

Contractual Terms – Sliding Scale Wage and Price Adjustment Clause

1. The Contractor shall pay all employees engaged in the performance of the contracted services the applicable minimum wage within the meaning of Section 6 (2) of the Brandenburg Public Procurement Act (*Brandenburgisches Vergabegesetz*), unless a minimum wage for the relevant services is already prescribed under the German Minimum Wage Act (*Mindestlohngesetz*), the Posted Workers Act (*Arbeitnehmer-Entsendegesetz*), or other statutory provisions governing minimum wages within the meaning of Section 2 (6) of the Brandenburg Public Procurement Act, and such statutory minimum wage meets or exceeds the minimum wage pursuant to Section 6 (2) of the Brandenburg Public Procurement Act.
2. Additional wage and salary costs incurred by the Contractor shall be reimbursed only if the applicable remuneration rate is increased as a direct result of an amendment to Section 6 (2) of the Brandenburg Public Procurement Act.
3. Any adjustment of the contract price resulting from a change in the statutory minimum wage shall fully compensate all direct and indirect additional costs, including those arising from changes in mandatory social security contributions.
4. The agreed adjustment rate shall apply irrespective of whether the nature or scope of the services changes.
5. The value of the services rendered up to the effective date of the adjustment of the statutory minimum wage pursuant to Section 6 (2) of the Brandenburg Public Procurement Act (“performance status”) shall be determined without delay by joint assessment of the Client and the Contractor, at least to the level of accuracy of a verified interim invoice. All services performed up to that date, including those only partially completed, shall be taken into account.
6. The Contractor shall notify the Client in writing of any wage adjustment in due time and shall provide all evidence necessary to verify the performance status.
7. Avoidable additional costs shall not be reimbursed. In particular, additional costs shall be deemed avoidable if they result from the Contractor’s failure to meet contractual deadlines or from inadequate promotion or coordination of the performance of the services.
8. Of the additional costs determined in accordance with Clauses 5 to 7, only the portion exceeding 0.5% of the settlement amount (remuneration for the services rendered in total) shall be reimbursed (de minimis and deductible clause).

For this purpose, the additional amount shall be calculated net of value-added tax, and the settlement amount shall be calculated net of any amounts reimbursed pursuant to sliding scale clauses and net of value-added tax.

Additional costs may only be claimed once the de minimis and deductible threshold has been exceeded; until the settlement amount has been determined, 0.5% of the contract amount shall be used as the basis for calculation.