Conditions

governing service, maintenance and repair work on motor vehicles and assets of BwFuhrparkService GmbH in Lithuania

Preamble

BwFuhrparkService GmbH, a joint enterprise of the Bundesministerium der Verteidigung (Federal Ministry of Defence, BMVg) and the Deutsche Bahn AG (German Railways, DB), serves as the mobility provider to the Bundeswehr (German Federal Armed Forces) and the Deutscher Bundestag (German Bundestag). With a fleet of more than 42,000 vehicles, it is one of Germany's largest public fleet management organisations. Its mandate and purpose are the efficient and economical provision of vehicles, transport services and the associated service support. This requires strict legal compliance, reliability and a high degree of operational flexibility.

The client's fleet comprises a wide range of vehicle types. In addition to standard passenger cars and trucks, it includes off-road vehicles of various weight classes, buses, motorcycles, trailers and special-purpose vehicles. These vehicles may be equipped with Bundeswehr-specific special equipment. The fleet also includes electrically powered and hybrid-electric vehicles. A key challenge for the client is to ensure that the Bundeswehr, as the end customer, receives rapid service and prompt maintenance and repair for its vehicles. To achieve this, a nationwide network of service facilities in Lithuania is required. This network of qualified workshops ensures short distances between the vehicle location and the workshop, as well as swift and economical repairs.

The expansion of this service network is carried out using an "Open-House procedure", which enables any interested and suitably qualified workshop to join the network under pre-defined conditions and become part of the client's repair and service infrastructure.

Against this background, the following conditions apply to all partners (also referred to as contractors; the client and the contractor together referred to as the parties) and to all assignments issued under the Open-House procedure.

§ 1
Subject Matter of the Conditions Agreement

1. The subject matter of this conditions agreement is the performance of service, maintenance and repair work on motor vehicles belonging to the client's fleet in Lithuania (collectively referred to as the "services").

2. Any interested company that meets the admission criteria set out in the specification of services (notably point 5) may become a partner of the client for the provision of service, maintenance and repair work on motor vehicles. To join, the following documents must be completed and submitted by email to kls-onboarding@bwfps.de:

    - Partner Agreement (Annex)
    - Self-Declaration pursuant to Article 5k of Regulation (EU) 2022/576 (Annex)
    - Vendor Master Data Sheet (Annex)

    Upon joining, the terms of this agreement, the specification of services, and all other documentation associated with the Open-House procedure apply in full.

3. Joining the Open-House procedure does not constitute the conclusion of a service contract, nor does it create any entitlement for the contractor to receive assignments.

4. These conditions govern the general commercial terms applicable where the partner is commissioned to perform the services. For individual assignments, the provisions of the specification of services apply in addition, and where the specification contains no relevant provisions, the general terms and conditions attached to the client's repair order apply in addition. Divergent delivery, contract or payment terms of the contractor — whether in the form of general terms and conditions or individual clauses issued by the contractor, its subcontractors or any other third parties engaged by the contractor — shall not apply unless expressly confirmed in writing by the client. This also applies where the contractor refers to its terms and the client does not expressly reject them again, or where the contractor's terms were agreed in relation to a previous assignment and the client does not expressly object to their renewed application.

5. The client reserves the right to amend or supplement these conditions and the specification of services during the term of the Open-House procedure. This expressly includes changes to the commercial terms of service delivery. However, provisions governing accession to, or withdrawal from, the service network are excluded from such amendments. Any amendments or supplements issued by the client become effective uniformly for all partners upon notification and apply seven days after publication.

6. By submitting the Partner Agreement, the company confirms that no grounds for exclusion under sections 123 or 124 of the German Act Against Restraints of Competition (GWB) exist, or that any

necessary self-cleaning measures under section 125 GWB have been carried out. The client reserves the right to verify these declarations on a random basis.

§ 2
Scope of Services and Extent of the Obligations

1. The contractor undertakes to provide service, maintenance and repair work on motor vehicles and assets in Lithuania for the client.

2. The contractor must employ at least one diagnostic or service technician, or a mechanic with technical expertise at or above the qualification level defined as Level 4 of the European Qualifications Framework (EQF). If the last employee holding the required qualification leaves the contractor's employment, a transitional period of one year from the date of departure is permitted. If the position cannot be filled by the end of the transitional period, the contractor must notify the client in writing without being prompted.

3. The contractor must ensure that Bundeswehr vehicles are always stored either in a fenced and secured area or inside a building. Parking such vehicles in the front row of an unenclosed exterior area is expressly prohibited.

4. Further details regarding the scope of services are set out in the specification of services.

5. If the contractor or any subcontractor engaged by the contractor to perform services under this agreement becomes insolvent or enters insolvency proceedings, the contractor must inform the client immediately.

6. Any imminent transfer of business, or any other changes in the contractor's ownership structure, must be reported to the client without delay upon becoming known.

§ 3 Term of the Agreement

1. The client's Open-House model commences on 1 January 2026 and remains in effect until 31 December 2029. The term is automatically extended by one additional year unless the client gives written notice of termination no later than three months before the expiry date.

2. There is expressly no time limit for joining the Open-House model. Termination is possible under the conditions set out in section 7.

3. The above provisions on the contract term apply only insofar as the Bundeswehr does not terminate or otherwise bring its underlying contractual relationship with the client to an early end.

§ 4
Point of Contact

1. Unless otherwise specified, the client's designated point of contact for the performance of this agreement is the Strategic Procurement department (strategischereinkauf@bwfps.de).

   Any changes to the contractor's point of contact must be communicated to the client in writing without delay.

§ 5
Liability; Warranty; Insurance

1. The contractor is liable for any failure to properly perform its contractual obligations, including defective work and all resulting damage and consequential costs. The statutory provisions apply together with VOL/B (the German contracting and procurement regulations for supplies and services – Part B).

   The contractor must maintain insurance cover for this liability for the entire term of the agreement and for an appropriate period after its expiry or termination. The contractor's business liability insurance must provide minimum coverage of:

   - EUR 3 million per claim and per year for personal injury and property damage; and
   - EUR 0.25 million per claim and per year for financial loss.

   Upon the client's written request, the contractor must provide copies of its insurance certificates and, in the event of renewal or material amendment, updated copies.

   Additional statutory rights and remedies remain unaffected.

2. The contractor is not liable where the damage arises from circumstances that could not have been prevented or mitigated even with the exercise of the highest degree of care (e.g. force majeure).

3. The contractor must provide warranty for all repair and replacement work in accordance with statutory provisions, and in any event for a minimum period of 24 months. This applies equally where such work is subcontracted to third parties by the contractor.

4. The contractor is generally liable for any damage to, or theft of, a vehicle while it is in the contractor's workshop. This also includes damage caused by the contractor's employees and any damage occurring during test drives or transfer journeys.

§ 6
Invoicing and Payments

1. The conditions governing the provision of services are set out in full in the specification of services, to which reference is made in its entirety. The remuneration for all services is determined exclusively by the provisions and rates specified in point 14 of the specification of services. The remuneration is not subject to negotiation.

2. To meet VAT compliance requirements, the contractor and the client shall exchange their VAT identification numbers. Any changes must be communicated without delay.

3. The client notes that, under a special bilateral arrangement, it is not deemed resident in Lithuania and is exempt from Lithuanian VAT. Reference must be made to **Annex 2024-05-13 No. V-739, The list of tax exemptions for DEU Bde Lietuva**. Invoices issued for services under this Open-House procedure must therefore be VAT-exempt and issued without VAT being shown. In addition, invoices must include an explicit reference to the applicable tax exemption. Providers that are unable to comply with this requirement cannot participate in the procedure. Further provisions concerning VAT exemption can also be taken from the agreement between the Government of the Republic of Lithuania and the Government of the Federal Republic of Germany, available at the following link: https://augengeradeaus.net/wp-content/uploads/2024/09/Regierungsabkommen_DEU_LTU_deutsch_Sept2024.pdf

   Each invoice must include the corresponding repair order as an attachment.

   Invoices must be submitted exclusively in electronic form to the following email address: pdf-Rechnung@bwfps.de.

4. In addition to the mandatory information required under section 14 of the German VAT Act (UStG), the contractor must include all positions listed in point 17 of the specification of services. The tax registration number of the performing entity in Lithuania must appear on the invoice.

5. The payment term for all services rendered under this procedure is **thirty (30) days** after acceptance of the service and receipt of a complete and auditable invoice by the client.

6. All invoices and payments must be issued and settled in euro.

§ 7
Termination and Withdrawal

1. The contractor may withdraw from the agreement at any time. Withdrawal must be notified by email to **kls-onboarding@bwfps.de**.

2. The client may remove a partner from the service network only for good cause within the meaning of section 314 of the German Civil Code (BGB). Good cause for termination exists in particular where:

   a. the contractor offers, promises or grants any benefit to persons on the client's side, or to persons close to them, who are involved in concluding or performing this agreement;

   b. the contractor has participated, in connection with its engagement, in an unlawful restriction of competition within the meaning of the German Act Against Restraints of Competition;

   c. the contractor breaches its confidentiality obligations;

d. the contractor culpably violates its obligations to a material extent, in particular by failing to comply with agreed performance deadlines, engaging subcontractors that were not notified upon accession or subsequently approved in writing, culpably refusing to perform the services, or repeatedly performing defective work. In this context, the contractor is granted a one-time opportunity to remedy the defective performance identified by the client within a period of two weeks. If the contractor fails to do so, the client reserves the right to terminate the agreement without notice;

e. the contractor fails to comply with the service level relating to waiting times for workshop appointments as described in point 6 of the specification of services, and the client has already issued three warnings in this respect;

f. the contractor violates section 2 no. 3 of this agreement;

g. the contractor has made false statements in connection with its accession to the service network;

h. the contractor suspends its payments or a substantiated application to open insolvency proceedings, or similar debt-settlement proceedings over the contractor's assets, is rejected for lack of assets;

i. the client's customer no longer requires the contracted products or the underlying mandate is withdrawn from the client;

j. a transfer of business or a comparable change in the ownership structure occurs on the contractor's side;

k. the admission criterion requiring the employment of at least one diagnostic or service technician, or a mechanic with technical expertise at or above the qualification level referred to as Level 4 of the European Qualifications Framework (EQF), ceases to be fulfilled and the position is not refilled within one year (see section 2 no. 2).

3. In the event of termination without notice, the client undertakes to remunerate the services performed by the contractor to the extent that the client can make use of them, based on the proportion of the services already rendered in relation to the total contractual performance. If the client has no use for the contractor's performance rendered up to termination, the contractor must return any services or benefits received from the client. The terminating party shall have no claims for non-performance against the terminated party arising from the extraordinary termination. The terminated party shall compensate the terminating party for all damage, whether direct or indirect, caused by the extraordinary termination.

4. Removal from the service network (termination for good cause) does not affect the validity or effectiveness of individual assignments already concluded.

5. The client reserves the right to discontinue the Open-House model in its entirety before the end of the scheduled term. In such case, partners will be informed of the discontinuation in writing at least one month in advance.

§ 8
Confidentiality and Security / Data Protection

1. The parties must treat as confidential all information they receive that is designated as confidential or is recognisable as a trade or business secret by its nature or the circumstances of its disclosure. Such information must be kept confidential for a period of five years from delivery and may not be recorded, disclosed or used unless required for the performance of this business relationship.

2. The confidentiality obligation does not apply where the receiving party can demonstrate that the information was already known to it prior to the start of the contractual relationship, was publicly known or generally accessible before the contractual relationship began, or later became publicly known or accessible without fault on the part of the receiving party. The burden of proof lies with the receiving party.

3. The contractor may disclose the contents of this agreement to third parties only where necessary for the performance of the agreement, and only with the client's prior written approval.

4. By submitting the Partner Agreement, the contractor confirms its obligation to maintain confidentiality with respect to risks arising from undisclosed transfers of information to foreign security authorities. All obligations assumed in that context continue to apply.

5. For each culpable breach of the confidentiality obligation, the party in breach shall pay the other party a contractual penalty. The amount of the contractual penalty is EUR 20,000 net. In the case of continuing breaches, the penalty accrues monthly, but no more than four times per continuing breach. The defence of continuity is excluded. The right to assert further claims, including claims for damages, remains unaffected. Any contractual penalty shall be credited against damages.

6. If, in the course of performing the services, the contractor must obtain access to classified information of the classification level VS-VERTRAULICH or higher, the contractor must be under the security supervision of the competent national security authority of its home state, or at least be willing to be placed under such security supervision.

7. Additional confidentiality provisions under the German Classified Information Directive (Verschlusssachenanweisung – VSA) remain unaffected.

8. Where the contractor provides services to the client, it shall assign only reliable personnel in accordance with the security criteria of the Bundeswehr. The client reserves the right to conduct security vetting.

9. The contractor must promptly notify the client (BwFPS Service Desk: support@bwfps.de) of any defects, attacks on its IT systems and services, other disruptions, or breaches of information security where systems or projects of the client may be affected. The contractor shall provide the client with all information necessary for the client's internal assessment and handling of the incident, including a final report. The client shall keep the information received confidential.

10. Press releases, references and/or any use of the client's logo by the contractor are permitted only after coordination with, and with the prior written consent of, the client.

11. The contractor grants the client a non-exclusive, irrevocable, permanent and transferable right to create, use and reproduce photographs, videos and similar materials for its own purposes, unless otherwise agreed. This applies in particular where the contractor's logo is shown or recognisable.

12. In handling personal data, the contractor shall comply with the General Data Protection Regulation (GDPR) and all other applicable data protection laws and shall implement appropriate technical and organisational measures to ensure such compliance. The rights of data subjects under Articles 12–21 GDPR shall be safeguarded.

    Unless the parties expressly agree otherwise, the contractor processes personal data in connection with the performance of this framework agreement as an independent controller within the meaning of Article 4 para. 7 GDPR, solely for the purpose of providing the services agreed in this framework agreement and only to the extent necessary for that purpose. Processing personal data for any other purpose is prohibited. Upon request, the contractor shall provide the client with all information necessary for compliance with applicable data protection law. By submitting the Partner Agreement, the contractor confirms that it has read and accepted the data protection information (**Annex: Data Protection Information + Guidance Note**).

    Upon termination of the agreement, the contractor must delete, block or destroy all data provided by the client for the performance of this agreement upon the client's request.

13. The contractor must incorporate equivalent confidentiality and security provisions into its contracts with subcontractors and temporary workers. This obligation does not apply where a subcontract concerns services that the subcontractor normally provides to third parties and that are not subject to the security and confidentiality requirements of the national security authority or the Federal Ministry of Defence.

§ 9
Anti-Corruption and Other Statutory Provisions

1. The client and the contractor affirm their firm commitment to combat all forms of corruption.

2. The contractor undertakes to ensure that it and its employees observe and comply with the provisions of the German Federal Government's Code of Conduct against Corruption **(Annex: Federal Government Code of Conduct against Corruption)**, which applies to the client's employees. Where the contractor engages third parties (such as subcontractors or agents) in connection with its business relationship with the client, the client expects such third parties likewise to commit to the fundamental principles set out in this Code of Conduct against Corruption.

3. The client reserves the right, in individual cases, to audit the contractor's compliance with these principles on site through experts, following prior notice and in the presence of representatives of the contractor, during normal business hours and in accordance with the applicable law, in particular with due regard to data protection legislation.

4. If a contractor does not adhere to these fundamental principles, the client is entitled to terminate the business relationship with that contractor by way of extraordinary termination. The client

may, at its discretion, refrain from such consequences and instead adopt alternative measures if the contractor can credibly assure and demonstrate that it has promptly implemented countermeasures to prevent future violations.

5. If the contractor, or persons engaged or acting on its behalf, have demonstrably entered into an agreement in connection with the award of contracts that constitutes an unlawful restriction of competition, the contractor must pay damages equal to 10% of the annual net contract value, unless a different amount of damage is proven. The foregoing does not apply where the contractor is not responsible for the violation. Other contractual or statutory rights and claims of the client remain unaffected.

6. The contractor warrants that it complies with the country-specific requirements relating to the statutory minimum wage.

7. Each party must cooperate fully in any reviews, audits or investigations conducted in connection with the activities of the other party under this agreement, including by making itself, its employees and/or its advisers available for interviews and responding promptly to any questions asked in that context.

§ 10
Special Requirements of the Bundesministerium der Verteidigung (BMVg)

1. Upon request, the client shall grant the Federal Republic of Germany, represented by the Bundesministerium der Verteidigung (BMVg), which in turn is represented by the Bundesamt für Ausrüstung, Informationstechnik und Nutzung der Bundeswehr (Federal Office of Bundeswehr Equipment, Information Technology and In-Service Support, BAAINBw), Ferdinand-Sauerbruch-Str. 1, 56073 Koblenz, access to all agreements, contracts and any documents or files generated during the performance of this agreement. BAAINBw is entitled to make both analogue and digital copies of such materials.

2. BAAINBw is entitled to assume the rights and obligations arising under the contracts at any time.

3. To ensure the continuity of service delivery in emergency and crisis situations, the Bundesleistungsgesetz (German Federal Performance Act) applies to the contracts and service relationships between the client and its contractors.

4. All contractors, and where applicable their subcontractors, agree upon joining the service network to comply with these requirements.

§ 11
Final Provisions

1. Payments shall be made only to the contractor. The contractor is entitled to set off counterclaims only where such claims have been finally determined by a court or are undisputed. The contractor

may assert a right of retention only where the underlying counterclaim arises from the same contractual relationship.

2. Subcontractors engaged by the contractor are deemed to be its vicarious agents. Upon request, they must be notified to the client in writing without delay.

3. If any provision of these conditions is or becomes invalid, or if a provision that is necessary is missing, the validity of the remaining provisions shall not be affected. In such a case, the client shall establish a replacement provision uniformly for all contractors that comes as close as possible to the economic intent of the original provision. All contractors shall be notified of this at the same time.

4. If a matter requiring regulation has not been addressed in these conditions, the client shall fill the resulting gap uniformly in accordance with the intent and purpose of these conditions and shall notify all contractors simultaneously. If any part of the remaining provisions is or becomes invalid, the validity of the remainder shall remain unaffected; the invalid provision shall be replaced by one that most closely reflects the purpose and intent of the original provision.

5. The language of the agreement is English.

The following annexes form integral components of these conditions:

Annex 1: Specification of Services

Annex 2: Data Protection Information + Guidance Note

Annex 3: Federal Government Code of Conduct against Corruption