

Terms and Conditions of Business - Loan of Temporary Employees

1. Scope of Validity

- 1.1. These General Terms and Conditions of Business are applicable to all loans of temporary employees to the customer in accordance with the provisions of the "Arbeitnehmerüberlassungsgesetz" ("AÜG") (German Law on Labor Leasing).
- 1.2. The terms and conditions of business of the customer are deemed to be rejected insofar as they differ from the conditions of engineering people and are hereby excluded. Any amendments are only valid if agreed in writing.

2. Conclusion of a Contract

- 2.1. These conditions govern the general and basic provisions of the loan of temporary employees between the parties.
- 2.2. The individual contract is concluded by a written offer of an individual loan with the intended period of deployment, working hours and/or type of work of the loan employees by engineering people and a commercial letter of confirmation of the customer. Before loaning, the temporary employees are to be specified with reference to the individual contract, which, accompanied by such a reference to the existing contract, may also occur by naming them in written form.
- 2.3. The offers of engineering people are non-binding insofar as they do not include a commitment period.
- 2.4. Before each loan, the customer verifies whether the temporary employee has terminated an employment contract with the customer or with a company associated with the group of companies as per § 18 AktG in the last six months. If this is the case, the customer will inform engineering people of this without delay. In view of the legal consequences resulting therefrom, the contracting parties subsequently have an opportunity to implement the contract as planned or to amend it.

3. License to Supply Temporary Employees, Collective Wage Agreements

- 3.1. engineering people declares that it has a license for commercial loan of employees pursuant to § 1 section (1) AÜG. On request, engineering people will present a copy of the certificate of authorisation of the "Bundesagentur für Arbeit" ("Federal Employment Agency") at any time.
- 3.2. engineering people undertakes to inform the customer without delay of the discontinuation, non-extension, withdrawal or revocation of the license as well as of the anticipated end of the period of implementation pursuant to § 12 Section 2 AÜG.
- 3.3. The employment contract between engineering people and the assigned loan employees is subject to the currently valid collective bargaining agreements for temporary employment between the BAP (Bundesarbeitsgeberverband der Personaldienstleister = Federal Employers' Association of Personnel Service Providers) and the bargaining union of the DGB (Deutscher Gewerkschaftsbund = Confederation of German Trade Unions) for the loan period. These are collective bargaining agreements pursuant to §§ 8 Section (2) and (4), clause 2 AÜG.

4. Legal status of the loan employees

- 4.1. The loan employees are subject to the work instructions of the customer without giving rise to a contract of employment between the two parties.
- 4.2. The definition of the period of employment, working hours and/or type of work of the loan employees can only be agreed between engineering people and the customer.
- 4.3. The seconding of the loan employee to another place of deployment of the customer is excluded. Divergent provisions require a separate written agreement. All further contracting out, in particular in the context of a so-called "chain loan", is excluded.
- 4.4. The loan employees may only be deployed to carry out the contractually agreed work and may only use such machinery and equipment which are required to perform this work and in which they have been instructed.
- 4.5. The loan employees are not entitled to collection (e.g. advances for travel expenses). They may not be deployed for the transportation of money or to carry out financial transactions.
- 4.6. The loan employees have been sworn to secrecy by engineering people with regard to all business secrets of the customer.
- 4.7. In addition, the statutory regulations apply, in particular § 13 et seq. AÜG, in favour of the loan employees.

5. Occupational Safety

- 5.1. The customer undertakes to instruct the loan employees deployed on record in accordance with § 12 Section 2 Arbeitsschutzgesetz (= Occupational Safety Act) on the accident prevention regulations which are valid for his company and the individual workplace.
- 5.2. If specific protective equipment and/or hygienic clothing is required in order to perform the assigned work, this is provided under the responsibility and at the expense of the customer insofar as not otherwise agreed between the parties.
- 5.3. In accordance with the "AÜG", the work of the loan employee is subject to the regulations of the Occupational Safety Act valid under public law for the company of the customer; the customer is responsible for the obligations resulting therefrom, without prejudice to the obligations of engineering people.
- 5.4. Accidents at work are to be reported to engineering people immediately. Accidents subject to mandatory reporting are to be reported to the Verwaltungs-Berufsgenossenschaft (VBG) without delay by means of an accident report. An accident subject to reporting is to be investigated jointly.
- 5.5. A copy of the accident report is sent by the customer to the Berufsgenossenschaft (= Employers' Liability Insurance Association) responsible for his company in accordance with § 193 SGB VII.
- 5.6. First aid equipment and measures are provided by the customer.

6. Warranty, default of acceptance

- 6.1. The liability of engineering people for damage, in particular for such caused by the loan employees in the course of their work for the customer, is generally restricted to intent or gross negligence on the part of engineering people. The restriction of liability excludes damages resulting from injuries to life, limb or health and cases of infringements of basic contractual obligations. In the event of slightly negligent breaches of basic contractual obligations, however, engineering people is only liable for typical damage which was foreseeable on conclusion of the agreement.
- 6.2. If a loan employee does not meet the requirements of the customer according to the mutual findings of the customer and engineering people, engineering people is entitled to replace him with another loan employee.
- 6.3. If a loan employee is absent due to illness, he can be replaced, subject to the agreement of the customer, with another loan employee.
- 6.4. If engineering people is unable, due to extraordinary circumstances, to supply loan employees permanently, temporarily or only under extremely difficult conditions (e.g. in the case of a strike at the customer's company), or if engineering people or its loan employee is entitled for other reasons to refuse to provide services, engineering people may withdraw from the agreement. In this case, the customer is not entitled to compensation for damages. In the case of a prohibition of deployment as per § 11 section (5) AÜG (industrial dispute at the customer's company) or any other prohibition of employment of the loan employee, for example as practised by the customer's works council, engineering people retains its right to remuneration until it has found a follow-up project for the loan employee, at the latest until expiry of the period of termination, engineering people has to deduct the income earned from work whilst registered unemployed refused through contributory negligence; § 254 section (2) para. 1 BGB applies accordingly.
- 6.5. The customer is obliged to indemnify engineering people against all claims asserted by third parties which arise in connection with the work entrusted to the loan employee and which are asserted against engineering people. This does not apply if engineering people itself is liable in accordance with 6.1.

7. Remuneration, Invoicing, Comparable Pay, Regular Workforce

- 7.1. Invoicing is carried out monthly on the basis of the hours documented by engineering people. For this reason, the customer is obliged to sign the time sheets presented to him by the loan employees.
 - 7.2. If more than 10 overtime hours per month are worked, these are invoiced with a supplement of 25% of the agreed hourly rate. For work which is classified as night work, Saturday, Sunday or public holiday work, a separate regulation is to be agreed before such work is commenced in order to compensate for the collective agreement supplements.
 - 7.3. The customer deploys the loan employee for at least 35 hours per week and bears the risk of default of acceptance if fewer hours are worked.
 - 7.4. engineering people reserves the right to increase the charging rates accordingly in the event of increases in tariffs. Such an increase may only be made unilaterally once a year and by a maximum of 6%.
 - 7.5. Value added tax is also to be paid by the customer.
 - 7.6. Where necessary, expenses incurred by the employee in connection with his work, such as travel expenses, are invoiced in addition in accordance with statutory income tax regulations.
 - 7.7. Invoices are payable immediately without deductions.
 8. On request, the customer informs engineering people of the business sector of the company of deployment, the current regularly paid hourly rate of a comparable employee of the customer and on the deployment or non-deployment of the employee at the customer's site in the last three months before leasing. The customer informs engineering people without delay of all changes to this compensatory payment, engineering people requires the information to calculate compensation of its loan workers, in particular of the industry supplements to be paid.
- ## 9. Recruitment Fee
- 9.1. If a loan employee is taken into permanent employment from the loan, engineering people is entitled to a recruitment fee.
 - 9.2. The amount of the recruitment fee as per clause 9.1 is 30% of the annual gross income. This is based on the gross salary agreed between the customer and the loan employee as per § 14 SGB IV.
 - 9.3. The fee is due on signature of the agreement or on commencement of the employment, i.e. within 8 days.
- ## 10. Termination, Applicable Law, Final Provisions
- 10.1. Each party has the right to terminate the signed agreement with a period of notice of one month to the end of any month.
 - 10.2. The loan is generally to be terminated after a maximum of 18 months insofar as it was not interrupted for more than three months, unless a longer loan period is permitted on the basis of a collective agreement or company agreement based on a collective agreement on the part of the customer. The customer undertakes to inform engineering people as to whether and for what period a loan period of more than 18 months is possible on the basis of a collective agreement to which the company of employment is subject or in a company agreement concluded on the basis of such a collective agreement or in accordance with the provisions of § 1 section 1b) clauses 3 et seq. AÜG.
 - 10.3. Where legally permissible, the place of fulfilment and jurisdiction is that of engineering people.
 - 10.4. This agreement is exclusively subject to German law to the exclusion of the UN Convention on Contracts for the International Sale of Goods (CISG).
 - 10.5. Amendments and supplements to the agreement must be made in writing; this also applies to the cancellation of the requirement of the written form.
 - 10.6. If one or more of the above provisions are invalid, this does not affect the validity of the remaining provisions.
 - 10.7. The German version of this Agreement shall prevail.

¹ engineering people GmbH was granted the unlimited license by the appropriate local office of the "Bundesagentur für Arbeit Baden-Württemberg" on 09.08.2007, engineering people Stuttgart GmbH was granted the unlimited license by the appropriate local office of the "Bundesagentur für Arbeit

Baden-Württemberg" on 21.08.2009, license by the "Bundesagentur für Arbeit, Agentur für Arbeit" Agentur für Arbeit" in Nuremberg is the responsible authority for both companies.