

<b>PharmaLex Standard on providing work/services with the potential use</b>
<b>of own employees/subcontractors/freelancers without transferring employees</b>
<b><i>("Use of PharmaLex-staff")</i></b>

1. When providing the services required contractually to a client, if PharmaLex GmbH and its affiliates (hereafter collectively referred to as **PharmaLex**) uses their own employees, subcontractors or freelancers but no employee transfer is agreed under either the German Employee Transfer Act (AÜG) or according to a set of counterpart rules that are in effect in another concerned country, such provision is defined as "*Use of PharmaLex-staff*" and is subject to the conditions set out in this PharmaLex Standard.

2. The subject and purpose of this Standard is to ensure the application of legally appropriate provisions and arrangements concerning the *Use of PharmaLex-staff* which are to be agreed contractually by the parties (**PharmaLex** and client) as specified above in paragraph 1. Therefore, this Standard stipulates the conditions that are to be followed for the *Use of PharmaLex-staff* and the corresponding engagement of **PharmaLex** by the client is effected through the execution of a separate contractual document, hereafter referred to as an individual Work Order.

3. In accordance with paragraphs 1 and 2 above, the following is required for the *Use of PharmaLex-staff*:

3.1 When the individual Work Order includes the use of **PharmaLex's** employees/subcontractors/freelancers with the client and no explicit employee transfer, as defined in either the AÜG or counterpart regulations that are equivalent to this in another country, has been explicitly agreed between the parties, the agreements made between the parties are concluded as a *contract of service/contract for work* or a *special order contract* and are not, under any circumstances, the subject of any employee transfer as defined in the aforementioned regulations.

3.2 **PharmaLex** is entitled to fulfil its contractual commitments within the framework of the individual Work Order in a manner which is at its own discretion by selecting and assigning its own employees, subcontractors and/or freelancers who are qualified to provide the agreed services and who provide the agreed services for the client on behalf of the company.

3.3 All employees, subcontractors and/or freelancers used by **PharmaLex** are vicarious agents of **PharmaLex** who are exclusively in a contractual relationship with **PharmaLex** and are not subject to instructions from the client.

3.4 During the term of the individual Work Order **PharmaLex** remains the responsible contact for all project-related matters. If changes are required to the relevant service description, the client must always agree this with **PharmaLex** within the framework of a change order or supplement. The client is not permitted to seek any such agreement in this regard with an employee, subcontractor and/or freelancer used by **PharmaLex** and any such intervention shall be automatically null and void.

3.5 The client will ensure that **PharmaLex's** employees, subcontractors and/or freelancers used are always treated and distinguished as external third parties and not incorporated into the client's operational organization as their own employees (incl. job title, desk sign, name badge, work clothes, email address, telephone lists etc.).

3.6 **PharmaLex** and client agree that during the term of the individual Work Order none of the employees/subcontractors/freelancers used by **PharmaLex** to provide the work are subject to instructions from the client and they are independently responsible for setting the location of their own services and working hours or have these set by **PharmaLex**. Attention should be paid nevertheless to the client's particular operational preferences.

3.7 During the term of the individual Work Order, the client may only give instructions to **PharmaLex's** employees, subcontractors and / or freelancers with regard to the performance of the work in a way that is entirely consistent with that of a service provider and client relationship. In the same way, the client is prohibited to freely dispose, at his own discretion, of the work of the **PharmaLex**-staff.

3.8 Notwithstanding the provisions in the paragraphs above, the project-related time requirements and all technical requirements of the client shall be taken into account by the **PharmaLex**-staff if they are necessary for the proper fulfilment of a Work Order. In addition, the client is also entitled to set deadlines and periods and in individual cases to monitor the quality of the work deliverables in order to help maintain agreed quality standards.

3.9 The relevant requirements for the individual Work Order and the relevant timeframe for concluding the individual order must be described by the client as precisely as possible. The individual Work Order must specify in detail the service to be provided, the expected time required for each individual task and the work deliverable(s) expected by the client in agreement with **PharmaLex**. Where a particular location is necessary for the satisfactory performance of the services, the relevant activity location must be stated in a binding manner in the individual Work Order.

3.10 The client must ensure that **PharmaLex** and its employees, subcontractors and/or freelancers can always access the relevant information, data and other work materials that are required to execute the individual Work Order. The client is obliged in this regard to provide **PharmaLex** in good time with all of the corporate guidelines required to implement the individual Work Order, in particular work protection guidelines, anti-discrimination guidelines etc. The client must grant **PharmaLex** and its employees, subcontractors and/or freelancers access to its premises if this is actually required to execute the individual Work Order.

3.11 The client must ensure the safety of **PharmaLex's** employees, subcontractors and/or freelancers at all times.

3.12 If **PharmaLex's** employees, subcontractors and/or freelancers suffer damages due to a negligent or deliberate infringement of the safety provisions by the client, the client will indemnify **PharmaLex** for all claims for damages raised against it on first request.

3.13 The client is not permitted to make payments of any kind to the employees, freelancers and/or subcontractors used by **PharmaLex**. The client is not permitted to reimburse expenses or costs directly to the employees, freelancers and/or subcontractors used. In addition, information about payments to **PharmaLex** in relation to the services is also to be kept confidential and not disclosed to the employees, freelancers and/or subcontractors used by **PharmaLex**.

3.14 The termination of the individual Work Order by the client is only effective when it has been expressed to **PharmaLex** in accordance with the terms therein. Termination notified to an employee, freelancer and/or subcontractor who has been assigned to fulfil the services for the client will have no relevant force.

4. Either **PharmaLex's** *Standard Terms and Conditions with Other Companies* apply which can be found on the **PharmaLex** website: [www.pharmalex.com/terms-and-conditions](http://www.pharmalex.com/terms-and-conditions), or - if applicable - the Master Service Agreement concluded between **PharmaLex** and the client. If these contain provisions that contradict the provisions of this Standard, the provision in this Standard has priority.

5. The court of jurisdiction is Bad Homburg, Germany. The laws of the Federal Republic of Germany apply.

6. If parts of this Standard prove to be invalid, they are replaced by the statutory provision. The Standard as a whole should then remain in force.