

# General terms and conditions for temporary agency work

## HPL GTC 2018

### 1. Scope and definitions

**1.1.** The general terms and conditions for the temporary agency work (HPL GTC 2018) are applied to contracts between a private employment agency (hereinafter 'PrEA') and its Customer company (hereinafter 'Customer').

**1.2.** The terms and conditions apply to contractual parties when the parties have agreed on it specifically or by tacit agreement. The terms and conditions only regulate the relationship between a PrEA and the Customer and cannot be invoked by a third party. The terms and conditions may be departed from where this has been agreed by the parties in writing.

**1.3.** Temporary agency work refers to a PrEA supplying an agency employee, against remuneration, to a Customer. The PrEA remains as employer, but the customer is responsible for the work direction and supervision, as well as such employer obligations that regard the execution and organisation of the work. The work is typically executed on the premises assigned by the Customer, with the Customer's tools and equipment and in accordance with the working methods laid down by the Customer.

**1.4.** A contract refers to an agreement between the contractual parties regarding the PrEA supplying an agency employee, against remuneration, to the Customer. The parties may also conclude a framework agreement. This refers to an agreement between the contractual parties which sets out the conditions that are used, during the term of the framework agreement, by the parties to agree separately on individual contracts regarding an employee/employees. A contract also refers to an individual contract concluded on the basis of a framework agreement regarding the supply of agency employee/employees.

### 2. General obligations of the PrEA

**2.1.** The PrEA shall carefully select the applicants to be offered to the Customer on the basis of the Customer's requirements. The PrEA shall, in consideration of the available possibilities, take reasonable action to establish that the agency employee meets the Customer's requirements regarding education, professional skills and experience or alternatively to inform the Customer to which extent the agency employee fails to meet these requirements.

**2.2.** In its capacity as employer, the PrEA is responsible for all personnel expenses in respect of the agency employee, such as pay, social security contributions and statutory insurances.

**2.3.** The PrEA shall observe, in respect of the agency employee, employment legislation and other official regulations as well as the applicable collective labour agreement applicable from time to time, and the following documents drafted by the HPL: **a)** the operating principles of the private employment agencies sector; **b)** the Rules for the recruitment of foreign employees for the personnel services sector; **c)** the HPL guidelines for the processing of personal data; **d)** the guidelines for advertising vacancies; **e)** other corresponding guidelines regarding the sector drafted by the association.

### 3. General obligations of the Customer

**3.1.** Before the PrEA begins the search for a suitable agency employee, the Customer shall provide the PrEA with appropriate and adequate information concerning the education and professional skills and experience expected of the agency employee and of any occupational safety-related special requirements, such as the health or physical condition of the employee.

The Customer shall also inform the PrEA, employee-specifically, of the work to be carried out, the place of work, the reason and duration of the contract, the working hours, characteristics of the work, the applicable collective labour agreement and any local agreements, or other conventions of the Customer that may have an effect on the agency employee's pay or benefits. The Customer shall inform the PrEA immediately of any changes to these details.

**3.2.** If the Customer is aware of expected, temporary interruptions in the work during the duration of the contract, the PrEA must be informed of this in writing at the time of making the contract.

**3.3.** The Customer undertakes to observe, in respect of the agency employee, employment legislation and other official regulations as well as the applicable collective labour agreement. The Customer shall provide the agency employee with breaks and rest periods as stipulated by legislation or the collective labour agreement. The Customer shall organise the agency employee's work in a manner that enables the employee to benefit from holidays, time off and other absences as stipulated by legislation or the collective labour agreement. The Customer may agree on overtime hours performed with the agency employee, provided that all applicable laws, collective labour agreements and guidelines issued by the PrEA are observed. The Customer shall provide the PrEA with all the information required to fulfil employer obligations, such as information for drafting the certificate of employment, and for logging the working hours and annual holidays.

**3.4.** The Customer shall be responsible for the fair and equal treatment of the agency employee relative to its own employees and to other agency employees. The Customer shall undertake to observe, in respect of the agency employee, the Act on Equality between Women and Men, the Non-Discrimination Act, the Personal Data Act, and the Act on the Protection of Privacy in Working Life, and shall, in general, refrain from inappropriate treatment of the agency employee on selecting the employee, for the duration of the contract and on terminating the contract.

## **4. Occupational safety and health obligations**

**4.1.** In its capacity as employer, the PrEA carries general responsibility for occupational safety in respect of the agency employee. The PrEA is responsible for arranging appropriate occupational health care for the agency employee.

**4.2.** The PrEA is responsible for the agency employee receiving the holidays and time off stipulated by legislation or the collective labour agreement.

**4.3.** The Customer shall ensure that the agency employee is, prior to the commencement of the work assignment, given relevant introductory training. The Customer shall supervise the agency employee's work. The Customer shall ensure that the agency employee is given sufficient information about the harmful elements and risk factors associated with the work, as well as being informed of the regulations and necessary procedures related to occupational safety and health. The Customer shall also ensure that these regulations are observed. The Customer shall procure and provide the agency employee with the necessary personal protective equipment and other protection equipment and oversee that they are being used appropriately by the agency employee.

**4.4.** The Customer is also responsible for ensuring that work on its premises with the tools and equipment provided can be carried out safely and that the necessary workplace inspections, as prescribed in the Act on Occupational Health Care, have been duly conducted. The Customer shall, upon request, submit a copy of the results of the workplace inspection to the PrEA. The Customer is obliged to inform the PrEA of any statutory occupational health examination, should the work performed by the agency employee require such an examination upon commencement of the work assignment or at a later date due to changes in circumstances. The PrEA is entitled to charge for any costs incurred by this.

## **5. Complaints and notifications**

**5.1.** The contractual parties shall send notifications and complaints regarding the contract and framework agreement in writing without delay.

**5.2.** The PrEA must be notified immediately if any deficiencies are found in the agency employee's professional skills or performance of work or if the agency employee does not adhere to the agreed working hours, to enable the PrEA to take the necessary corrective action and maintain its obligations and rights as an employer.

## **6. Grounds for fees**

**6.1.** The grounds for fees shall be agreed on separately by the Customer and the PrEA.

**6.2.** Unless otherwise agreed, the PrEA shall charge for compensation, remuneration payable on additional work and overtime, and extra payments such as compensation based on working time or other circumstances and travelling related to work, as based on the applicable legislation or collective labour agreement, in accordance with the procedure separately agreed by the contractual parties.

**6.3.** Unless otherwise agreed in advance, work is always conducted as full working days as defined in the applicable collective labour agreement. If the contract is based on the number of working hours worked by the agency employee, the PrEA charges the Customer on the basis of the number of working hours completed for the Customer in accordance with the fees procedure of the PrEA. The PrEA is entitled to charge the Customer on the basis of the actual work assignment, even if the assignment differs from the assignment agreed for the contract.

**6.4.** The Customer does not have the right to pay wages or any other compensation directly to the agency employee.

**6.5.** All statutory indirect taxes such as VAT will be added to the charge in accordance with the regulations in force from time to time.

**6.6.** The PrEA retains the right to revise its charges accordingly if changes are made to the amount or application principles of standard employer contributions or other similar payments, with effect from the entry into force of such changes. Should the agency employees' pay need to be reviewed during the contractual period due to general pay increases in the sector, non-recurring payments or other expense items, the PrEA has the right to raise its contractual charges correspondingly with effect of the entry into force of the pay increase.

In addition, the PrEA has the right to revise its charges annually in accordance with the consumer price index. The PrEA is obligated to give a written notification of the change and the grounds thereof at least three (3) months before the change takes effect. In such case, the Customer has the right to terminate the contract regarding the specific service in accordance with the notice period provided in item 11 by submitting a written notification of the termination at the latest one (1) month after being notified of the change.

## **7. Recruitment fee**

**7.1.** The PrEA has the right to charge the Customer a recruitment fee, if the amount has been agreed separately.

**7.2.** The PrEA has a right to a recruitment fee, if the agency employee presented or hired out by the PrEA transfers, or signs a contract of transfer, to employment with the Customer, to a company belonging to the same corporation as the Customer or to another company closely connected with the Customer, before the contract, during the contractual period or within six (6) months after the expiry of the contract or agreement.

The recruitment fee shall also be payable if the Customer, a company belonging to the same corporation or another company closely connected with the Customer hires the agency employee recruited and supplied or presented to the Customer by the PrEA via another company, or concludes a subcontracting or other similar agreement regarding the agency employees during the said period. However, the recruitment fee shall not be payable if the Customer is able to reliably show that the company belonging to the same corporation or another company closely connected with the Customer learnt about the employee from sources other than the Customer.

## 8. Non-disclosure of confidential information and information security

**8.1.** The contractual parties undertake not to disclose the contents of the contract or framework contract and any confidential information revealed to them within the contractual period and to refrain from using such information for any purpose other than fulfilling the obligations of the contract. The aforementioned non-disclosure obligation also applies to the time after the contractual period.

**8.2.** In the event that the performance of work by the agency employee involves the fulfilment of special confidentiality requirements or adherence to specific information security regulations or other regulations in the Customer's interest, this will be agreed on separately by the Customer and the agency employee. The PrEA will not be party to such a contract and no obligation shall arise from it for the PrEA.

## 9. Liability for damage

**9.1.** The PrEA's responsibility for possible damage caused by the agency employee to the Customer is determined by the effective legislation and jurisprudence. The PrEA is thus not be responsible for damage sustained by the Customer as a result of the performance of work by the agency employee, unless the damage is due to such deficiencies in education, professional skills and experience that fall within the responsibility of the PrEA by virtue of paragraph 2.1 of these terms and conditions.

**9.2.** The PrEA shall not be responsible for any damage caused to the Customer due to the agency employee being unable to perform the agreed duties. In such an event, the PrEA has, if so agreed, the right to supply, as soon as possible, another employee in replacement of the employee that was prevented from performing the agreed duties.

**9.3.** In the event that the PrEA defaults on the obligations of the contract, the Customer is entitled to compensation for the damage caused. At the most, the total compensation shall be equivalent to the amount of the current contract invoicing. For contracts concluded until further notice and fixed-term contracts lasting longer than one year, the maximum compensation is equivalent to the invoicing for the first 12 months of the contract. In case several agency employees are included in the contract, the responsibility of the PrEA shall be limited to the invoicing regarding that/those employee/s that the PrEA negligence concerns.

**9.4.** The Customer is responsible for any damage caused to the PrEA or the agency employee due to neglected obligations or incorrect payment. In addition, the Customer is responsible for the damage caused by the agency employee to a third party, if the damage is sustained during the performance of work for the benefit of the Customer.

**9.5.** Neither contractual party is responsible for indirect damage.

**9.6.** A claim for compensation must be submitted to the PrEA within eight (8) weeks from the moment the underlying event or fault was observed or should have been observed. By failing to do so, the right to any possible compensation is lost.

**9.7.** The PrEA's liability for damage described in item 9 is exhaustive and the PrEA accepts no further obligations or liabilities in addition to those specifically agreed in these terms and conditions, in the contract and the framework agreement.

## 10. Force Majeure

**10.1.** Neither contractual party is responsible for any delays or damage caused by obstacles that fall beyond their scope of influence; obstacles that neither contractual party could have been expected to take into account, with reasonable effort, at the time of conclusion of the contract and/or framework agreement and the implications of which neither contractual party could have been expected to avoid or overcome, with reasonable effort.

**10.2.** The contractual party must inform the other party without delay and in writing, of any force majeure observed or of the discontinuation of the force majeure.

## 11. Term, termination and transfer of a contract/framework agreement

**11.1.** The obligations of the contract and framework agreement shall enter into force at the time of signing or at the time the temporary agency work, or related search process has been agreed. The term of the contract and framework agreement and the ensuing obligations are not dependent on when the performance of work is actually begun, finished or suspended, by virtue of the contract.

**11.2.** The Customer does not have the right to terminate or cancel a fixed-term contract or a contract concluded until further notice on the basis of the agency employee-related issues unless the PrEA has grounds to terminate or cancel employee's employment contract on the basis of the Employment Contracts Act.

**11.3.** The contract is considered fixed-term when the end date or an estimated end date of the contract has been agreed. A fixed-term contract shall be valid until the end of the fixed term. A contract with an estimated end date shall end on the estimated end date or on a date close to the estimated end date. A fixed-term contract can be terminated in accordance with the terms stated in item 11.4.

**11.4.** The period of notice for terminating a fixed-term contract is four (4) weeks for fixed-term contracts lasting less than four (4) months. For contracts lasting four (4) months or over four (4) months but under one year, the period of notice is six (6) weeks. A fixed-term contract concluded for a year or longer can be terminated by observing the three (3) month period of notice. The notice period of three (3) months shall also be observed in the event that the Customer has made several contracts for the same agency employee and these contracts combined have lasted continuously for a year or longer than a year. Periods of notice may be departed from where this has been agreed by the parties in writing.

**11.5.** A contract concluded until further notice may be terminated with a notice period of three (3) months, unless otherwise agreed.

**11.6.** The period of notice for framework agreements is three (3) months, unless otherwise agreed. In the event that individual contracts extend beyond the framework agreement, the framework agreement shall be observed as part of the individual contracts until the end of the term of the contract.

## 12. Other terms

**12.1.** In the event that the Customer defaults on its payment obligations or either contractual party otherwise essentially violates the terms and conditions of the contract, the framework agreement or this agreement, the other contractual party has the right to termi-

nate the contract and framework agreement with immediate effect. The other contractual party must be notified of the breach of contract in writing prior to the immediate termination.

**12.2.** In the event that bankruptcy proceedings or reorganisation proceedings are initiated against the other contractual party or if it is placed in liquidation, the other contractual party is entitled to terminate the contract and framework agreement with immediate effect.

**12.3.** Neither party has the right to transfer the contract or framework agreement, even partly, without the written consent of the other contractual party. The Customer does not have the right to re-hire the agency employee further without the consent of the agency employee and the PrEA.

### 13. Data protection

**13.1.** The parties acknowledge that the enforcement of the contract and the fulfilment of the obligations provided in the framework agreement and these terms and conditions requires processing personal data and disclosing personal data between the parties. Both parties shall process personal data as independent Controllers on their own account. If a party processes personal data as Processor on behalf of the other party, the Processor agrees to comply with the requirements laid down in the Data Protection Regulation and in national legislation, and the parties undertake to agree on such processing separately.

**13.2.** Each party is liable for the processing of personal data which it has carried out as the Controller or which has been carried out on said party's behalf. Each party is responsible for obtaining the right to process personal data. Each party shall inform the data subjects in an appropriate and adequate manner of the processing of personal data prior to disclosure, of the disclosure of personal data, and/or of the processing of personal data after the disclosure.

**13.3.** Both parties agree to only process personal data disclosed by the other party to fulfil the obligations described in the contract, unless otherwise provided by law. Both parties agree to process personal data disclosed by the other party with due care and in compliance with the General Data Protection Regulation of the EU (2016/679) and the national data protection legislation.

**13.4.** Both parties agree to assist the other party, where possible, within reason and without undue delay with appropriate technical and organisational measures to fulfil the compelling statutory obligations imposed on the other party, if such assistance is necessary to fulfil said obligations.

**13.5.** When an agency employee who is in compliance with these terms and conditions processes personal data related to the Customer's business or other operations, such as information concerning the Customer's clients and employees, this processing takes place on the account of the Customer.

### 14. Applicable law and place of jurisdiction

**14.1.** The contract and framework agreement are governed by the laws of Finland.

**14.2.** The contractual parties seek to resolve any disagreement arising from the contract and framework agreement concluded between them through negotiation. In the event that the contractual parties fail to reach agreement, any dispute is solved at the district court of the place of registered office of the PrEA that serves as the court of first instance.

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*These terms and conditions have been drawn up in the Finnish language. In the event of a conflict between language versions, the Finnish text of these terms and conditions shall prevail.*