

# Host Company Agreement

I (hereby referred to as "Host Company") agree to the following terms and conditions of being a host company for J-1 Exchange Visitors.

WHEREAS, Host Company wishes to engage a number of J-1 Exchange Visitors (as that term is defined by the United States Department of State ("USDOS")) without displacing domestic U.S workers;

WHEREAS, AAG assists J-1 Exchange Visitors in securing positions in the United States;

And WHEREAS, Host Company wishes to engage AAG to recruit and provide J-1 Exchange Visitors to satisfy Host Company's need;

NOW THEREFORE, in consideration of the mutual promises and representations set forth herein the parties, intending to be legally bound, agree as follows:

## I. The "Effective Date" of this Agreement shall be the date on which it is signed by AAG.

### II. Position Request.

A. This Agreement sets forth the terms and conditions under which AAG will recruit and provide J-1 Exchange Visitors ("Participants") to Host Company. Host Company shall provide all information required by AAG to allow AAG to fulfill the Position Request.

B. **Term.** The term of this Agreement shall be two (2) years from the Effective Date. Each additional Position Request submitted by Host Company shall automatically extend the Term to the date two (2) years from the date of such new Position Request. Each such subsequent Position Request shall be governed by the terms and conditions set forth in this Agreement.

C. **Cancellation or Amendment.** Host Company may cancel or amend a Position Request at least 90 days prior to the earliest requested start date within that Position Request. If Host Company cancels or amends a Position Request on or after that date, Host Company will pay a \$300.00 fee per position. Notwithstanding the foregoing, Host Company may amend a Position Request to increase the number of Participants at any time, but Host Company understands that AAG's ability to meet the additional demand may be limited. If Host Company cancels or amends any Position Request to decrease the number of Participants, after participants arrive in country, Host Company will be responsible for any transportation and housing costs associated with the transfer of Participant(s) to their new placement/host company, and/or return transfer to their departure city.

ATTRITION AND CANCELLATION
10% Attrition will be allowed with no penalty until 90 days prior to the earliest requested start date.
If more than 10% of the agreed number of participants is canceled up to 90 days prior to the earliest requested start date a cancellation fee of \$100 per participant will be charged to the Host Company.
If a Participant is canceled between 0-89 days prior to the earliest requested start date a cancellation fee of \$300 per participant will be charged. Fee includes administrative fees and recruitment efforts.

### III. Host Company's Obligations, Warranties and Representations.

A. Host Company shall provide AAG with the following:

- Names, telephone numbers, email addresses, street addresses, and professional activities of the owners and managers of Host Company;
- Host Company's Federal Employer Identification Number, also known as a Federal Tax ID;
- A copy of Host Company's current business license;
- Proof of a valid Worker's Compensation Policy for each state in which Participants will be situated or proof of a state exemption from requirement of such coverage;
- The number of total job/training placements available;
- Midpoint and final evaluations conducted with Intern(s)/Trainee(s) for Intern/Trainee programs from 6 to 18 months, and final evaluations conducted with

- Intern(s)/Trainee(s) to AAG for Intern/Trainee programs up to 6 months;
- A brief summary, in a form acceptable to AAG, of cultural activities that were offered to Participants to fulfill the requirements under section G below; and
- If Host Company provides housing and/or transportation to and from site of activity, Host Company shall provide AAG with details of all such arrangements, including the cost to Participants; whether such arrangements deduct such costs from Participants' wages; and the market value of housing and/or transportation in accordance with the Fair Labor Standards Act if they are considered part of the compensation packages. Housing options can include motels, furnished apartments, hostels and shared houses. Housing must be located either close to the property (walking or safe biking distance), or on a public transportation route, or else the Participants must have some way to get to and from the site of activity easily, safely and affordably.
- If Participants are participating in the Summer Work Travel Program, Host Company must provide AAG with evidence of seasonality in a form acceptable to AAG.
- If Participants are participating in the Intern & Trainee Program, Host Company must provide Training/Internship Placement Plans (T/IPP) with a minimum of 3 phases

### **B. Host Company will promptly notify AAG of the following events:**

- Arrival of Participants at the site of activity to begin their programs;
- Any changes or deviations in the position placements or location during the Participants' programs;
- Failure by Participants to meet the requirements of their position placements; and
- A Participant leaves his/her position ahead of DS-2019 Program End Date.
- If Host Company ends a Participant's employment, Host Company will provide AAG with written documentation detailing the circumstances thereof.
- Host Company shall notify AAG immediately in the event of an emergency involving any Participant, any situation that impacts the welfare of any Participant, or any situation that may bring notoriety, disrepute or media coverage on the J1 program.

### **C. Obligations to Participants.**

- Host Company shall provide Participants under the Intern & Trainee Program with a minimum of 32 hours of paid employment per week. Host Company shall provide Participants under the Summer Work Travel Program with an average of 32 hours (per pay period) of paid employment per week.
- Host Company shall pay **SWT** Participants the higher of the applicable state (if any) or Federal minimum wage/stipend.
- Host Company shall pay those Participants eligible for overtime in accordance with applicable state or Federal law.

D. Host Company will require Participants to confirm their arrival and their new U.S. home address (including their room number or apartment number, if applicable) on the AAG website to ensure their program is activated in SEVIS (the Student and Exchange Visitor Information System) within 10 days of arrival.

E. Host Company will use best efforts to assist Participants in securing their Social Security cards. Host Company understands that Participants will not be able to obtain a Social Security card until 10 days after completing their check-in to SEVIS. Host Company will not delay payment for time worked for participants who have applied for their Social Security card but have not received their number.

F. **AAG "Flip" Under the Intern/Trainee program.** A Flip is defined as a change of Host Company at the midpoint in an Intern or Trainee's training program. If Host Company offers the initial placement, Host Company will arrange a second placement for each Participant. The second placement must be submitted to AAG for approval when the Position Request is submitted. If the Host Company is offering the second placement, Host Company agrees to paying intern/trainees' reasonable transportation expense from first program placement location to second program placement site.

G. **Cultural Exchange.** In support of the primary purpose of the J-1 visa Exchange Visitor programs, the USDOS requires that Participants engage in cultural exchange activities during the course their program. Host Company will embrace the cultural exchange spirit of the program and support this objective by providing opportunities that involve Participants in local activities or special events promoting cultural exchange. Examples of which include, but are not limited to: community events (parades, festivals, etc), picnics, pot lucks, sporting events (attending or participating in), pizza parties, camping trips, holiday celebrations highlighting holidays from the visiting culture or US culture, and Participant presentations about their home country and culture.

H. **Host Company's Representations and Warranties.** Host Company warrants and represents that it:

- Has not had any layoffs in the past 120 days or currently have workers on strike;
- Provides opportunities for regular communication and interaction with U.S. citizens and allow Participants to experience U.S. culture;
- Will complete mandatory regulation trainings as instructed by AAG;
- Will not place **SWT** Participants on overnight shifts, or in positions or at sites of activity that differ from the position and location listed on the Participants' DS-2019 forms unless approved by AAG;
- Will help ensure all Participants check in to SEVIS within 10 days after arrival and notify AAG if there are any changes to their job or address or phone number;
- Provides **SWT** positions that require only minimal training and will not displace domestic U.S. workers to hire International Participants;
- Will not change the site of activity without AAG approval;
- Understands that the purpose and intent of all J-1 programs is for Participants to return to their home country at the conclusion of their program and share their experiences, increased knowledge of American business practices, and enhanced skills. Host Company will not encourage, promote, support, or pursue a change of status to another visa type for Participants while on the J-1 program and will remind all Participants of their obligation to return home following the end of their program; and
- Understands that Summer Work Travel Participants may only participate during the official summer vacation set by their university in their home country, up to four months. Intern & Trainee Participants are eligible to participate at any time provided they meet the requirements for participation. (Interns: currently enrolled in university or within one year of graduation; Trainees: degree plus one year of work experience in their field or five years of work experience in their field). Intern Participants are allowed to participate in the program up to 12 months and Trainees up to 18 months (12 months for hospitality positions).

#### IV. AAG's obligations.

**A. Enrollment.** AAG will use its best efforts to enroll the number and type of Participants for the time period indicated in the Position Request. AAG will utilize time-tested recruiting methods for this process. However, both parties acknowledge that hiring is an imperfect science, and due to the nature of this program, AAG can make no guarantees, express or implied, that AAG will be able to fill any position with a Participant, or that AAG will be able to recruit Participants for the dates requested.

**B. Insurance.** AAG will provide all Participants with basic medical coverage during their program. Coverage shall meet or exceed the requirements promulgated by USDOS for the applicable program. Detailed information can be found at: <http://participants.allianceabroad.com/insurance.html>. The exact terms of the coverage are subject to change without notice, and AAG does not warrant the accuracy of the information contained on the website.

**C. Notification of Arrival.** AAG will make every effort to notify Host Company in advance of the date and time of participants' arrival.

**D. Support during the Program.** AAG will provide support as required by USDOS for Host Company and the Participant(s) before, during, and after the program. We have a 24/7 hour emergency line: 1-866-622-7623. Furthermore, each participant receives a dedicated Outreach Coordinator (OC) who serves as his/her main point of contact throughout the time in the U.S.

**E. Payroll and Taxes.** Under current regulations, all Participants in the J-1 Program are exempt from Social Security taxes (FICA) and Medicare taxes. They must pay federal, state and local taxes (as appropriate).

**F. Housing.** If Host Company does not provide housing for Participants, Host Company will work to provide appropriate housing leads to AAG, so that Participants can secure on their own, prior to arrival.

#### V. Program Specific Terms and Conditions.

##### **A. Intern & Trainee Program.**

- **Purpose of the Intern & Trainee Programs.** The Intern & Trainee Programs are designed to enhance the skills and expertise of Participants in their academic or occupational fields through participation in structured and guided work-based training and internships and to improve Participants' knowledge of American techniques, methodologies and expertise.
- **Training/Internship Plan ("T/IPP").** The Host Company must provide AAG with a suitable T/IPP, which outlines the training that the Participant will receive for the duration of the program. Plans must be tailored to the Participant's background as well as to the particular internship or training experiences that the Host Company will offer. Host Company will follow the T/IPP at all times, and will immediately notify AAG in the event of any variation from or change to the T/IPP. Host Company warrants and represents that it will provide everything necessary to comply with the T/IPP, including (but not limited to) sufficient

physical plant/Building, equipment and training personnel for supervision.

- **Supervision of Participant.** The Host Company will cooperate with AAG staff in the supervision of the Participant, and will provide midpoint and final evaluations for the Participant. The Host Company will accept AAG's provision of selection, orientation, insurance and monitoring of the program.
  - **Limits on Participant Activities.** Host Company acknowledges and understands that Intern & Trainee Programs must not be used as substitutes for ordinary employment or work purposes, nor may they be used to displace American workers, and that no more than 20% of the Participant's total activities can be spent in clerical tasks. At no time can the Participant train in positions that the Department has noted as "Unskilled Occupations": [http://exchanges.state.gov/jexchanges/private/trainee\\_unskilled.html](http://exchanges.state.gov/jexchanges/private/trainee_unskilled.html). This includes: Assemblers; Attendants, Parking Lot; Attendants (Service Workers such as Personal Services Attendants, Amusement and Recreation Service Attendants); Automobile Service Station Attendants; Bartenders; Bookkeepers; Caretakers; Cashiers; Charworkers and Cleaners; Chauffeurs and Taxicab Drivers; Cleaners, Hotel and Motel; Clerks, General; Clerks, Hotel; Clerks and Checkers, Grocery Stores; Clerk Typist; Cooks, Short Order; Counter and Fountain Workers; Dining Room Attendants; Electric Truck Operators; Elevator Operators; Floorworkers; Groundskeepers; Guards; Helpers, any industry; Hotel Cleaners; Household Domestic Service Workers; Housekeepers; Janitors; Key Punch Operators; Kitchen Workers; Laborers, Common; Laborers, Farm; Laborers, Mine; Loopers and Toppers; Material Handlers; Nurses' Aides and Orderlies; Packers, Markers, Bottlers and Related; Porters; Receptionists; Sailors and Deck Hands; Sales Clerks, General; Sewing Machine Operators and Handstitchers; Stock Room and Warehouse Workers; Streetcar and Bus Conductors; Telephone Operators; Truck Drivers and Tractor Drivers; Typist, Lesser Skilled; Ushers, Recreation and Amusement; and Yard Workers.
  - **Participant Compliance.** Host Company will immediately notify AAG if any Participant fails to comply with the program rules or agreed-upon training.
  - **Site Visit Requirements.** I understand that per program regulations a site visit may be required prior to approval of my request for participation in the program. This regulation pertains to companies with fewer than 25 employees or less than \$3 million dollars in annual revenue. The site visit fee for the Host Company is \$100.00.
- B. Summer Work Travel Program.**
- **Purpose of the Summer Work Travel Program.** *The purpose of this program is to provide foreign college and university students with opportunities to interact with U.S. citizens, experience U.S. culture while sharing their own cultures with Americans they meet, travel in the United States, and work in jobs that require minimal training and are seasonal or temporary in order to earn funds to help defray a portion of their expenses. Employment is of a seasonal nature when the required service is tied to a certain time of the year by an event or pattern and requires labor levels above and beyond existing worker levels. Employment is of a temporary nature when a Host Company's need for the duties to be performed is a one-time occurrence, a peak load need, or an intermittent need. It is the nature of a Host Companies' needs, not the nature of the duties that is controlling.*
  - **Seasonal or Temporary Need.** *Host Company warrants and represents that if it submits Position Requests for Participants under the Summer Work Travel Program, it has a seasonal or temporary need for additional workers for that period of time. As defined above, employment is seasonal when additional staff are required during certain months over and above annual full time staff. Host Company agrees to provide data proving or supporting seasonality for particular seasons if requested.*
  - **Limits on Participant Activities.** *Participants may not be placed in any position which:*
    - could bring notoriety or disrepute to the Exchange Visitor Program;
    - requires licensing;
    - requires Participants to purchase inventory that they must sell in order to support themselves;
    - is related to the adult entertainment industry (including, but not limited to, jobs with escort services, adult book/video stores, and strip clubs);
    - involves providing domestic help in private homes (e.g., child care, elder care, gardener, chauffeur);
    - involves operating a pedicabs or driving or operating rolling chairs;
    - involves operating or driving vehicles or vessels for which drivers' licenses are required regardless of whether they carry passengers or not;
    - are related to clinical care that involves patient contact;
    - require work hours that fall predominantly between 10:00 p.m. and 6:00 a.m.;
    - have been declared hazardous to youth by the Secretary of Labor at Subpart E of 29 CFR part 570 (<http://www.dol.gov/dol/topic/youthlabor/hazardousjobs.htm>);
    - require sustained physical contact with other people and/or adherence to the Centers for Disease Control and Prevention's Universal Blood and Body Fluid Precautions guidelines (e.g., body piercing, tattooing, massage, manicure);

- are substantially commission-based and thus do not guarantee that Participants will be paid minimum wage in accordance with federal and state standards;
- involve in gaming and gambling that include direct participation in wagering and/or betting;
- involving chemical pest control, warehousing, catalogue/online order distribution centers;
- involve placements with travelling fairs or itinerant concessionaires;
- fall under any other specific J category (e.g., camp counselor, intern, trainee); or
- fall under the North American Industry Classification System's (NAICS) Goods-Producing Industries occupational categories industry sectors 11, 21, 23, 31–33 numbers (set forth at [http://www.bls.gov/iag/tgs/iag\\_index\\_naics.htm](http://www.bls.gov/iag/tgs/iag_index_naics.htm)).

## VI. Miscellaneous.

A. Host Company understands and agrees that while AAG will do its best to place Participants with Host Company, AAG cannot guarantee the exact number of Participants who will be placed (due to recruitment, cancellations, visa denials, etc.).

B. Host Company understands that the program requirements are subject to Federal law and/or regulations. In the event that the law or regulations change, Host Company will comply with the new laws and regulations.

C. If AAG, in its sole discretion, determines that Host Company has failed to comply with its obligations hereunder, or that any placement is not appropriate for Participants for any reason, AAG may reroute the Participants to a new host company or cancel the positions. In this event, Host Company will be responsible for any transportation and housing costs associated with the transfer of Participant(s) to their new placement/host company, and/or return transfer to their departure city.

**D. Indemnification. Host Company agrees to indemnify and hold AAG harmless from any and all damages that may result to AAG or the Participants from any breach of Host Company's obligations, warranties, or representations hereunder.**

E. **Force Majeure.** If any event beyond the control of AAG prevents AAG from complying with any of its obligations hereunder, including, but not limited to riot, war or hostilities between nations, embargoes, government orders, regulations, laws, ordinances or rulings, acts of God, or other contingencies beyond the reasonable control of the non-performing party, AAG shall not be considered in breach of this Agreement.

F. **Governing Law.** This Agreement shall be governed by and shall be construed in accordance with the laws of the State of Texas. The parties agree to submit all their disputes arising out of or in connection with this Agreement to the exclusive jurisdiction of the courts of Travis County, Texas

G. **Counterparts.** This Agreement may be executed in counterparts, each of which shall be considered an original Agreement.