This translation is for your information only. The contractual language is German. The agreement shall be subject to and construed by German law.

## <u>"Contract for Work and Labour" Information Sheet as per Section</u> 631 BGB (German Civil Code)

A contract for work and labour is an obligation undertaken against payment to achieve a certain <u>labour success</u> or independently create a work.

- (1) The contract binds the contractor to create the work promised and the client to pay the remuneration agreed.
- (2) The object of the contract can be the production or modification of an article or another success to be achieved by doing work or rendering a service.

## The following must be taken into account when concluding a contract for work and labour:

- All work required to fulfill university duties must in general be carried out by existing employees during regular working hours. The same applies to work for research projects financed by third-party funds. Whenever research projects are classified as official tasks, i.e. as university tasks, and university staff are working on such a project, this work can in normal circumstances only be performed in an official capacity; cooperation in the context of a contract for work and labour which would constitute secondary employment is generally ruled out.
- In order to avoid legal uncertainties, contracts for work and labour may as a rule only be concluded in writing and must be concluded before the work begins. It must therefore be ensured that the work does not begin before the agreement is signed. As a rule, the university administration requires two or three weeks for the administrative processing of contracts for work and labour.
- Contracts for work and labour are to be distinguished from contracts of employment. Permanent duties of the university may not be carried out by contractors in the context of contracts for work and labour. These must be performed by employees as part of their official tasks. Contractors must produce a specifically defined work. In individual cases, remuneration may be paid after the acceptance of parts of a work that can be subjected to evaluation. Contractors work independently, i.e. they are not bound by instructions or subject to any attendance obligation. In general, contractors are not permitted to use university resources.
- The work to be carried out must be described as precisely as possible.
- The university does not deduct social security contributions for any of its contractors. Should closer examination reveal that an obligation to pay social insurance contributions exists, the corresponding contributions must be paid retrospectively from the faculty budget.
- For reasons relating to employment law, contracts for work and labour cannot be concluded with persons who were employed by the state of North Rhine-Westphalia immediately beforehand. This provision aims to prevent official services from being rendered further, thus giving rise for example to an obligation to pay social insurance contributions.
- 2 copies of the contracts for work and labour must be signed by the contractor and submitted to the university administration, department 1.3.
- The contractor alone is responsible for fulfilling his tax and social insurance obligations.
- Even if the contractor continues activities rendered in the context of a contracts for work and labour, he must not be permitted to become economically dependent on the university. This is usually the case if the university is the contractor's sole client or if he generates the vast majority of his income from this contract.
- Claims for withdrawal, subsequent performance, abatement, rectification or compensation arising in connection with contracts for work and labour usually expire two years after the work was accepted except in individual cases where alternative deadlines were agreed. The person responsible for accepting the work is also responsible for notifying the university administration of compensation claims that he himself cannot assert; this notification must be provided in due time before the deadline expires.
- The appropriateness of the remuneration paid must be justified in detail, e.g. on the basis of the contractor's qualifications and the time required for the work. A general description that is too vague about the scope of the work and the time required does not allow any evaluation of whether the remuneration proposed is appropriate to the work to be carried out.
  - The contractor must issue an invoice for the work carried out.