

**FRAMEWORK AGREEMENT FOR THE PURCHASE OF GOODS AND/OR SERVICES**

A copy of this framework agreement is available at <http://uk.dbcargo.com/> or on request.

**BETWEEN THE PARTIES:**

- (1) **DB Cargo (UK) Limited** (Company Number 02938988) whose registered office is at Lakeside Business Park, Carolina Way, Doncaster, DN4 5PN ("**DBC UK**"); and
- (2) The company or person identified in a Contract Addendum and/or an Order for Goods and/or Services ("**Supplier**"),

each "**a party**" and together "**the parties**".

**BACKGROUND:**

- (A) The Supplier wishes to provide Goods and/or Services to DBC UK on the terms set out in this Agreement.
- (B) DBC UK wishes to purchase Goods and/or Services from the Supplier on the terms set out in this Agreement.

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## OPERATIVE TERMS

### 1. Definitions and Interpretation

1.1 The following words shall have the following meanings:

<b>“Agreement”</b>	means this framework agreement for the purchase of Goods and/or Services and any Contract Addendum;
<b>“Applicable Data Protection Law”</b>	on and after 25 May 2018, the EU General Data Protection Regulation (Regulation 2016/679) implemented by the Data Protection Act 2018 in the UK;
<b>“Confidential Information”</b>	means all information of a confidential, commercially sensitive and/or proprietary nature in respect of a party’s (or any of its Group companies’) business including: information concerning a party’s (or any of its Group companies’) relationships with its actual or potential customers or suppliers; any technical, commercial and financial information; business methods; prices; development plans; computer systems and software; products and/or services; know-how; market opportunities; or other matters connected to such party or its Group companies and/or its or their customers and/or suppliers, including the terms of this Agreement.
<b>“Contract Addendum”</b>	means the completed DBC UK “contract addendum” which sets out terms agreed between the parties for the provision of Goods and/or Services, and which incorporates by reference this framework agreement;
<b>“Data Protection Addendum”</b>	has the meaning set out in Clause 28.4;
<b>“Deliverables”</b>	the deliverables which are ancillary to and/or are produced as a result of the Services, as identified in the Order;
<b>“Delivery”</b>	has the meaning set out in Schedule 1 (and <b>“Delivered”</b> shall be construed accordingly);
<b>“Dispute”</b>	has the meaning set out in Clause 29;
<b>“Dispute Notice”</b>	has the meaning set out in Clause 29;
<b>“Due Date”</b>	has the meaning set out in Schedule 1 and/or Schedule 2 (as the context requires);
<b>“Effective Date”</b>	means the date expressly identified as such in the Agreement or otherwise in writing by an authorised representative of DBC UK;

<b>“Force Majeure Event”</b>	the occurrence of any event beyond the reasonable control of a party to the Agreement (excluding any strike, lockout or industrial action involving that party’s employees or any other failure in the Supplier’s supply chain) which directly causes that party to be unable to comply with all or a material part of its obligations under the Agreement where that event does not arise from the act, omission or negligence of that party;
<b>“Forecast”</b>	any forecast or other document, statement or representation in whatever form of the likely amount of Goods and/or Services DBC UK may require from the Supplier but excluding any Order;
<b>“Goods”</b>	the goods to be supplied by the Supplier pursuant to an Order;
<b>“Group”</b>	any holding company and any subsidiary of either party or any such holding company from time to time (" <b>holding company</b> " and " <b>subsidiary</b> " having the meaning given in section 1159 of the Companies Act 2006);
<b>“Initial Term”</b>	means the time period specified in the applicable Contract Addendum (if any) where the parties expressly agree that an initial term will apply to the provision of Goods and/or Services under that Contract Addendum;
<b>“Insolvent</b>	means that a party:  (a) has a receiver, administrator or provisional liquidator appointed;  (b) is subject to a notice of intention to appoint an administrator;  (c) passes a resolution for its winding-up (save for the purpose of a solvent restructuring previously approved in writing by the other party);  (d) has a winding up order made by a court in respect of it;  (e) enters into any composition or arrangement with creditors (other than relating to a solvent restructuring previously approved in writing by the other party);  (f) ceases to carry on business;  (g) has any steps or actions taken in connection with any of these procedures;

(h) is the subject of anything analogous to the foregoing under the laws of any applicable jurisdiction;

(i) is the subject of any proceeding in any Member State of the European Union which is capable of recognition under the EC Regulation on Insolvency Proceedings (EC 1346/2000) or the EU Regulation on Insolvency Proceedings (Recast) (EU 2015/848); or

(j) is the subject of an application for the recognition of a foreign insolvency proceeding under the Cross-Border Insolvency Regulations 2006 (SI 2006/1030);

**“Intellectual Property Rights”**

any and all intellectual property rights including but not limited to patents, patentable rights, copyright and neighbouring and related rights, moral rights, design rights, utility models, trade marks and service marks (whether registered, registerable or otherwise), trade names, rights in inventions, business names and domain names, rights in get-up and trade dress, goodwill and the right to sue for passing off or unfair competition, rights in designs, rights in computer software, rights in data, database rights, rights in know-how and Confidential Information, and all other intellectual and industrial property and similar or analogous rights existing under the laws of any country and all pending applications for and right to apply for or register the same (present, future and contingent, and including all renewals, extensions, revivals and all accrued rights of action);

**“Key Individuals”**

those individuals listed in Schedule 7 (or any person(s) appointed as their replacement);

**“Key Performance Indicators or KPIs”**

the key performance indicators set out in Part 2 of Schedule 5;

**“KPI Credit”**

the KPI credits identified as such in Part 2 of Schedule 5;

**“KPI Target”**

the KPI targets identified as such in Part 2 of Schedule 5;

**“KPI Termination Event”**

means the events identified as such in Part 2 of Schedule 5;

**“Liabilities”**

has the meaning set out in Clause 17.1;

**“Liquidated Damages or LDs”**

the payments identified as such in Part 1 of Schedule 5;

**“Mandatory Policies”**

means the following DBC UK business policies:

- (a) The DBC UK Code of Conduct;
- (b) Anti-Bribery Policy;

- (c) Group Compliance; and
- (d) Business Principles.

Copies of these Mandatory Policies are available at [Compliance \(http://uk.dbcargo.com/\)](http://uk.dbcargo.com/) or on request.

<b>“Materials”</b>	has the meaning set out in Clause 16.2;
<b>“New Service Provider”</b>	has the meaning set out in Clause 17.2;
<b>“Order”</b>	means DBC UK’s written instruction to supply the Goods and/or Services incorporating, and subject to, the terms and conditions set out in the Agreement using, unless otherwise agreed in writing, the pro-forma purchase order set out in Schedule 3 submitted using DBC UK’s SAP system or such other means as DBC UK specifies from time to time;
<b>“PEP”</b>	<p>means any person who holds or has held a high-ranking prominent public office at the international, European or national level (or who holds or has held a public office of comparable political importance below the national level). This includes, in particular:</p> <ul style="list-style-type: none"><li>a) heads of state, heads of government, ministers, members of the European Commission, deputy ministers and state secretaries,</li><li>b) members of parliament and members of comparable legislative bodies,</li><li>c) members of the leadership bodies of political parties,</li><li>d) members of the leadership bodies of audit courts,</li><li>e) members of administrative, leadership and supervisory bodies of state-owned companies in Germany or abroad.</li></ul> <p>Formerly holding a position of this kind refers to holding (i) one of the aforementioned offices listed at (a)-(e) above less than two (2) years ago or (ii) a position on the board and/or as a director or as senior manager or executive within the Group at any point, regardless of how long ago this was;</p>
<b>“Price”</b>	has the meaning set out in Clause 9.1;
<b>“Relevant Supplier Personnel”</b>	has the meaning set out in Clause 17.4.1
<b>“Retained Goods”</b>	has the meaning set out in paragraph 2.3 of Schedule 1;

<b>“Services”</b>	the services to be provided by the Supplier pursuant to an Order;
<b>“Specification”</b>	the specification for the Goods and/or Services set out in Schedule 4 and/or the Order;
<b>“Supplier Personnel”</b>	has the meaning set out in Clause 17.1;
<b>“Term”</b>	has the meaning set out in Clause 4;
<b>“TUPE”</b>	has the meaning set out in Clause 17.3; and
<b>“VAT”</b>	value added tax as provided for in the Value Added Tax Act 1994.

1.2 In the Agreement, unless the context requires otherwise:

- 1.2.1 references to a Clause or Schedule are to a clause of, or a schedule to, the Agreement; references to the Agreement include its Schedules; and references in a Schedule to a paragraph are to a paragraph of that Schedule;
- 1.2.2 references to the Agreement include any Order and mean the Agreement and any such Orders as amended from time to time in accordance with their terms;
- 1.2.3 the singular includes the plural and vice versa; references to any gender include every gender; and references to persons include corporations, partnerships, other unincorporated associations or bodies of persons, any individual, firm and company;
- 1.2.4 all headings are for convenience only, have no legal effect and shall not affect the construction of the Agreement;
- 1.2.5 the words "other", "include", "including", "includes", are to be construed as if they were immediately followed by the words "without limitation" and so shall not limit the meaning of the words preceding them;
- 1.2.6 reference to the parties include their respective successors in title, and/or respective permitted assigns. The Agreement shall be binding on, and ensure to the benefit of, the parties to the Agreement and their respective personal representatives, successors and permitted assigns, and references to any party shall include that party's personal representatives, successors and permitted assigns;
- 1.2.7 a reference to a statute or statutory provision shall be construed as a reference to the same as amended, consolidated, modified, extended, re-enacted or replaced from time to time;
- 1.2.8 any reference to:
  - 1.2.8.1 a "day" shall mean a period of 24 hours running from 00:00 to 23:59;
  - 1.2.8.2 a "business day" shall mean the hours of 09.00 and 17.00 Monday to Friday that is not a public or bank holiday anywhere in the United Kingdom;

- 1.2.8.3 a "month" or "months" shall mean the period commencing on (and including) the relevant day in the relevant calendar month and ending on (and excluding) the same day in (respectively) the following or final calendar month into which such period extends (provided that, if there is no corresponding day in that calendar month, the period shall end on (and include) the final day of such calendar month);
- 1.2.8.4 a "calendar month" shall mean the period commencing on (and including) the 1st of the relevant calendar month and ending on (and including) the last day of such calendar month, and
- 1.2.8.5 references to times are to London times;
- 1.2.9 in the event of a conflict or inconsistency of terms, the following order of precedence will apply to the conflicting terms:
  - 1.2.9.1 Contract Addendum;
  - 1.2.9.2 Clauses 1 to 34 of the Agreement;
  - 1.2.9.3 a Schedule to the Agreement;
  - 1.2.9.4 an Order, and
- 1.2.10 any obligation on a party not to do something includes an obligation not to allow that thing to be done.

## **2. Purchase of Goods and/or Services**

- 2.1 The Supplier will only provide Goods and/or Services to DBC UK pursuant to an Order. All Orders placed with the Supplier by DBC UK will be subject to the terms and conditions set out in the Agreement and incorporate, by reference, any relevant Schedules.
- 2.2 DBC UK may cancel or change an Order without charge prior to delivery of Goods or commencement of performance of Services.
- 2.3 No terms or conditions endorsed upon, delivered with or contained in the Supplier's acknowledgement or acceptance of Order, or similar document (whether disclosed or exchanged before or after the date of an Order) shall form part of the Agreement and the Supplier waives any right which it otherwise might have to rely on such terms and conditions.

## **3. Acceptance**

An Order will be expressly accepted by the Supplier giving notice of acceptance (including by signing the acceptance section on the Order).

## **4. Commencement and Duration**

The Agreement shall commence on the Effective Date and, subject to any Initial Term, shall continue until terminated in accordance with Clause 12 ("**Term**").



## **5. Conditions of Supply**

- 5.1 The purchase of Goods and/or Services by DBC UK pursuant to the Agreement shall, unless otherwise expressly agreed in an Order, be on a non-exclusive basis and the Supplier acknowledges that DBC UK may appoint any other person to provide goods and/or services the same as or similar to the Goods and/or Services provided pursuant to the Agreement.
- 5.2 The Supplier acknowledges that DBC UK shall have no obligation to place Orders pursuant to the Agreement and that any Forecast shall not constitute a binding commitment on DBC UK. DBC UK may provide the Supplier with non-binding Forecasts in such detail and within such timescales as DBC UK thinks fit but if any such Forecast proves to be inaccurate, DBC UK shall not have any liability to the Supplier. If the Supplier is unable to fulfil any Forecast, it shall inform DBC UK in writing immediately.
- 5.3 The Supplier acknowledges that the Goods and/or Services provided (including any agreed pricing) may be for the benefit of other companies within DBC UK's Group and that any such company may enforce the terms of the Agreement subject to and in accordance with the terms of the Agreement and the provisions of the Contracts (Rights of Third Parties) Act 1999.
- 5.4 The Supplier warrants that the Goods and/or Services and the supply of them by the Supplier will comply in each and every respect with all relevant legal, regulatory and other requirements for the time being in force (including any codes of practice issued by any governmental, industry, regulatory or other authority) and with any codes of practice or policies issued by DBC UK to the Supplier from time to time during the Term.
- 5.5 The Supplier warrants that the receipt, use and onward supply of the Goods and/or Services and the supply of them by the Supplier will not infringe the Intellectual Property Rights of any third party.
- 5.6 The Supplier will ensure that the Supplier's employees, sub-contractors and agents comply with all applicable staff, contractors' and other applicable regulations of DBC UK whilst on DBC UK's premises and with any such regulations imposed by any agent or contractor of DBC UK when on their premises (including, where applicable, DBC UK's Drugs and Alcohol Policy and any other policy concerning matters of health & safety or DBC UK's statutory and regulatory obligations as a licensed operator of rail services).
- 5.7 The Supplier shall obtain and maintain in force for the Term all licences, permissions, authorisations, consents and permits needed for the supply of the Goods and/or Services in accordance with the terms of the Agreement.

## **6. Inspection of Records**

- 6.1 DBC UK, its agents and/or subcontractors and/or independent auditors on DBC UK's behalf shall have the right at any time to inspect:
- 6.1.1 the Supplier's records and books relating to the supply of Goods and/or Services to DBC UK including without limitation the Supplier's records and books for the supply to the Supplier of goods and/or services or raw materials from other suppliers in the supply chain, and

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- 6.1.2 the Supplier's processes of manufacture and/or assembly of the Goods and/or provision of Services and/or any other matter relating to the production, quality, standards or supply of the Goods and/or provision of Services.
- 6.2 Any audits and/or inspections shall be subject to reasonable prior written notice. The Supplier shall, at no cost to DBC UK, provide DBC UK with all reasonable co-operation, access and assistance in relation to this Clause 6. The cost of any inspection shall be borne by DBC UK, save where such inspections reveals that the Supplier is in breach of any of its obligations under the Agreement in which case the Supplier shall pay DBC UK's costs in respect of such audit.
- 6.3 The Supplier shall for a minimum of six (6) years after the Agreement has expired or terminated or for as long as the parties may agree is appropriate, keep and maintain full and accurate records required under the Agreement, including information required to validate compliance of the Goods and/or Services in accordance with the Agreement.

## **7. Liability**

- 7.1 Neither party excludes or limits its liability for:
  - 7.1.1 death or personal injury resulting from its negligence or the negligence of a person for whom it is vicariously liable (negligence being as defined in section 1(1) Unfair Contract Terms Act 1977);
  - 7.1.2 fraud or fraudulent misrepresentation or fraud or fraudulent misrepresentation by a person for whom it is vicariously liable;
  - 7.1.3 breach of any obligations imposed by Section 12 of the Sale of Goods Act 1979 or Section 2 of the Supply of Goods and Services Act 1982; or
  - 7.1.4 any other matter for which it is not permitted by law to exclude or limit or to attempt to exclude or limit its liability.
- 7.2 The Supplier will indemnify and keep DBC UK indemnified against all losses, liabilities, damages, claims, costs and expenses (including all legal and other professional fees and expenses) incurred or suffered by DBC UK howsoever arising as a result of or in connection with:
  - 7.2.1 breach by the Supplier of any term of the Agreement;
  - 7.2.2 any failure or alleged failure of the Goods and/or Services to comply with the Agreement or any other contract between DBC UK and the Supplier;
  - 7.2.3 any tort (including negligence) or breach of statutory duty by the Supplier;
  - 7.2.4 any infringement or alleged infringement of Intellectual Property Rights (or other rights) of third parties in respect of the Goods and/or Services, associated documentation (including, without limitation, instruction manuals), appearance, labelling or advertising; or
  - 7.2.5 any infringement or alleged infringement of DBC UK's Intellectual Property Rights.
- 7.3 Unless otherwise agreed in writing, DBC UK will control any legal proceedings with third parties in respect of which it is being indemnified by the Supplier.

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- 7.4 Subject to Clause 7.1, in no circumstances shall DBC UK's liability under an Order (whether such liability arises under contract, tort (including negligence) or otherwise) exceed the Price paid in respect of such Order.
- 7.5 The exclusions and limitations of liability contained in the Agreement shall extend to members of DBC UK's Group and DBC UK's employees all of whom shall be entitled to the benefit of such exclusions and limitations set out in the Agreement and shall rely on these provisions in the event that the Supplier brings any claim against those third parties directly.

## **8. Insurance**

- 8.1 Unless otherwise agreed and without prejudice to the Supplier's obligations and liabilities pursuant to the Agreement, the Supplier will take out and maintain in force for Term and for not less than six (6) years after termination and/or expiry of the Agreement, with reputable and substantial insurers, the following insurances, to be evidenced by certificates of insurance made available to DBC UK within seven (7) days of request:
- 8.1.1 employer's liability insurance or similar insurance(s) in accordance with any laws which may be applicable to the Supplier's employees, agents or sub-contractors engaged directly or indirectly in the performance of the Agreement in the amount of at least £10,000,000 for any one occurrence or the amount required by applicable law, whichever is higher;
  - 8.1.2 public liability insurance in the amount of at least £10,000,000 for any one occurrence;
  - 8.1.3 product liability insurance in the amount of at least £10,000,000 for any one occurrence; and
  - 8.1.4 professional indemnity insurance in the amount of at least £10,000,000 for any one occurrence.
- 8.2 The Supplier shall do nothing to invalidate any insurance policy or to prejudice DBC UK's entitlement under it.
- 8.3 Unless agreed otherwise by DBC UK in writing, such insurances (other than the employer's liability insurance) shall be endorsed to note DBC UK's interest under such insurances and to provide that underwriters waive any rights of recourse, including subrogation rights against DBC UK in relation to the Agreement. Such insurances shall also provide that DBC UK shall be given not less than 30 days' notice of cancellation of, or material change to the cover.

## **9. Prices**

- 9.1 The prices for the Goods and/or Services shall be the prices set out in the Order and/or Schedule 6 ("**the Price**").
- 9.2 Unless otherwise agreed in an Order, the Price shall be all inclusive and the Supplier shall not be entitled to make any additional charges for administration, packaging, shipping, carriage, insurance, delivery or installation of the Goods and/or Services.
- 9.3 Unless otherwise agreed in accordance with the Agreement, there will be no change to the Price during the Term.

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- 9.4 The Supplier will honour any rebates agreed as being payable to DBC UK pursuant to an Order or otherwise in Schedule 6 and agrees that to the extent that the Supplier does not, DBC UK shall be entitled to withhold payments otherwise due to the Supplier, as well as pursuing any other remedies available to it. Where rebates are payable, DBC UK will make deductions from any amounts falling due to the Supplier in line with agreed payment terms and payment frequency.
- 9.5 The Supplier will notify DBC UK of, and pass onto DBC UK by way of, reduced prices and the benefit of any cost savings to the Supplier which result from technology and process changes or otherwise.
- 9.6 All Prices are exclusive of VAT, which shall be paid by DBC UK in addition, on receipt of a valid VAT invoice, at the current rate from time to time.

## **10. Payment**

- 10.1 The Supplier shall invoice DBC UK for the Price in accordance with the terms set out in Schedule 6, or if no such terms are set out in Schedule 6, monthly in arrears but only after the Goods have been delivered and/or the Services have been performed.
- 10.2 Except as otherwise agreed in writing in advance by DBC UK, payment of invoices will be made by the seventh (7<sup>th</sup>) calendar day of the second calendar month which follows the calendar month in which a valid and proper VAT invoice in the correct format (such format to be agreed with DBC UK in advance) is dated. By way of illustrative example, if a valid and proper VAT invoice is dated in month A, payment of the invoice will be made by the seventh (7<sup>th</sup>) calendar day of month C. Invoices may not be issued by the Supplier except in accordance with the terms of Clause 10.1. Unless agreed otherwise in writing and in advance, invoices must be in pounds sterling.
- 10.3 If DBC UK disputes any invoice in good faith, it shall be entitled to withhold payment of the disputed amount pending resolution of the dispute but will pay the undisputed amount in accordance with the terms of this Clause 10. The provisions of Clause 10.6 shall not apply to any disputed amounts except, if the dispute is finally resolved in the Supplier's favour, Clause 10.6 shall apply to any period after the dispute has been finally resolved.
- 10.4 DBC UK will be entitled at its sole discretion to set off any liability of DBC UK (and/or any DBC UK Group company) to the Supplier against any liability of the Supplier to DBC UK (and/or any DBC UK Group Company) (in either case however such liability arises and whether or not it is present or future, liquidated or unliquidated and irrespective of the currency of its denomination). Any exercise by DBC UK of its rights under this Clause does not affect any other rights and remedies it may have under the Agreement or otherwise. DBC UK will provide to the Supplier written notice of any exercise of its right of set off under this Clause which involves DBC UK Group company. DBC UK will procure the acceptance by the relevant DBC UK Group company of any set off under this Clause involving any DBC Group company. The Supplier will accept any such set off in relation to a liability owed to the Supplier by any DBC UK Group in full and final discharge of such liability.
- 10.5 Where DBC UK is owed sums by the Supplier (whether under the Agreement or otherwise) which are in excess of the amounts payable by DBC UK to the Supplier, DBC UK will be entitled to suspend all payments to the Supplier under the Agreement until the balance owing to DBC UK has been recouped by way of set off against the payments suspended.
- 10.6 If payment is not made when due under Clause 10.2 the Supplier may charge interest at 2% per annum above the base rate of HSBC Bank plc at the time on all unpaid amounts. Time for payment is not of the essence.

## 11. Performance Management

- 11.1 If the Supplier fails to deliver Goods by the Due Date and/or in accordance with the lead time specified in Part 1 of Schedule 5 or the Order (as applicable) it shall be liable for and shall pay to DBC UK as compensation the corresponding Liquidated Damages.
- 11.2 The Key Performance Indicators and KPI Targets set out in Part 2 of Schedule 5 (if any) will apply in respect of all deliveries of Goods made by the Supplier and to the performance by the Supplier of the Services pursuant to the Agreement. If the Supplier fails to meet any KPI Target, the KPI Credits will become due and payable by the Supplier.
- 11.3 The Supplier shall ensure that any invoice issued pursuant to Clause 10 takes full account of any Liquidated Damages and/or KPI Credits validly incurred in the relevant invoice period.
- 11.4 The parties agree that all Liquidated Damages and KPI Credits (as applicable) represent a genuine pre-estimate of the relevant loss or damage incurred by DBC UK (or any DBC UK Group company) and could not be construed as a penalty in the circumstances in which they fall due. Payment of Liquidated Damages and/or KPI Credits shall be without prejudice to any other right or remedy of DBC UK under the Agreement or otherwise at law.

## 12. Termination

- 12.1 DBC UK may terminate the Agreement for convenience and without liability to the Supplier by giving not less than three (3) months' notice in writing to the Supplier, such notice not to expire prior to the end of any applicable Initial Term. In addition (where applicable):
- 12.1.1 in respect of the supply of Services, each Order shall continue until the Services have been completed or either party gives the other, not less than three (3) months' written notice; or
- 12.1.2 in respect of the supply of Goods, each Order shall continue until the Goods have been delivered, at which point such Order shall automatically terminate.
- 12.2 Either party may, by notice in writing served on the other party ("**Defaulting Party**") terminate an Order and/or the Agreement with immediate effect:
- 12.2.1 if the Defaulting Party shall be in material breach of any of the terms of an Order and/or the Agreement and, where the breach is capable of remedy, the Defaulting Party fails to remedy such breach within seven (7) days of service of a written notice from the Party not in breach, specifying the breach and requiring the Defaulting Party to remedy such breach;
- 12.2.2 if the Defaulting Party is Insolvent; or
- 12.2.3 by either Party in the circumstances set out in Clause 14 (Force Majeure).
- 12.3 DBC UK, may by notice in writing served on the Supplier, terminate an Order and/or the Agreement with immediate effect:
- 12.3.1 if the Supplier is in breach of any of its obligations under an Order and/or the Agreement (whether or not such breach is material in nature) and fails to remedy the breach (if

- capable of remedy) within fourteen (14) days after written notice by DBC UK specifying the breach and requiring the same to be remedied;
- 12.3.2 if the Supplier (or any sub-contractor acting on its behalf) triggers a KPI Termination Event;
  - 12.3.3 if the Supplier has, in the reasonable opinion of DBC UK, harmed the name or business of DBC UK;
  - 12.3.4 if a person (or persons acting together) take a controlling interest in the Supplier's share capital (for this purpose, a 'controlling interest' being either:
    - 12.3.4.1 the ownership or control (directly or indirectly) of more than 30% of the Supplier's voting share capital or the share capital of the Suppliers holding company; or
    - 12.3.4.2 the ability to direct the casting of more than 30% of the votes exercisable at the Supplier's general meetings or those of the Supplier's holding company on all, or substantially all, matters);
  - 12.3.5 in the circumstances set out in Clause 20.4, 20.5, paragraph 1.5.2 of Schedule 1 or paragraph 8.1.2 of Schedule 2.
- 12.4 For the purposes of this Clause a breach shall be capable of remedy if it can be remedied in all respects other than time of performance.

### **13. Consequences of Termination**

- 13.1 The Supplier acknowledges that DBC UK may wish, prior to, on or after termination or expiry of the Agreement, to invite persons (who may include the Supplier) to tender for the right to provide some or all of the Goods and/or Services after termination or expiry of the Agreement. Accordingly, the Supplier agrees that at any time DBC UK may require the Supplier to provide to DBC UK, at the Supplier's cost, within fourteen (14) days of its request, such information as is reasonably required by DBC UK to develop such tender(s) (subject always to the rights of the Supplier to withhold confidential or commercially sensitive information).
- 13.2 On termination or expiry of the Agreement or an Order the Supplier shall (at its cost):
- 13.2.1 deliver to DBC UK all documents books and records which relate to the Services which are severable from the records of the Supplier. Where any such documents books and/or records are not severable from the records of the Supplier, the Supplier shall maintain such records for such period as is prescribed by applicable legislation and shall give to DBC UK reasonable access to the said documents books and/or records as DBC UK may require (including the right to take copies and extracts on reasonable advance notice) and will keep them in good order;
  - 13.2.2 return or procure the return to DBC UK of all and any copies of DBC UK's Confidential Information in the possession or control of the Supplier and/or any sub-contractors appointed pursuant to an Order or the Agreement;

- 13.2.3 provide all assistance, information and co-operation which DBC UK may reasonably require to ensure an orderly migration of the Services to DBC UK or to such new service provider as DBC UK may appoint;
  - 13.2.4 offer to DBC UK any work in progress not yet paid for, at a reasonable price having regard to the status of the relevant work in progress and the basis of the Price agreed under the Order. Any work in progress purchased by DBC UK shall be delivered by the Supplier in a format and at a time reasonably specified by DBC UK and, notwithstanding it is not yet completed, shall be subject to any relevant warranty, indemnity, quality and certification provisions contained in the Agreement; and
  - 13.2.5 promptly re-deliver any free issue material issued by DBC UK pursuant to a relevant Order.
- 13.3 On termination or expiry of the Agreement DBC UK shall:
- 13.3.1 pay to the Supplier all sums validly due and owing for outstanding Orders which DBC UK has agreed will be fulfilled notwithstanding termination of the Agreement; and
  - 13.3.2 return or procure the return to the Supplier of all and any copies of the Supplier's Confidential Information in the possession or control of DBC UK.
- 13.4 If DBC UK terminates the Agreement and there are outstanding Orders, DBC UK shall, at its sole discretion, notify the Supplier whether such Orders shall be required to be fulfilled notwithstanding termination of the Agreement.
- 13.5 Unless stated otherwise by DBC UK, termination of any individual Order shall not affect the validity of any other Order or the Agreement.
- 13.6 Any provision of the Agreement which expressly or by implication is intended to come into or continue in force on or after termination of the Agreement shall remain in full force and effect.
- 13.7 The termination of the Agreement howsoever arising is without prejudice to the rights, duties and liabilities of the parties accrued prior to termination.

#### **14. Force Majeure**

- 14.1 If either party is prevented, hindered or delayed from or in performing any of its obligations under the Agreement by a Force Majeure Event, then:
- 14.1.1 that party's obligations under the Agreement shall be suspended for so long as the Force Majeure Event continues and to the extent that it is so prevented, hindered or delayed;
  - 14.1.2 as soon as possible after the start of the Force Majeure Event that party shall give notice to the other party of the nature of the Force Majeure Event, the date and time at which it started and the likely effects of the Force Majeure Event on its ability to perform its obligations;
  - 14.1.3 that party shall use all reasonable endeavours to mitigate the effects of the Force Majeure Event on the performance of its obligations under the Agreement; and



- 14.1.4 and as soon as practicable after the end of the Force Majeure Event that party shall notify the other party and resume performance of its obligations under the Agreement.
- 14.2 If the Supplier is prevented, hindered or delayed from or in performing any of its obligations under the Agreement by a Force Majeure Event, DBC UK may either engage an alternative supplier to provide the Goods and/or Services for the duration of the event of Force Majeure and for a reasonable period thereafter (and provided DBC UK uses reasonable endeavours to minimise its contractual commitments to the alternative supplier, the Supplier will reimburse DBC UK for any additional costs incurred by DBC UK in relation to such alternative supplier) and/or at any time during the event of Force Majeure terminate any Orders by giving immediate notice in writing to the Supplier.
- 14.3 If a party is prevented, hindered or delayed from or in performing any of its obligations under the Agreement by a Force Majeure Event for a continuous period in excess of seven (7) days the other party may terminate the Agreement immediately by notice in writing.

## **15. Information Requirements**

- 15.1 Invoices must show date, invoice number, the Supplier name and address, VAT breakdown as well as the Order number and the price for the Goods and/or Services supplied together with any other information or supporting documentation DBC UK may reasonably require.
- 15.2 The Supplier warrants and represents that all information provided to DBC UK prior to the date of the Agreement was materially true, accurate and not misleading. The Supplier agrees to notify DBC UK immediately if any such information becomes untrue, inaccurate or misleading.
- 15.3 The Supplier warrants and represents that it has not relied on any information provided by DBC UK prior to the date of the Agreement and that it has carried out its own due diligence in relation to DBC UK's requirements in relation to the Goods and/or Services.
- 15.4 All specifications, drawings, sketches, models, prototypes, samples, tools, designs, technical information or data or other proprietary information (whether written, oral or otherwise and including personal data as defined in Applicable Data Protection Law) made available to the Supplier by DBC UK (or on its behalf) will remain the property of DBC UK and will be returned promptly to DBC UK (together with all copies) at DBC UK's request. Such information will be treated as strictly confidential, will be kept safely and will not be used or disclosed by the Supplier except as strictly necessary in the performance of the Agreement.

## **16. Intellectual Property**

- 16.1 Nothing in the Agreement shall operate to assign or otherwise transfer any title to, or ownership of any pre-existing Intellectual Property Rights owned by a party or its third party licensors.
- 16.2 All Intellectual Property Rights in systems, concepts, brands, logos, marks, slogans, digital scans, advertising, promotional or packing material, artistic works, illustrations, documents, instructions, databases, drawings, information, designs, specifications, formulae, test results, software, inventions, tooling, display equipment, labels, models, samples, photographs or other material or products acquired or created by the Supplier or on the Supplier's behalf in the course of performing the Agreement, commissioned by DBC UK or which are made to DBC UK's specification ("**Materials**") will vest in DBC UK. The Supplier hereby assigns to DBC UK all such rights (whether presently existing or to be created in the future) to the fullest extent possible (and if moral rights



exist, the Supplier waives such rights and shall procure that any third party shall waive such rights) and regardless of whether or not the Supplier has received payment for the Goods and/or Services purchased pursuant to the Agreement.

- 16.3 The Supplier agrees to execute all documents and to do any other thing reasonably necessary to further assure DBC UK's title to the Intellectual Property Rights in the Materials and to allow DBC UK to enforce its rights in the Materials. For the avoidance of doubt, this may involve the Supplier providing DBC UK with the names of the individuals who created the Materials and with information as to the novelty and state of the art of the Materials. Where the Supplier engages the assistance of third parties in preparing or producing the Materials for DBC UK, the Supplier will notify DBC UK in advance, ensure at the outset that such third parties assign any such Intellectual Property Rights to DBC UK (and if moral rights exist, waive such rights) and promptly provide DBC UK with documentation evidencing such assignment and waiver.
- 16.4 All Intellectual Property Rights in systems, concepts, brands, logos, marks, slogans, digital scans, advertising, promotional or packing material, artistic works, illustrations, documents, instructions, databases, drawings, information, designs, specifications, formulae, test results, software, inventions, tooling, display equipment, labels, models, samples, photographs or other material or products supplied by DBC UK to the Supplier or used by the Supplier in the supply of the Goods and/or Services shall at all times be and remain the exclusive property of DBC UK and such items shall be held by the Supplier in safe custody at its own risk and maintained and kept in good condition by the Supplier until returned to DBC UK and shall not be disposed of other than in accordance with DBC UK's written instructions, nor shall such items be used otherwise than as authorised by DBC UK in writing.
- 16.5 The Supplier acknowledges that any rights granted by DBC UK to use or exploit any of DBC UK's Intellectual Property Rights will terminate immediately upon the termination of the Agreement for any reason. All goodwill in respect of DBC UK's Intellectual Property Rights shall remain with DBC UK at all times.

## 17. **Supplier Personnel**

- 17.1 All losses, damages, costs, claims, liabilities and expenses (including all legal and other professional fees and expenses) ("**Liabilities**") relating to the employment or engagement of any of the Supplier's employees, workers, contractors and agents ("**Supplier Personnel**"), and/or the termination thereof, in respect of the period from the Effective Date up to and including the date of termination of the Agreement are to be borne by the Supplier. The Supplier shall indemnify and keep DBC UK indemnified in this respect.
- 17.2 The Supplier will indemnify (i) DBC UK and (ii) any new provider of goods and/or services to DBC UK appointed in place of the Supplier in respect of goods and/or services which are similar to the Goods and/or Services or any part of such Goods and/or Services (a "**New Service Provider**") and keep them so indemnified against any and all Liabilities howsoever transferred to, imposed upon or incurred by DBC UK and/or any New Service Provider, in each case to the extent arising out of or in connection with the employment or engagement (and/or the termination thereof) of any Supplier Personnel in respect of the period from the Effective Date to the date of termination of the Agreement.
- 17.3 If any of the Supplier Personnel makes any claim (whether successful or not) at any time prior to termination of the Agreement that they have become an employee of, or have rights against, DBC UK or any New Service Provider by virtue of the Transfer of Undertakings (Protection of

Employment) Regulations 2006 as amended (“**TUPE**”) or otherwise, the Supplier will indemnify and keep DBC UK and any New Service Provider indemnified against any Liabilities transferred to, imposed upon or incurred by DBC UK or any New Service Provider in each case to the extent arising out of or in connection with any such claim.

17.4 Accordingly, the Supplier undertakes that during any notice period to terminate the Agreement (howsoever caused) it shall not, save with the prior written consent of DBC UK:

17.4.1 withdraw or permit the withdrawal of any of the Supplier Personnel engaged wholly or mainly in the provision of the Goods and/or Services or any part thereof to DBC UK (the “**Relevant Supplier Personnel**”) from the provision of the Goods and/or Services or any part thereof;

17.4.2 alter any terms and conditions of employment of any of the Relevant Supplier Personnel (including, without limitation, any increase in salary, wages or other emoluments (whether pursuant to a general review or otherwise));

17.4.3 assign any other member of the Supplier's staff (not already engaged in the provision of the Goods and/or Services) to the provision of the Goods and/or Services or any part thereof; or

17.4.4 engage new employees who would become Relevant Supplier Personnel, except to replace Relevant Supplier Personnel who have left the Supplier's employment.

17.5 During any notice period to terminate the Agreement (howsoever caused), the parties shall co-operate in agreeing a list of those Relevant Supplier Personnel in respect of whom TUPE applies (the “**Transferring Employees**”) and shall co-operate in seeking to ensure the orderly transfer of the Transferring Employees to DBC UK and/or the New Service Provider (as applicable). The Supplier shall not later than six (6) months prior to the expiry of the Agreement (or, if earlier, within seven (7) days of notice being given of termination of the Agreement) provide DBC UK with the following information:

17.5.1 details of the Services carried out by those Relevant Supplier Personnel who the Supplier envisages being a Transferring Employee; and

17.5.2 a list of each Relevant Supplier Personnel who the Supplier envisages being a Transferring Employee, including:

17.5.2.1 name, job title, age, length of continuous services, current remuneration, benefits, and notice period;

17.5.2.2 terms and conditions of employment, including any particulars that the Supplier is obliged to give under section 1 of the Employment Rights Act 1996;

17.5.2.3 details of any current disciplinary or grievance proceedings and any such proceedings in the preceding two (2) years;

17.5.2.4 details of any claims, current or which the Supplier has reasonable grounds to believe will be brought, or which have been brought, in the preceding two (2) years;

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17.5.2.5 all benefit schemes or arrangements (whether contractual or not); and

17.5.2.6 information on any collective agreements.

17.6 The Supplier shall provide DBC UK with updates of the information set out in Clause 17.5 above at regular intervals and on demand by DBC UK, and, in any event, not later than 28 days before the date upon which any Transferring Employees will transfer from the Supplier to DBC UK and/or the New Service Provider (the “**Transfer Date**”).

17.7 The Supplier will indemnify and keep DBC UK and any New Service Provider indemnified in full against any and all Liabilities arising directly or indirectly in connection with:

17.7.1 any act or omission of the Supplier prior to the Transfer Date in respect of any Transferring Employees for which DBC UK and/or any New Service Provider is liable by reason of TUPE or otherwise;

17.7.2 any failure by the Supplier or any New Service Provider to comply with its/their obligations under regulations 13 and 14 of TUPE, or any award of compensation under regulation 15 of TUPE, save where such failure arises from the failure of DBC UK to comply with its duties under regulation 13 of TUPE; and

17.7.3 any claim by any person who transfers or alleges that they have transferred to DBC UK or the New Service Provider but whose name was not included in the list of Transferring Employees referred to at Clause 17.5 above.

17.8 If TUPE applies, DBC UK and/or any New Service Provider may serve notice to terminate the contract of employment of all or any Transferring Employees within six (6) months of the Transfer Date and the Supplier shall indemnify and keep DBC UK and any New Service Provider indemnified against all and any Liabilities incurred in respect of any such dismissal, including (but not limited to) any statutory or contractual redundancy payments and any compensation or damages which DBC UK and/or any New Service Provider is obliged to pay to such person for unfair and/or wrongful dismissal or as a reasonable settlement of a claim for such compensation or damages.

17.9 New Service Provider may enforce the terms of this Clause 17 subject to and in accordance with the terms of the Agreement and the provisions of the Contracts (Rights of Third Parties) Act 1999.

## 18. Security

If DBC UK reasonably determines that it would be commercially prudent to obtain financial or performance security against the Supplier failing to perform any of its obligations under the Agreement, DBC UK shall be entitled to require the Supplier to provide such security in such a form as DBC UK deems appropriate (including guarantees or bonds provided by a Group company of the Supplier). Failure to provide such security within the time period stipulated by DBC UK shall be deemed a material breach of the Agreement.

## 19. Notices

19.1 Any demand, notice or other communication given or made under or in connection with the Agreement will be made in writing and sent to the usual trading address or registered office of the receiving party or to any email address detailed in the Contract Addendum. By any of the following

methods of delivery and in each case shall be deemed to have been served on the date and at the time specified below, provided that all other requirements of this Clause have been met:

<b>Delivery Method</b>	<b>Deemed Delivery Date and Time</b>
Delivered by hand	At the time the notice is left at the address
Pre-paid first class post or other next working day delivery service	9.00am on the third Working Day after posting.
Pre-paid airmail	9.00am on the fifth Working Day after posting
Email	At the time of transmission provided the sender receives a manually sent confirmation of receipt.

For the purpose of calculating deemed receipt, all references to time are to local time in the place of deemed receipt and if deemed receipt would occur in the place of deemed receipt on a Saturday or Sunday or public or bank holiday or on any day after 5.00 pm, receipt is deemed to take place at 9.00am on the next business day. This Clause 19 does not apply to the service of any proceedings or other documents in any legal action or, where applicable, any mediation or other method of dispute resolution.

- 19.2 The addresses of the parties for the purposes of Clause 19.1 shall be those set out in the relevant Order, Contract Addendum or such other address in the United Kingdom as may be notified in writing from time to time by the relevant party to the other party.

## 20. Compliance

- 20.1 Each party undertakes to perform its duties and obligations under the Agreement in compliance with all applicable laws, rules and regulations, including applicable anticorruption laws (including the Bribery Act 2010). The Supplier undertakes to promptly report to DBC UK:

20.1.1 any actual or suspected material breach by it (or third parties that it has retained to perform its obligations in accordance with the Agreement); and

20.1.2 any requests for bribes or corrupt payments by any person (including from any public official).

- 20.2 The Supplier undertakes, warrants and represents that neither the Supplier nor any of its officers, employees, agents or subcontractors has:

20.2.1 committed, or shall commit, an offence under the Modern Slavery Act 2015 (an "**MSA Offence**");

20.2.2 been notified that it is subject to an investigation relating to an alleged MSA Offence or prosecution under the Modern Slavery Act 2015; or

20.2.3 is aware of any circumstances within its supply chain that could give rise to an investigation relating to an alleged MSA Offence or prosecution under the Modern Slavery Act 2015.

- 20.3 The Supplier shall notify DBC UK immediately in writing if it becomes aware or has reason to believe that it, or any of its officers, employees, agents or subcontractors have, breached or potentially breached any of Supplier's obligations under this Clause 20. Such notice shall set out full details of the circumstances concerning the breach or potential breach.
- 20.4 A breach of applicable criminal laws (including any anti-corruption laws) by the Supplier (or third parties that the Supplier has retained to perform its obligations in accordance with the Agreement) in connection with the performance of its duties and obligations shall always be deemed a material breach not capable of remedy and shall entitle DBC UK to terminate the Agreement with immediate effect pursuant to Clause 12.2.1. In the event that DBC UK has reason to believe that a material breach of an obligation under this Clause 20 has occurred, the Supplier shall cooperate fully and in good faith in order to determine whether a material breach has occurred.
- 20.5 It shall be a condition of doing business with and entering into a binding agreement with DBC UK that all of the Supplier's duties and obligations under the Agreement shall be carried out in accordance with the Mandatory Policies and, for the avoidance of doubt, commencement of the provision of Goods and/or Services under the Agreement shall be deemed acceptance, of the Mandatory Policies by the Supplier (notwithstanding that the necessary documentation may not have been signed by the Supplier). Failure to comply with the Mandatory Policies shall be deemed a material breach of the Agreement and shall enable DBC UK to terminate the Agreement pursuant to Clause 12.2.
- 20.6 Where requested at DBC UK's absolute discretion (or where DBC UK otherwise agrees the Supplier will routinely provide such), the Supplier will notify of the existence of, and provide information in relation to agreements with active or former board members, managing directors, and/or senior managers from German and foreign companies that are affiliated with DBC UK Group and in particular Deutsche Bahn AG, as well as Group executives and any PEP.
- 20.7 Where notification is made and information is provided pursuant to Clause 20.6, the Supplier agrees that it understands that such persons and agreements are subject to special provisions and approval processes conducted by Deutsche Bahn AG due to specific legal and internal Group requirements, specific public interests, and/or corruption risks.
- 20.8 For the avoidance of doubt, if any of the Supplier's employees, workers, agents or subcontractors directly or indirectly hold more than 25% of the capital shares or voting rights within the Supplier's company and falls within the scope of any of the groups mentioned in clause 20.6 the Supplier shall immediately notify DBC UK.

## **21. Sub-Contractors**

- 21.1 The Supplier will not be entitled to sub-contract any of the Supplier's obligations under the Agreement, without the prior written consent of DBC UK.
- 21.2 The appointment of a sub-contractor shall not affect the Supplier's obligations and liabilities under the Agreement and the Supplier shall remain primarily liable to DBC UK and fully responsible for the acts or omissions of its sub-contractors.
- 21.3 Where DBC UK recommends or suggests any particular person to the Supplier as a subcontractor, DBC UK gives no warranty or assurance in respect of the performance of that person and no liability will be accepted by DBC UK in respect of the performance of that person.

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- 21.4 In making a request pursuant to Clause 21.1, the Supplier shall as soon as reasonably possible provide DBC UK with the following information about the proposed sub-contractor:
- 21.4.1 its name, registered office and company registration number;
  - 21.4.2 a copy of the proposed sub-contract;
  - 21.4.3 the fees and charges to be paid by the Supplier to the proposed sub-contractor;
  - 21.4.4 the purposes for which the proposed sub-contractor will be appointed, including the scope of any Services to be provided by the proposed sub-contractor;
  - 21.4.5 confirmation that the proposed sub-contractor will comply with the terms of the Agreement as if it were a party to the same;
  - 21.4.6 where the proposed sub-contractor is also an affiliate of the Supplier, evidence that demonstrates to the reasonable satisfaction of DBC UK that the proposed subcontract has been agreed on "arm's-length" terms; and
  - 21.4.7 any further information reasonably requested by DBC UK.

## **22. Assignment**

- 22.1 The Supplier will not be entitled to assign, transfer, sub-license or charge any or all of the Supplier's rights or obligations under the Agreement without the prior written consent of DBC UK.
- 22.2 DBC UK will be entitled to assign or sub-license any or all of its rights or obligations under the Agreement without the Supplier's consent, provided that, in the case of an assignment only, it is to a company which is, at the time, within DBC UK's Group. DBC UK will give the Supplier written notice of any such assignment as soon as reasonably practicable.

## **23. Waiver and Cumulative Remedies**

The failure to exercise or delay in exercising a right or remedy provided by the Agreement or by law does not constitute a waiver of the right or remedy or a waiver of other rights or remedies. A waiver of a breach of any of the terms of the Agreement or a default under the Agreement does not constitute a waiver of any other breach or default and shall not affect the other terms of the Agreement. A waiver of a breach of any of the terms of the Agreement or a default under the Agreement will not prevent a party from subsequently requiring compliance with the waived obligation. The rights and remedies provided by the Agreement are cumulative and (subject as otherwise provided in the Agreement) are not exclusive of any rights or remedies provided by law.

## **24. No Partnership**

Nothing in the Agreement and no action taken by the parties pursuant to the Agreement shall constitute, or be deemed to constitute, a relationship between the parties of partnership, association, joint venture or other co-operative entity.

## **25. Variation**

- 25.1 No change, amendment, modification, extension or variation to, or concerning the Agreement shall be valid unless it is in writing and signed by or on behalf of each of the parties.

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25.2 The parties may agree a separate procedure for managing commercial, technical and/or operational changes to the supply of Goods and/or Services pursuant to an Order, or all Orders placed pursuant to the Agreement. Any such procedure shall be agreed in writing in accordance with Clause 25.1 and be incorporated as an additional Schedule to the Agreement.

## 26. **Costs and Expenses**

Each party shall pay its own costs relating to the negotiation, preparation, execution and implementation by it of the Agreement and of each document referred to in it.

## 27. **Counterparts**

The Agreement may be executed in any number of counterparts, each of which so executed shall be an original, but together shall constitute one and the same instrument.

## 28. **Confidentiality and Privacy**

28.1 Subject to Clause 28.2, the parties shall keep confidential all Confidential Information relating to the Agreement and shall not use any such Confidential Information save in the performance of their respective obligations under the Agreement or an Order (as the case may be).

28.2 Each party may disclose the other party's Confidential Information:

28.2.1 if required by any applicable law;

28.2.2 to its employees, officers, agents, consultants or subcontractors ("**Representatives**") who need to know such information for the purposes of exercising the party's rights or carrying out its obligations under or in connection with the Agreement, provided that the disclosing party takes all reasonable steps to ensure that its Representatives comply with the confidentiality obligations contained in this Clause 28 as though they were a party to the Agreement. The disclosing party shall be responsible for its Representatives' compliance with the confidentiality obligations set out in this clause;

28.2.3 where a party can demonstrate that such Confidential Information is already generally available and in the public domain otherwise than as a result of a breach of Clause 28.1;

28.2.4 where the parties have agreed in writing it is no longer to be classed as Confidential Information;

28.2.5 which is already lawfully in the possession of the receiving party, prior to its disclosure by the disclosing party; and

28.2.6 where the disclosing party has given its prior written consent to disclosure.

28.3 The Supplier will not make any announcement or publicity statement relating to DBC UK, the Agreement or its subject matter without the prior written approval of DBC UK (except as required by law or by any legal or regulatory authority).

28.4 Each party shall have the rights and obligations set out in the "**Data Protection Addendum**", which is available at <https://uk.dbcargo.com/rail-uk-en/metaNavi/data-protection> (or otherwise on request) and which is incorporated by reference into the Agreement.



## 29. Dispute Escalation

Without prejudice to either party's right to seek interlocutory relief in the courts, the parties shall use reasonable efforts to negotiate in good faith and settle amicably any dispute that may arise out of or relate to the Agreement (or its construction, validity or termination) (a "**Dispute**"). If a Dispute cannot be settled through negotiations by appropriate representatives of each of the parties, either party may give to the other a notice in writing (a "**Dispute Notice**"). Within seven days of the Dispute Notice being given the parties shall each refer the Dispute to the senior representatives nominated by each party who shall meet in order to attempt to resolve the dispute. If the Dispute is not settled by agreement in writing between the parties within fourteen (14) days of the Dispute Notice it shall be resolved in accordance with Clause 30 or, if the parties do not wish to attempt mediation, Clause 34.

## 30. Mediation

30.1 Dispute may (only with the agreement of both parties) be referred to mediation in accordance with the Centre for Dispute Resolution (CEDR) Model Mediation Procedure. The mediation shall be conducted by a single mediator appointed by mutual agreement, or (failing mutual agreement within seven days of a notice from either party to the other calling upon the other so to agree) by the Centre for Dispute Resolution. Both parties agree to co-operate fully with such mediator, provide such assistance as is necessary to enable the mediator to discharge his duties, and to bear equally between them the fees and expenses of the mediator.

30.2 The mediation shall be conducted in England in English. The mediation shall be conducted without prejudice to the rights of any of the parties in future proceedings.

## 31. Third Party Rights

31.1 To the extent to which any Goods and/or Services provided pursuant to the Agreement are for the benefit of any DBC UK Group company that company may enforce the terms of the Agreement subject to and in accordance with the Agreement and the provisions of the Contracts (Rights of Third Parties) Act 1999.

31.2 Any DBC UK Group company may enforce the terms of Clause 10.5 subject to and in accordance with the Agreement and the provisions of the Contracts (Rights of Third Parties) Act 1999.

31.3 Any New Service Provider may enforce the terms of Clause 17 subject to and in accordance with the Agreement and the provisions of the Contracts (Rights of Third Parties) Act 1999.

31.4 Except as provided in Clause 31.1, 31.2 and 31.3 a person who is not a party to the Agreement shall not have the right under the Contract (Rights of Third Parties) Act 1999 to enforce any of its terms.

31.5 Notwithstanding that any term of the Agreement may be or become enforceable by a person who is not a party to it, the terms of the Agreement may be varied, amended or modified without the consent of any such third party.



### **32. Entire Agreement**

- 32.1 The Agreement sets out the entire agreement and understanding between the parties and supersedes any previous agreements between the parties relating to the subject matter of the Agreement.
- 32.2 The Supplier acknowledges that in entering into the Agreement it does not rely on, and will have no remedy in respect of, any statement, representation, warranty or understanding (whether negligently or innocently made) of any person (whether party to the Agreement or not) other than as expressly set out in the Agreement.

### **33. Severance**

- 33.1 If any provision of the Agreement shall be found by any court or administrative body of competent jurisdiction to be invalid or unenforceable, such invalidity or unenforceability shall not affect the other provisions of the Agreement which shall remain in full force and effect.
- 33.2 If any provision of the Agreement is so found to be invalid or unenforceable but would be valid or enforceable if some part of the provision were deleted, the provision in question shall apply with such modification(s) as may be necessary to make it valid and enforceable.

### **34. Governing Law and Jurisdiction**

English law applies to the Agreement (and any non-contractual obligations arising under or in connection with it) and the parties agree to submit to the exclusive jurisdiction of the English courts.

## SCHEDULE 1 GOODS

### 1. **Delivery**

- 1.1 It is an essential and fundamental term of the Agreement that the Supplier makes delivery of Goods to the premises specified in the Contract Addendum and/or Order by the time stated in the Contract Addendum and/or Order or if none is specified, within a reasonable period (the "**Due Date**"). Delivery shall be completed on completion of the offloading of Goods from the Supplier's or its carrier's delivery vehicle ("**Delivery**").
- 1.2 The Supplier shall not deliver the Goods by instalments except with the prior written consent of DBC UK. Where Goods are to be delivered by instalments, they may be invoiced and paid for separately.
- 1.3 The Supplier shall ensure that the Goods are properly packed and secured in such manner as to enable them to reach their destination in good condition.
- 1.4 Proof of Delivery will be established only through an official stamp of DBC UK and/or by the signature of an authorised employee of DBC UK on a delivery note clearly detailing the Goods and the quantity delivered.
- 1.5 Where the Supplier fails to deliver the Goods in accordance with the Agreement (or as otherwise required by DBC UK in writing) and/or fails to deliver the Goods by the Due Date (other than as a result of the act or omission of DBC UK), DBC UK may (in addition to any of its other rights):
- 1.5.1 refuse to take any subsequent attempted delivery of the Goods;
  - 1.5.2 terminate or vary the whole (or any uncompleted part) of the Order without incurring any further obligation to the Supplier;
  - 1.5.3 purchase substitute goods elsewhere and recover from the Supplier any costs and expenses reasonably incurred by DBC UK in obtaining such substitute goods;
  - 1.5.4 deduct from the amounts payable to the Supplier any costs, expenses and losses incurred by DBC UK resulting from the Supplier's failure to deliver the Goods on the Due Date; and/or
  - 1.5.5 delay payment until Delivery is complete.
- 1.6 Any delivery note or other document accompanying a Delivery which is signed or stamped by or on behalf of DBC UK is simply an acknowledgement of Delivery and will not constitute an acceptance by DBC UK that the Goods comply with the Agreement. DBC UK will not be considered to have accepted any Goods until after it has had a reasonable time to inspect the Goods or, if later, following a reasonable time after any latent defect in the Goods has become apparent.
- 1.7 If the Supplier notifies DBC UK that it will be late delivering Goods (having regard to the original Due Date), DBC UK may (at its option) agree a revised Due Date with the Supplier. Any revised Due Date must be agreed by DBC UK in writing and shall not affect or prejudice other terms and conditions applicable to the relevant Order. If the Supplier fails to deliver the Goods by the Due Date, then for the purpose of Schedule 5, DBC UK shall be entitled to treat the delivery as late or failed from the original Due Date.

## 2. **Title and Risk**

- 2.1 Unless otherwise stated in a Contract Addendum, title to the Goods will pass to DBC UK on the earlier of:
- 2.1.1 Delivery of the Goods or (in the case of delivery by instalments) upon Delivery of each instalment; or
  - 2.1.2 payment for the Goods by DBC UK to the Supplier.
- 2.2 Unless otherwise agreed in writing by DBC UK, risk in the Goods will pass to DBC UK on Delivery.
- 2.3 Where storing any Goods in relation to which title has vested (or will vest) in DBC UK pursuant to this Schedule 1 (including any Goods being assembled or developed in stages) ("**Retained Goods**"), the Supplier shall:
- 2.3.1 hold the Retained Goods on a fiduciary basis as DBC UK's bailee;
  - 2.3.2 store the Retained Goods separately from other goods held by the Supplier so that they remain readily identifiable as DBC UK's property; and
  - 2.3.3 maintain the Retained Goods securely and in good condition.
- 2.4 If the Supplier becomes Insolvent (or DBC UK has reasonable grounds to suspect it may become Insolvent) at any time when holding the Retained Goods then, without prejudice to any other right or remedy of DBC UK, DBC UK may require the Supplier to deliver up the Retained Goods and, if the Supplier fails to do so promptly, enter any premises of the Supplier (or any third party storing the Retained Goods on its behalf) in order to recover them.

## 3. **Warranty**

- 3.1 The Supplier warrants and represents that when Delivered, the Goods:
- 3.1.1 will conform to the Specification;
  - 3.1.2 will be of the correct quantity as is specified in the Specification or the Order;
  - 3.1.3 will be of satisfactory quality, fit for the purpose for which Goods of the kind in question are commonly supplied (or any particular purpose made known to the Supplier by DBC UK);
  - 3.1.4 will be free from any defects in design, materials and workmanship and remain so for a period of 12 months after Delivery (unless an alternative period is agreed in a relevant Contract Addendum);
  - 3.1.5 will conform with any sample of the Goods that was previously supplied to and approved by DBC UK;
  - 3.1.6 comply with all applicable statutory and regulatory requirements; and
  - 3.1.7 will be safe and will not cause death, injury, loss or damage when properly used.

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- 3.2 Without prejudice to any other rights or remedies of DBC UK if, the Goods do not comply with the warranty in paragraph 3.1, or it is discovered that the Goods supplied do not comply with any other requirements of the Agreement DBC UK may, at its discretion:
- 3.2.1 require the Supplier to remedy any defect in the Goods or supply replacement Goods, free or charge and within 30 days;
  - 3.2.2 reject the Goods and the Supplier shall refund the price of the rejected Goods in full (whether or not DBC UK has previously required the Supplier to repair or replace the rejected Goods); and/or
  - 3.2.3 require the Supplier to pay to DBC UK an amount equal to any costs, expenses or losses resulting from the Supplier's delivery of Goods that do not conform with the terms of the Agreement.
- 3.3 Without prejudice to any warranty and/or representation provided pursuant to paragraph 3.1, the Supplier will pass to DBC UK the benefit of all manufacturer and other warranties and guarantees relating to the Goods to the fullest extent the Supplier is able to do so, having regard to the terms it has in place with the relevant manufacturer or other relevant third party.
- 3.4 The terms of the Agreement shall apply to any repaired or replacement Goods supplied by the Supplier.
- 3.5 If the Supplier fails to promptly repair or replace rejected Goods in accordance with paragraph 3.2, DBC UK may obtain substitute goods from a third party supplier, or have the rejected Goods repaired by a third party, and the Supplier shall reimburse DBC UK for the costs it incurs in doing so.
4. **Rejected Goods**
- 4.1 Any rejected goods will be collected by the Supplier at the Supplier's cost. If the Supplier fails to collect rejected goods within 10 business day after notification by DBC UK that they are available for collection DBC UK shall have the right to charge the Supplier storage costs and sell or dispose of the rejected goods. If DBC UK sells the rejected goods it will provide to the Supplier the proceeds of sale after deducting its storage costs and its reasonable costs and expenses in connection with the sale.
- 4.2 Any refund or costs payable to DBC UK pursuant to paragraphs 3.2.2 and 3.2.3 will be recovered by means of either:
- 4.2.1 deduction from amounts due to the Supplier; or
  - 4.2.2 invoicing the Supplier for payment of the amount in question.

## **SCHEDULE 2 THE SERVICES**

### **1. Performance of Services**

- 1.1 The Supplier will provide the Services in accordance with the Specification, in a proper, lawful, efficient and business-like manner and the Supplier agrees at all times to observe and perform the lawful directions of DBC UK which are consistent with the terms of the Agreement.
- 1.2 The Supplier will ensure that the execution of any work undertaken as part of the Services shall be properly and adequately supervised and that all employees shall be properly trained.

### **2. Name Disrepute**

The Supplier will perform the Services in such a manner as will not bring DBC UK's name into disrepute.

### **3. Warranties**

The Supplier warrants that:

- 3.1.1 the Services will be performed by appropriately qualified, trained and competent personnel with all due care, skill and diligence, in accordance with best industry practice and to the highest standard of quality as it is reasonable for DBC UK to expect;
- 3.1.2 the Services and Deliverables will conform in all respects with the Specification and the Order and that the Deliverables shall be fit for any purpose expressly or implicitly made known to the Supplier by DBC UK;
- 3.1.3 the Deliverables, and all goods, materials, standards and techniques used in providing the Services are of the best quality and are free from defects in workmanship, installation and design; and
- 3.1.4 it shall co-operate with DBC UK in all matters relating to the Services and comply with DBC UK's instructions.

### **4. Key Individuals**

The Supplier will procure that any Key Individuals named in Schedule 7 are actively involved in the provision of the Services and if relevant in the manner set out in that Schedule. Should any such Key Individual cease to be involved in the provision of the Services for any reason, the Supplier will, with DBC UK's consent, appoint a suitable replacement (such consent not to be unreasonably withheld or delayed).

### **5. Screening and Confidentiality**

Where DBC UK has requested it, the Supplier will ensure that all of the Supplier's employees have been vetted and screened in such manner as DBC UK may reasonably require and, when requested, have signed a letter of confidentiality addressed to DBC UK.

## 6. **Site Requirements**

Where the Supplier or the Supplier's staff have to enter DBC UK's premises to perform the Services (or any part of them), the Supplier will ensure that the Supplier's staff carry suitable identification with them which shall be produced to DBC UK staff upon request. The Supplier must not enlist the services of any of DBC UK's employees to assist with any work carried out in the provision of Services at DBC UK's premises. The Supplier shall ensure that the Supplier's employees comply with DBC UK's local security arrangements and conditions including the right to search. The Supplier's staff shall carry out their duties so as to cause minimum inconvenience and disruption to the operation of DBC UK's premises.

## 7. **Timing**

7.1 The Supplier will comply with any response times or timetables set out in the Contract Addendum and/or Order or otherwise agreed with DBC UK, or, where no response time or timetable is agreed, the Supplier will provide the Services at such time as DBC UK may specify (the "**Due Date**").

7.2 It is an essential and fundamental term of the Agreement that the Supplier provides the Services by the time stated in the Contract Addendum and/or Order or if none is specified, within a reasonable period. Time shall be of the essence in this respect.

## 8. **Failure to Provide Services**

8.1 Where the Supplier fails to provide the Services in accordance with the Agreement (or otherwise required by DBC UK in writing) and/or fails to provide the Services by the Due Date other than due to an act or omission of DBC UK) DBC UK may (in addition to any of its other rights or remedies):

8.1.1 refuse to accept any subsequent performance of the Services which the Supplier attempts to make;

8.1.2 terminate or vary the whole (or any part) of the Order without incurring any further obligation to the Supplier;

8.1.3 purchase substitute services elsewhere and reclaim from the Supplier any additional costs incurred as a result of procuring such services from a third party instead of the Supplier;

8.1.4 deduct from any amounts payable to the Supplier any costs, expenses and losses incurred by DBC UK as a reasonably foreseeable consequence of the failure to provide the Services; and/or

8.1.5 delay payment until the provision of the Services has been completed.

8.2 Without prejudice to any other rights or remedies of DBC UK if within 12 months of the performance of the Services or, if longer, within any period specified in the Specification it is discovered that the Services do not comply with the requirements of the Agreement then DBC UK shall have the right to require the Supplier, free of charge and within 30 days, to re-perform the Services in compliance with the requirements of the Agreement.

## 9. **Time of DBC UK's Acceptance**

Any worksheet or similar note provided by the Supplier after the provision of Services which is signed or stamped by or on behalf of DBC UK is simply an acknowledgment that certain services

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have been provided and will not constitute an acceptance by DBC UK that the Services comply with the Agreement. DBC UK will not be considered to have agreed that the Services comply with the Agreement until after it has had a reasonable time to check the Services have been properly provided.

10. **Worksheets**

If requested by DBC UK, the Supplier will promptly submit to DBC UK all relevant timesheets and work records relevant to the provision of the Services.

**SCHEDULE 3  
PRO-FORMA PURCHASE ORDER**



**SCHEDULE 4  
SPECIFICATION**

**SCHEDULE 5  
PERFORMANCE MANAGEMENT**

**Part 1. Liquidated Damages (the “LD’s”)**

<b>Lead time and/or delivery date (If not specified in relevant Order)</b>	<b>LDs</b>	<b>LD Cap</b>

1. If the Supplier fails to meet any lead time and/or delivery date specified above or otherwise agreed in a relevant Order, then it shall be liable to incur the relevant LDs.
2. Payment of LDs shall continue until the earlier of delivery of the delayed Goods, or the amounts payable reach the LD Cap. If the amounts payable reach the LD Cap, DBC UK may exercise any other right or remedy available to it under the Agreement.
3. If no particular LDs are specified above or in an Order, a default LD equal to 3% of the relevant Price for the Goods shall apply for each complete calendar day of delay beyond the agreed delivery dates and/or lead time, up to an LD cap equal to 15% of the relevant Price for the Goods.
4. The default LDs and LD Cap described above are agreed between the parties as a genuine pre-estimate of the loss DBC UK incurs as a result of any delay, having regard to the following non-exhaustive factors: (i) scheduled maintenance activities; (ii) resource and production planning; and (iii) delayed, reduced or cancelled customer services (including as a result of non-availability of locomotives, wagons and other rolling stock).

**Part 2 KPIs**

<b>Title</b>	<b>Summary of Criteria</b>	<b>KPI Target</b>	<b>KPI Credit</b>	<b>KPI Termination Event</b>

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1. If the Supplier fails to meet any KPI Target, then KPI Credits shall apply.
2. The Supplier may present to DBC UK what it considers to be reasons for its failure to meet any of the KPI Target(s) ("**Mitigation**") and DBC UK shall consider whether the KPI Target(s) should be adjusted (but shall be under no obligation to do so).
3. The Supplier shall submit to DBC UK a plan describing how it will remedy the failure to meet the KPI Targets ("**Remedial Plan**") within seven (7) days of the occurrence of its failure in any one month (unless a different period of time is specified in the Agreement).
4. DBC UK will confirm whether it approves the Remedial Plan within ten (10) days of its submission. If DBC UK, acting reasonably, does not approve the Remedial Plan, then DBC UK may, at its discretion, terminate the relevant Order or the Agreement in accordance with Clause 12.

**SCHEDULE 6  
PRICE**

**SCHEDULE 7  
KEY INDIVIDUALS**