible for its operation to send
- **40.** To enable Lorenz to carry out monitoring in the field of health and safety at work the customer grants Lorenz and the responsible employees an access right to the customer's premises.

Strike

41. If the customer's business is on strike, the customer is not allowed, contrary to the provision in § 11 (5) AÜG, to employ temporary workers in the enterprise. In addition, the prohibition of temporary employment shall apply.

For strikes initiated by member unions of the DGB collective bargaining union, also for strikes already initiated before the start of the industrial action. Accordingly, the temporary worker will not be called in to the extent of the strike call. The company or parts of companies that are on strike properly are used for this purpose. The customer shall ensure that no temporary workers are deployed as far as the ban on deployment is sufficient. In this respect, Lorenz is not obliged to provide employees.

The parties to the industrial dispute may deviate from the above provisions in individual cases and agree on the deployment of temporary workers (e.g. emergency service agreements). Section 11 (5) sentence 2 AÜG shall apply in this respect.

42. The customer is obliged to inform Lorenz immediately - if necessary also by telephone - about any industrial action taking place or imminent in the operation.

Confidentiality / Data protection

- **43.** The parties undertake to maintain secrecy with regard to all business and trade secrets of which they become aware during the term of the contract. The obligation to maintain secrecy also extends to information provided by the other party to the agreement are expressly designated as confidential. In all other respects, the parties undertake, in connection with the performance of this agreement on the Temporary Provision of Workers (AÜV), to documents or data or other information that is not generally accessible to treat information confidentially towards third parties. The obligation to maintain secrecy does not extend to knowledge which is accessible to everyone or the disclosure of which is obviously not detrimental to either party. The duty of confidentiality shall not apply if a party is legally obliged to provide information or if the information is necessary for legal reasons towards authorities or to safeguard legal claims towards courts. The obligation to maintain confidentiality shall continue to apply even after the termination of the AÜV.
- **44.** The customer obligates Lorenz vis-à-vis to process all personal data transmitted to him by Lorenz exclusively for the purposes of implementing this AUEV and to observe all data protection



regulations, in particular DSGVO and BDSG, to be observed. Appropriate instructions from Lorenz on how to deal with such personal data that is required for compliance with the data protection regulations the customer has to follow. In particular, the customer must delete personal data immediately if the purpose of the legal basis for their processing is another storage is no longer required and there are no other legal obligations for further storage. If the customer would like the data to be used for any other purpose the customer has to inform not only the person concerned but also Lorenz. Furthermore, the customer obliges to ensure all technical and organizational measures to comply with data protection regulations

Notice

- **45.** The employee transfer agreement may be concluded on both sides with the Termination agreed in the temporary employment contract. The right of each Contracting Party to extraordinary Termination for good cause remains unaffected. In particular, Lorenz is entitled to extraordinary termination in the following cases of the temporary employment agreement:
- a) Refusal to open or terminate insolvency proceedings against the customer's assets for lack of assets;
- b) Significant doubts as to solvency or creditworthiness of the customer (e.g. for check or bill protest);
- c) Significant payment arrears on the part of the Customer despite written Reminder and threat of termination by Lorenz.
- **46.** the termination and the dissolution of the employee transfer agreement require the written form to be effective.

Choice of law, place of jurisdiction

- 47. to the legal relationship between Lorenz and the customer German law shall apply.
- **48**. for all contractual and non-contractual disputes the following shall apply exclusive place of jurisdiction Nuremberg.

Nürnberg, 01.08.2018