



# German Solutions

AFI Germany GmbH (AGG) are specialist providers of contract management solutions for contractors working in Germany. We want to be your partner of choice based on our competence, superlative service, choice of solutions, high retentions and fair pricing.

As part of a global contract management organisation we offer an international perspective to our local offerings. In other words, we are **glocal** – global yet local.

We ensure that contractors, recruitment businesses and their corporate clients all stay within the law and that

the immigration, tax, social security, employment and labour-leasing laws are all fully observed.

Our unique compliance portal provides the client with accurate real-time information on the compliance status of all our contractors.

For the contractor, he or she is assured of the very highest retentions possible under the law, excellent service and fees that are the best value for money obtainable.

“ The purpose of AFI Germany GmbH is to provide all our clients – contractors, recruitment businesses and corporate clients with the most appropriate immigration, tax and social security solutions that are possible under law.

We aim to provide these solutions offering the highest level of service, surpassing the offerings of competitors and exceeding the expectations of our clients. ”

## AFI Germany GmbH

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## Self-Employed (Freiberufler)      Employed (AÜG)

|  |   |  |
|--|---|--|
| <b>Retention (for a typical contractor, married)</b> | <b>68% (±8%)*</b>   | <b>54% (±6%)*</b>  |
| <b>Eligibility</b>                                   | <ul style="list-style-type: none"> <li>All nationals</li> <li>Nationals of the following countries can apply while in Germany: Australia, Canada, Israel, Korea (Republic), Japan, New Zealand and the USA</li> </ul>   | <ul style="list-style-type: none"> <li>All nationals</li> <li>Nationals of the following countries can apply while in Germany: Australia, Canada, Israel, Korea (Republic), Japan, New Zealand and the USA</li> </ul>  |
| <b>Work Permits</b>                                  | <ul style="list-style-type: none"> <li>AGG can assist to obtain a self-employed work permit</li> <li>The cost is EUR 1,100 (visa exempt) and EUR 1.500 (non-visa exempt), excluding translation, registration and embassy costs</li> </ul>  | <ul style="list-style-type: none"> <li>AGG can sponsor work permits</li> <li>The cost is EUR 1,100 (visa exempt) and EUR 1,500 (non-visa exempt), excluding translation, registration and embassy costs</li> </ul>   |
| <b>Features</b>                                      | <ul style="list-style-type: none"> <li>The contractor works in Germany as a self-employed person</li> <li>AGG does the self-employed registration for the contractor</li> <li>A self-employed contractor may claim various business expenses which reduce the tax charge</li> <li>Taxes are normally paid every three months as prepayments based on estimated or last year's income</li> <li>There are no social security charges for self-employed in Germany</li> <li>German medical insurance is obligatory (private or state)</li> </ul> | <ul style="list-style-type: none"> <li>AGG is a holder of AÜG licence which enables us to carry out labour leasing activities in Germany</li> <li>AÜG protects the end client from being a deemed employer of the employee</li> <li>AGG must invoice the end client</li> <li>The contractor is employed by AGG (the Employer)</li> <li>The Employer runs a payroll and deducts the necessary tax and social security costs</li> <li>The employer and employee social costs are part of the contract value</li> </ul> |
| <b>Benefits</b>                                      | <ul style="list-style-type: none"> <li>Higher retention than being an employee due to the absence of social security contributions</li> <li>Flexibility in choosing own working hours and place; possibility of holding simultaneous contracts</li> <li>AGG does the accounting and prepares tax returns for the contractor</li> <li>Immigration services</li> <li>AGG is expert in German tax and social security</li> </ul>   | <ul style="list-style-type: none"> <li>Simple and quick to implement</li> <li>Open to non-EU/EEA nationals</li> <li>Eligibility for unemployment benefits</li> <li>Attractive to lenders</li> <li>Immigration services</li> <li>AGG is expert in German tax and social security</li> </ul>   |
| <b>Registrations</b>                                 | <ul style="list-style-type: none"> <li>AGG will ensure all required registrations are done in Germany</li> <li>The contractor must register personally at the town hall</li> </ul>  | <ul style="list-style-type: none"> <li>AGG will ensure all required registrations are done in Germany</li> <li>The contractor must register personally at the town hall</li> </ul>   |
| <b>Fees</b>  | <ul style="list-style-type: none"> <li>5% of the monthly invoice value</li> </ul>   | <ul style="list-style-type: none"> <li>6% of the monthly invoice value</li> </ul>  |

\* Illustrated projections do not take into account any additional taxable income the contractor may have, other than for this assignment