

McDonald's
21 - 11 - 1995



AGREEMENT

Between

McDonald's Deutschland Inc. (McD)
81477 München, Drygalski-Allee 51

- represented by the management -

And

The Central Works Council of McDonald's Deutschland Inc.
81477 München, Drygalski-Allee 51

- represented by the President and Deputy Presidents of the Central Works Council -

on the establishment and method of operation of a European Works Council pursuant to article 13 of Directive 94/45/EC (ABIEG No. L 254 of 30.9.1994, page 64, "European Works Councils"). This agreement shall apply to all workers employed by McDonald's Deutschland Inc.

I. OBJECTIVES AND ORGANISATION

In accordance with paragraphs 17 and 18 of the EC Social Charter of December 1989 plus paragraph 1 of article 1/Section I of Directive 94/45/EC, the objective of this agreement is to reinforce the right of workers to transnational information and consultations (= communication) in the various companies which McDonald's operates within the Community.

The consolidation of this right shall be ensured by a council set up on an EC scale and known as "McDonald's European Communication Group" (ECG). The content of the communication also includes the content of paragraph 2, sub-paragraph 2 of the annex to article 7 of Directive 94/45/EC ("subsidiary conditions").

The details concerning the functioning of the ECG are given in Appendix 1 to this agreement.

II. FINAL PROVISIONS

If it proves necessary to supplement and/or amend certain provisions envisaged in Appendix 1 to this agreement on the basis of legal grounds, this may be done on behalf of the central works council by the management and the members of the ECG in an objective and proper manner, in other words in line with the objectives of the parties when this agreement was drawn up and in accordance with usual practices in the countries involved.

The names of the two representatives of the Federal Republic of Germany and their deputies who were appointed today by the central works council are given in Appendix 2. McDonald's Deutschland Inc. must be represented at meetings of the ECG by at least one of these elected representatives.

Since executives must take part in the ECG - and a German representative must be appointed for this purpose - the restaurant manager who has achieved the highest turnover in McDonald's Deutschland Inc. will be delegated to the ECG.

This agreement shall apply from 1.1.1996 to 31.12.1999 and may only be terminated for the first time by the parties at 31.12.1999, with 90 days' notice. Amendments agreed by both parties may however be made before this date.

This agreement shall come into force on signature.

Munich, 21 November 1995

Eva-Maria Sachse
for the management and
McDonald's Deutschland Inc.

Sebahattin Dogru and
Alptekin Ergür for the central works
council of McD.

+ Two appendices forming an integral part of the agreement

APPENDIX 1

The McDonald's European Communication Group

McDonald's has always been aware of the importance of reciprocal communication and mutual dialogue with its workers. As all those working for McDonald's have an interest in ensuring our common success, effective communication is vital. Our communication structures in various McDonald's companies must therefore promote a constructive exchange of ideas and information in the context of communication meetings, meetings of workers, surveys among workers, staff journals, etc.

McDonald's is famous throughout the world. Our branches are, however, organised on the basis of different companies and countries. However we serve only one customer at a time in each restaurant in all our units throughout the world. Therefore it is vital for us to guarantee transnational communication in areas such as customer service, quality, training and teamwork.

The European Communication Group (ECG) will concentrate on supra-national issues arising in these areas which may have significant implications for McDonald's restaurants in the European Union. We have set ourselves the objective of continually improving our competitive position and customer satisfaction.

1. The European Communication Group shall consist of representatives of all the workers employed by McDonald's Corporation and its subsidiaries in the relevant countries of the European Union, it being understood that these workers have a common interest in the success and future of the company. The ECG will also consist of representatives of the personnel department and top European managers, one of whom shall act as president. The representatives of the personnel department shall draw up the agenda for meetings.
2. In accordance with democratic principles, each country shall appoint one or two workers as representatives. There may not be more than 30 representatives. If other countries join the European Union, the maximum number of representatives shall be increased by two units per additional country.

The appointment of representatives shall be governed by the various McDonald's companies in each country. The various companies shall determine the duration of the representatives' mandate, on condition, however, that these representatives remain employees of McDonald's Corporation or its subsidiaries. Each country must ensure that the deputy representatives are available.

3. The elected representatives of the communication group shall meet once a year. These meetings may take place at a central venue, making use of a tele-conference system or in any other similar way. All the expenses arising from these meetings, including salaries and travelling expenses, shall be paid by McDonald's. Reciprocal communication and mutual dialogue on transnational topics such as those mentioned below may be conducted in the context of communication group meetings, meetings of workers, surveys among workers and all other suitable means of communication, where these topics are of significant importance to the workers. The topics discussed may also be entered on the agenda of the next ECG meeting.

4. Other countries, including countries which may subsequently join the European Union, may appoint representatives to take part in these meetings. Where appropriate, these representatives shall be admitted into the European communication group in accordance with the conditions laid down by this agreement.
5. The topics to be discussed by the ECG shall exclusively concern issues of general interest such as customer service, quality, people, training, teamwork, new working methods and new processes, respect for the environment, products, organisational structures, the performance of all the companies in Europe, the global evolution in business within the EU and any major organisational changes affecting companies in more than one Member State of the EU. Issues which concern only specific McDonald's companies shall not be discussed by the European communication group. Workers taking part in ECG meetings may not communicate confidential information brought to their attention at these meetings to third parties, whether internal or external.
6. Information concerning topics discussed at meetings shall be communicated to workers at McDonald's expense, using appropriate means of communication. The personnel department shall be responsible for this.
7. Communication channels in the various McDonald's companies and in different countries shall not be affected by the existence or activities of the ECG. The translation and interpretation services required shall be made available at McDonald's expense. This is a legally binding agreement. It shall be translated into the various languages required and the signing of the translated versions shall be fully applicable in the event of a dispute arising from the agreement.
8. This agreement shall come into force on the date on which it has been approved in all EU countries. It shall be valid for four years and shall be automatically renewed for a further period of four years, if it has not been terminated or amended by a majority of two-thirds of the elected members of the communication group and provided that a 90-day notice period is respected before the termination of the agreement in writing.

APPENDIX 2

1. Representatives appointed by the central works council:
 - a)
 - b)

2. Deputies, in the following order:
 - a)
 - b)