

Compensation agreement

between

**T/S/C Fachanwaelte fuer Arbeitsrecht Schipp & Partner Rechtsanwaelte mbB,
Carl-Bertelsmann-Str. 4, 33332 Guetersloh**

- Partnership -

and

- Client -

in the legal matter

I. Fee

1. Compensation based on object value; hourly fee

Compensation paid to the Partnership is generally based foremost on the object value of the matter. However, the Partnership receives minimum compensation in the amount of € 350.00 per hour of activity, plus the respective statutory value-added tax (hourly fee). Specifically, the following regulations are determinant.

2. Extrajudicial counselling and expert assessment

Compensation for extrajudicial counselling and expert assessment are based on the following provisions. A limitation to € 250.00 for consumers and a limitation for a first consultation to € 190.00 for consumers are explicitly excluded. A setting-off of the agreed compensation against other fees is excluded, counter to § 34 Para. 2 RVG (German Law on the Remuneration of Attorneys).

- a) For extrajudicial counselling with the object of preparing correspondence, counselling during negotiations, or handling/examining contract or settlement drafts, in which however the Partnership does not appear to others as the Client's representative, fees based on the object value shall prevail. In the calculation of value-based fees in accordance with the RVG (German Law on the Remuneration of Attorneys), these cases are treated as though the Partnership had represented the Client in the correspondence, the negotiations, or the conclusion of the contract or settlement with third parties such that, in addition to the business fees in the case of a settlement, a settlement fee is also payable. The determination of the object value follows the statutory provisions. In addition, section 4 (Settlement with hour-

ly fee) applies.

- b) The Partnership receives no value-based compensation for other extrajudicial counselling, insofar as it is not already covered by Part a) above, nor for the creation of an expert assessment, but rather always receives an hourly fee in accordance with Section 4.

3. Judicial and extrajudicial representation

For the business operation, i.e. judicial and extrajudicial representation, including the creation of drafts, statutory fees based on the object value of the matter in accordance with the RVG (German Law on the Remuneration of Attorneys) prevail. Determination of the object value follows the statutory regulations and any court decisions that should ensue, including informal communication of the amount in dispute. In addition, Section 4 (settlement with hourly fee) applies.

4. Hourly fee

The Partnership receives minimum compensation in the amount of € 350.00 per hour of activity, plus the respective statutory value-added tax (hourly fee). Should compensation based on object value be lower than compensation based on hourly fee, billing is made on a time-related basis.

The agreed fee is charged incrementally for each five-minute period begun. The Partnership will only charge the client for the work of the lawyers, such that separate fees for secretarial activities and the services of other non-judicial permanent employees are not billed separately. The activity of the lawyer also includes driving and travelling time in particular.

II. **Disbursements**

The Client is obligated to reimburse the Partnership for disbursements arising in the course of handling the matter:

Within the framework of dutiful discretion, the Partnership is free to choose whether to travel to appointments by car, train, plane or other means of transport. When using a car, a flat mileage rate of € 0.50 (net) per kilometre is charged, when travelling by train, the price of a first-class train ticket is billed, and when flying the price of a business-class ticket is charged.

For court or regulatory proceedings as well, the production of photocopies is charged at € 0.50 (net) per page for the first 50 pages, and at € 0.25 (net) for each additional page.

No out-of-town fees as prescribed by the RVG (German Law on the Remuneration of Attorneys) are charged when billing is done on an hourly basis. Otherwise, the RVG (German Law on the Remuneration of Attorneys) applies for other disbursements and ancillary costs.

III. Deviation from statutory regulations and scope of reimbursement

It is known to the Client that this Compensation Agreement deviates from the statutory regulation and that, should an opposing party be obligated to reimburse the Client's legal costs, these can only be reimbursed within the framework of the statutory fees.

The Partnership draws attention to the fact that, in *labour* court proceedings of the First Instance, the victorious party has no legal claim to compensation for time lost nor for the reimbursement of costs for the engagement of a lawyer to handle legal proceedings. The Client must therefore bear these costs himself, even when the case is won. In labour law matters, analogous regulations also apply to the costs of legal representation arising from the preparatory and/or extrajudicial activities of the Partnership's lawyer(s), and this in particular as well when the matter does not progress to labour court proceedings.

The Partnership lastly draws attention to the fact that the liability of compensation for the legal activity it performs, irrespective of the entitlement to a reimbursement for costs from the opposing party and/or an entitlement to cost coverage by legal expense insurance, rests with the Client.

IV. Due dates for compensation and activity reporting

The compensation of the Partnership is due for payment from the date of receipt of the invoice.

The Partnership will document the respective date and the scope of its legal activity in an appropriate manner, as a rule by means of tabular list in text form, employing abbreviations. At the Client's wish, such a report can be transmitted to them.

V. Supplementary provisions, written form, and severability clause

The Partnership's general terms and conditions of mandate apply in supplement.

Verbal agreements on the compensation for the legal activity of the Partnership are only valid if they are confirmed by a lawyer's letter from the Partnership or by agreement written in written form.

In the event that a provision in this agreement is or becomes invalid, this does not affect the validity of this agreement as a whole, nor of the remaining provisions. In the case of such a partial invalidity, the Client and the Partnership will agree upon a new provision as close in effect as possible to the invalid provision.

Guetersloh, signed on _____, signed on _____

T/S/C Fachanwaelte fuer Arbeitsrecht

Client