

## Introduction

Our terms and conditions for the supply of agency workers are based on general contract provisions relating to the hiring of agency workers drawn up by NHO Service in collaboration with the staffing industry. The General Terms and Conditions regulate the overall contractual relationship between the Hirer and Stolt.

Every time the Hirer places an order for an assignment, he confirms that he has read and accepted Stolt's General Terms and Conditions for the Supply of Agency Workers. The Terms and Conditions for the Supply of Agency Workers are accompanied by an 'Agreement on Terms of Pay and Prices', unless otherwise agreed. Signing the 'Agreement of Terms of Pay and Prices' constitutes acceptance of the General Terms and Conditions for the Supply of Labour.

### 1. Parties' representatives

The parties' representatives must have the authority to act on the party in question's behalf so that the hiring relationship can be conducted without unnecessary complications, and so that Stolt can give the Hirer the best possible service.

### 2. Order of priority of contract documents

If the contract documents contain conflicting provisions, they will apply in the following order:

1. Order confirmation for specific assignment.
2. Agency's quotation with specifications.
3. Hirer's order, call for tender/request for quotation
4. General Terms and Conditions for the Supply of Agency Workers

### 3. Price clause

#### 3.1 Price basis

The Agency's prices are based on the equal treatment principle and conditional upon the Hirer having provided full and accurate information on his own employees' terms of pay and employment in accordance with statutory requirements and section 4.2 below. The Agency must document the terms of pay and employment agreed with agency workers at the Hirer's request.

The Agency's prices per effective hour of work covers all costs incurred in connection with the work involved in hiring, such as the Agency Worker's pay, social costs such as holiday pay, occupational injury insurance and any sick pay, employer's national insurance contributions, administration, mandatory occupational pension contributions and ordinary profit. On top of this come possible supplements for overtime, inconvenient working hours, shifts, etc., in accordance with section 12 and pay for time off in line with the Hirer's own employees in accordance with section 3.2, as well as access to shared benefits and services in accordance with section 7 below.

The Agency's services are subject to value added tax with the exception of procuring and supplying agency workers in cases where the worker is to carry out health services or alternative treatment, and supplying agency workers who are to carry out social services or teaching under the exemptions in section 3-2 ff of the Norwegian VAT Act (Merverdiavgiftsloven). The minimum number of hours of work that can be invoiced is four hours per day.

#### 3.2 Payment

The Hirer will be invoiced every 14 days for certified hours and for time off to the same extent that the Hirer pays his own employees on public holidays, during short welfare leave and for other time

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off that does not count as annual leave under the Norwegian Holidays Act. The terms of payment are set out in the 'Agreement on Terms of Pay and Prices'. In the event of late payment, the Hirer will be charged default interest in accordance with Norwegian Act No. 100 of 17 December 1976 relating to Interest on Overdue Payments (Lov om renter ved forsinket betaling).

### 3.3. Price adjustment

The hourly rate during the agreed assignment period will be adjusted pro rata in line with changes in the terms of pay and employment for the Hirer's own employees and thereby for the Agency Worker during the assignment period in accordance with the equal treatment principle set out in section 4.2 below. If the Hirer has not provided full and accurate information, or if the Hirer does not inform the Agency in time of relevant changes in his own terms of pay and employment, the Agency may change prices with retroactive effect and demand arrears.

If changes are made in statutes or legislation after the assignment has been agreed, the Agency may also adjust prices or other terms for the assignment in order to cover necessary and documented additional costs arising from these changes. Such adjustments will be made with effect from the date on which the change in the statute or regulations comes into force.

## 4. Conclusion of assignment contract

### 4.1 Need analysis and candidate selection

After receiving a written or verbal assignment order, the Agency will find a candidate for the assignment. When a suitable candidate has been found, the client will be contacted with information on the candidate's qualifications and background. In so far as the client wants more relevant candidates than agreed, the Agency is entitled to remuneration for each additional candidate.

### 4.2 Hirer's obligation to disclose own terms of pay and employment (equal treatment principle)

The Hirer must give the Agency the information that is necessary for the Agency to be able to comply with statutory requirements on the equal treatment of terms of pay and employment under sections 14-12 b (1) and 14-12 a of the Norwegian Working Environment Act (Arbeidsmiljøloven), and, where relevant, sections 3C (1) and 3B of the Norwegian Civil Service Act (Tjenestemannsloven).

The information must cover the terms that would have applied if the Agency Worker had been employed by the Hirer to perform the same job with regard to:

1. length and scheduling of working hours
2. overtime
3. length and scheduling of breaks and rest periods
4. night work
5. annual leave, holiday pay, days off and remuneration for such days
6. pay and expenses

The Hirer must also give the Agency information on shared benefits and services in accordance with section 7 below.

The Hirer is under an obligation to provide information on terms of pay/employment and shared benefits/services both when concluding an assignment contract and for the full duration of the assignment. For as long as the assignment lasts, the Hirer must keep the Agency continuously informed about expected and relevant changes in his terms of pay and employment as soon as possible and at all events before the change is implemented for the Hirer's own employees where this is possible. The Hirer's responsibility to provide such complete and up-to-date information is a

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condition for compliance with statutory equal treatment requirements by both the Hirer and the Agency.

The Agency Worker and the Hirer's employee representatives may, under a duty of confidentiality, request information/documentation from the Hirer and the Agency showing whether the Agency Worker's terms of pay and employment satisfy the equal treatment requirements under section 14-12B of the Working Environment Act and, where relevant, section 3C of the Civil Service Act. Such disclosure may include information that the Hirer has given the Agency regarding his terms of pay and employment.

## 4.3 Written assignment confirmation

After the candidate has been approved by the client, the Agency will send a written assignment confirmation specifying, among other things, the name of the worker, agreed time, place, duration, duties and other material terms of employment. Pay, price, holiday pay rate, etc., are specified in the 'Agreement on Terms of Pay and Prices'. Any departures from the latter must be specified in the assignment confirmation. The Hirer must scrutinise the contents of the assignment confirmation and is responsible for informing the Agency of any errors or omissions without undue delay.

## 5. Changes

The Hirer may not agree changes to the assignment with the Agency Worker without this being agreed in writing with the Agency's representative. If the work is changed in such a way that it would result in better pay or other terms of employment if the Agency Worker had been employed by the Hirer to perform the changed duties, the price/terms will be increased accordingly pro rata with effect from the date of the changes.

### 5.1 Direct employment of agency workers

The Hirer may not agree changes to the assignment with the Agency's employees without this being agreed in writing with the Agency. The Hirer may not offer the Agency's employees direct employment in his business or on behalf of other suppliers of his business before the agreed assignment has ended unless this has been agreed with the Agency.

If a need for employment arises in the Hirer's business during the hire period, and the Agency's employee and the Hirer so wish, the Hirer may after a hire period of 1950 invoiced hours in total (equivalent to 12 months full time) take over responsibility as employer for 2.5% of the employee's expected total annual remuneration.

If the Hirer otherwise takes on employees who have been employed by the Agency or in any other way engages the employee before the agreed hire period expires, with the result that it may be regarded as a recruitment assignment, a recruitment fee must be paid in accordance with the following rules:

Formula for recruitment fee in the event of employment under 1950 invoiced hours in a hire period or employment or engagement after expiry of the hire assignment that may be regarded as a recruitment assignment:

$$\text{Recruitment fee} = B \times (1950 - IH) / 1950$$

B = 2.5% of agreed new gross annual pay, IH = invoiced hours

## 6. Extension of assignments

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If the Hirer wishes to extend an assignment beyond the agreed period, he must inform the Agency verbally or in writing as soon as possible. The Agency must then try to agree an extension with its employee. If accepted, the extension must be confirmed in writing in the form of a new assignment confirmation.

## **7. Access to Hirer's shared benefits and services**

The Hirer must give the Agency information on shared benefits and services enjoyed by his own employees, e.g. canteen, workplace nursery, transport, gym, locker rooms, etc. The Hirer must give the Agency Worker access to such shared benefits and services on the same terms as his own employees unless there are objective reasons for not doing so in accordance with section 14-12a of the Working Environment Act and, where relevant, section 3B (2) of the Civil Service Act. All costs of such access will be borne directly by the Hirer to the same extent as the Hirer covers them for his own employees.

## **8. Travelling allowances**

Agency Workers are entitled to payment for travel time and travel expenses in accordance with the same rules as the Hirer's employees. Such expenses will be charged without a markup for administration costs.

## **9. Liability, day-to-day management and follow-up, and performance**

Agency workers are under the management and orders of the Hirer, and must be integrated in the Hirer's business. The Agency is responsible for making a sound selection by ensuring that formal competence and references are in accordance with the Hirer's inquiry. The Agency's liability is therefore limited to instances where negligence in the selection process can be documented. The Hirer is responsible for any damage/loss/poor performance that the Agency Worker may cause in relation to the Hirer or inflict on a third-party through error or negligence during performance of the work. The Agency's liability to the Hirer is notwithstanding limited to circumstances covered by the Agency's insurance policies.

Where the Hirer demonstrates a need and presents legal grounds for information on the Agency Worker that relates to performance of the work, an agreement may be entered into to the effect that the Agency will obtain relevant information on the Agency Worker if possible. The costs incurred by the Agency in this respect may be invoiced to the Hirer based on the Agency's submitted invoices unless the parties agree a price in advance.

In other respects the Agency's employees must obey the Hirer's rules and instructions, and work under the Hirer's management and control. The Hirer is responsible for working conditions in the workplace complying with the provisions of the Working Environment Act and matters being arranged so that the Agency Worker can perform his/her work.

## **10. Required qualifications, attendance**

The Agency undertakes to provide workers who satisfy the Hirer's requirement specifications. If agency workers nevertheless do not meet the qualification requirements stipulated in the order or are in breach of their obligations by failing to attend work, the Agency must provide new qualified workers as quickly as possible. The Agency has a quality assurance system for ensuring that its services satisfy the Hirer's needs and quality requirements. The Agency is not liable if the Hirer or a third party prevents the employee from performing the work. The Agency's employees must not work with or be responsible for keys, money or securities without the Agency's written consent.

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## **11. Responsibility for Health, Safety and Environment (HSE) and statutory safety rules**

The Hirer is to be regarded as the principal enterprise with responsibility for coordination in accordance with section 2-2 of the Working Environment Act and must ensure a fully satisfactory working environment for agency workers too under section 2-2 (1) b) of the Working Environment Act.

When working for the Hirer, agency workers must conform to and comply with the Hirer's safety instructions, company rules and other provisions that apply to the Hirer's own employees and/or performance of the assignment. The Hirer must inform, train and check on agency workers in the same way as his own employees, including with regard to the Hirer's HSE rules, that the Agency Worker is covered by the Hirer's health and safety service, and information on who is the Agency Worker's local safety representative in the Hirer's business.

If necessary, the Agency's consultant and safety representative must be given access to the Hirer's business to survey the working environment and allowed to contact the Hirer's safety service. When the coordination of working hours arrangements is necessary for safety reasons, this too is the Hirer's responsibility.

## **12. Overtime and pay supplements**

The Hirer must ensure that the Agency Worker's working hours comply with the provisions of chapter 10 of the Working Environment Act, see section 2-2 (1) c) of the Working Environment Act. If a large amount of overtime is worked, the Agency's consultant must also be kept continuously informed of its scope. It is the Agency's task to enter into any agreement with the Agency Worker or the Agency Worker's employee representative regarding extended overtime in accordance with section 10-6 of the Working Environment Act. The Hirer must assist with such agreement if necessary. Overtime, shift, inconvenience and other supplements to pay will be invoiced in addition to the agreed price pro rata as if the Agency Worker had been employed by the Hirer in accordance with the equal treatment principal in section 4.3 above and the prices basis in section 3.1.

## **13. Joint and several liability**

The Hirer is also jointly and severally liable with the Agency for the Agency Worker receiving the right pay, holiday pay and other remuneration in accordance with statutory equal treatment requirements under section 4.2 above, see section 14-12 c) of the Working Environment Act and, where relevant, section 3 D of the Civil Service Act.

If the Hirer is held jointly and severally liable, he may claim contribution from the Agency for all costs in this connection, unless the claim is due to the Hirer's failure to provide full and accurate information of relevance to the equal treatment principle as specified in section 4.2 above. In this case the breach provisions in section 17 below will apply.

## **14. Confidentiality**

No information exchanged by the parties must be disclosed to a third party without the other party's written consent. This also applies after the assignment has been completed. The Hirer may not make use of the Agency's documents, proposals, price calculations, plans, etc., to obtain competing quotations, etc. The Agency's employees have a duty of confidentiality regarding commercial secrets, as well as descriptions, recipes, models, personal information, etc., of which they acquire knowledge during the assignment. The Agency's employees may not take written work materials or documents away from the Hirer's premises with them without having obtained special permission to do so.



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The Hirer, Agency and Hirer's employee representatives also have a duty of confidentiality regarding information they obtain on the Hirer's and Agency's terms of pay and employment in accordance with section 14-12 b (5) of the Working Environment Act and, where relevant, section 3C (5) of the Civil Service Act. Such information may only be used to ensure or check compliance with the equal treatment requirements.

## **15. Title/right of use and exclusivity**

The Hirer has full copyright and title to all source material and any results of work performed by the Agency's employees for the client. The Agency's employees are entitled to use professional knowledge they acquire in the performance of their own work elsewhere too.

This does not include competition-sensitive information, however; see confidentiality agreement. The Hirer undertakes for as long as the contract lasts not to enter into agreements on services covered by this contract with other agencies or with one or more persons employed by the Agency.

## **16. Breach by the Agency**

### **16.1 Complaints**

Any complaints by the Hirer regarding documented breach of contract must be communicated in writing to the Agency's representative without delay. If no such complaint is made, breach of contract cannot be claimed.

### **16.2 Remedy**

Both parties may require non-fulfilment of required qualifications or attendance to be remedied through the use of another employee if this can be done without unreasonable inconvenience or cost.

Lack of documentation for terms of pay and employment or inadequate terms of pay and employment under statutory equal treatment rules may be remedied by the Agency paying the difference to the employee in arrears within 14 days of the breach being discovered and pointed out in writing by the Hirer.

### **16.3 Right to withhold payment and price reduction**

The Hirer may withhold payment for the part of the work that has not been fulfilled pending remedy of the breach. If the breach is not remedied, the Hirer may demand a price reduction. The Hirer may not demand reduction of the agreed price if the Hirer or a third person prevents the Agency from delivering the agreed service.

### **16.4 Compensation**

The Hirer may demand compensation for documented financial loss in consequence of the liability that the Agency bears under this contract. The Agency is not liable for consequential loss. The Agency is only liable for financial loss as a direct result of documented negligence either in connection with employee selection or in the event that an employee has not been selected by the agreed date. When the agency worker is under the Hirer's day-to-day management, orders and follow-up in accordance with section 9 above, the Agency is not liable for his/her performance.

If the Agency has been negligent in employee selection, the Hirer does not have a claim against the Agency if the defect has been remedied or remedy has been offered in this respect. The Agency bears no liability in the event that the Hirer was responsible for selection of the candidate, however.

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Only direct physical damage is covered. Compensation is not payable for loss of profits, loss of use and liability to third parties, etc. Damage caused by fire or explosion will not be indemnified. If the Agency hands over keys/passes, the Hirer will be liable for their loss.

## **16.5 Cancellation**

If the Agency is in gross breach of contract and the breach is not remedied by the agreed deadline, the Hirer may cancel the agreement.

In the case of framework agreements or agreements consisting of several deliverables/assignments, non-fulfilment of an assignment/deliverable will only entitle the Hirer to cancellation or other remedies for breach in respect of the assignment/deliverable to which the breach relates. The contractual obligations of the parties for the remainder of the overall contract will be unaffected. Remedies for breach may not, therefore, be implemented for the part of the overall contract that has not been breached.

## **17. Breach by the Hirer**

### **17.1 Non-fulfilment of obligation to provide information of relevance to the equal treatment principle**

The Hirer is strictly liable to the Agency for any financial loss resulting from failure to fulfil his obligation to give the Agency all the information necessary for equal treatment of terms of pay and employment in accordance with section 4.2 above throughout the assignment.

On receiving a written inquiry from the Agency, the Hirer must document the necessary information as soon as possible. If the Hirer does not comply with a request from the Agency or his own employee representatives for such information within three working days, the Agency may cancel the rest of the assignment contract and/or demand compensation for its financial loss in this respect.

### **17.2 Late payment**

In the event of late payment, the Agency may withhold its services pending payment. In the case of gross breach, the Agency may cancel the contract. If the Hirer does not pay within seven days of receiving written notice, the Agency will be entitled to cancel the contract. Failure to comply with terms of payment will result in default interest being charged in accordance with the Act relating to Interest on Overdue Payments. If the Hirer has previously been in breach of his payment obligations, the Agency may demand payment in advance for future assignments.

In cases where the Agency cancels the contract for failure to comply with terms of payment, the Agency is entitled to compensation in accordance with the rules and principles of the law of damages. Unless documented otherwise, the Agency will be entitled to compensation equivalent to 20% of the agreed remuneration for the remaining contract term.

### **17.3 Breach of duty of confidentiality, exclusivity, etc.**

If the Hirer is in breach of the provisions on duty of confidentiality and prohibition against the use of information to obtain competing quotations in section 14 above or exclusivity in section 15, the Agency is entitled to compensation of at least 30% of the annual contract sum without a further claim for damages being ruled out.

## **18. Cancellation and termination in cases other than breach of contract**

Any assignment that has been confirmed and/or started is to be regarded as binding on both parties and may not be broken off before the agreed period has expired.

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## 19. Insurance

The Agency has taken out collective general and accident insurance for its employees in accordance with the current terms of insurance negotiated by the Staffing Section of NHO Service. The terms of insurance are available from the Agency on request. Occupational injury insurance has been taken out for all temporary staff.

## 20. Force majeure

In the event of force majeure, including strikes in a party's own business and all other types of labour dispute, the obligations of the parties will be suspended for as long as force majeure persists. In the case of strikes, the Hirer must keep the Agency up to date regarding the continued need for agency workers.

## 21. Disputes

Efforts must be made to resolve any disputes by negotiation. If this proves impossible, the dispute must be decided in accordance with Norwegian law.

## 22. Validity

These General Terms and Conditions are valid from 1 January 2013.