



Please note: In case of inconsistencies or doubts as to meaning, solely the original German text shall be binding.

Supplementary contractual terms of DB AG and its affiliated companies for quality assurance in procurement

(Supplementary contractual terms for quality assurance in procurement)

1 General

- (1) The contractor is responsible for the quality of the delivered products and services, hereinafter referred to as the "product", including all products from subcontractors. In particular, the contractor is responsible for conducting or commissioning the inspections necessary to ensure quality.
- (2) Deutsche Bahn AG, as the client, reserves the right to find out, at any time and at all junctures in the product creation process, about the contractual quality of the products that have been created or will be created and about the quality assurance (QA) measures implemented by the contractor, and to intervene when necessary. The client may commission a third party for this purpose.
- (3) The client's verification of the quality of products provided by the contractor shall not release the contractor from its liability and warranty obligations. Acceptance of the goods or services shall remain unaffected by this verification.
- (4) Any special conditions or deviating regulations or descriptions for quality assurance that apply during procurement in the areas of railway vehicles and infrastructure are explicitly indicated in the individual sections.

2 Type and scope of quality assurance to be performed by the client

- (1) The type and scope of QA measures depend both on the complexity and ease of inspection of the product and on the quality capability of the contractor.

QA measures shall be assigned to products based on the complexity and ease of inspection in the lists of products requiring quality inspection. DB AG's lists of products requiring quality inspection are a component of the contract.

Examples of QA measures include quality gates, quality engineering methods, manufacturer-related product qualification, first article inspections, process and product inspections, production monitoring and final inspections. The contract or purchase order defines which QA measures are required in the individual case.

The client determines and, if necessary, monitors the quality capability of the contractor. DB AG assigns contractors a Q status (Q1, Q2 or Q3) based on this determination.

The contractor must demonstrate manufacturer-related product qualification (MPQ) for specific products or product groups and manufacturing processes.

- (2) Details on the type and scope the QA measures are set out in the relevant lists for products requiring quality inspection and/or in the contract depending on the contractor's product and Q status. The assignment of quality levels or quality categories to the products as well as further arrangements are also contained in DB AG's lists of products requiring quality inspection. All changes must be made in writing and must be handled in accordance with the provisions for performance changes to the contract.
- (3) The contractor's inspections and the client's verification of quality (manufacturing processes, product) of products provided shall be based on the provisions set out in the contract. Additional documents can be used to verify quality, such as functional specifications, specifications, DB standards, norms, UIC leaflets, drawings and accepted rules of engineering and technology. In the event of contradictions, the provisions set out in the contract shall have priority.

- (4) DB AG can apply statistical methods to determine the contractual quality.
- (5) If the contractor does not meet the client's requirements for a Q1 supplier, the contractor can be downgraded to status Q2 or Q3, even without a prior audit.
- (6) If the contractor is given status Q2 or Q3 or if the contractor is downgraded to one of these statuses in accordance with paragraph (5), the contractor must provide the human and material resources to ensure that products comply with contractual requirements along the entire supply chain. Section 6 (2) regulates the remuneration of any additional expenses resulting from this.
- (7) Status Q3 generally results in non-consideration as a supplier. In exceptional cases, orders may be placed with the inclusion of specific QA measures, which must be arranged between the client and the contractor. The process for contractors without a Q status shall be the same as for contractors with Q3 status.

3 Cooperation of the contractor/Quality assurance by the client

(1) Physical access/entry

The client's quality inspector must be granted access, during the contractor's regular business or operating hours, to the workplaces, workshops and warehouse and inspection rooms where the contractual products (or parts thereof) are produced or inspected or where materials intended for the products are stored. Inspections can be conducted announced or unannounced during regular business or operating hours.

(2) Limitation of liability

Any limitation of the contractor's liability to the client or to the client's quality inspector shall not be permitted and shall be without effect during time spent by the client or the client's quality inspector at the contractor's premises or, where applicable, subcontractors' premises.

(3) Occupational health and safety

During the first visit to a site, the client's quality inspector must be instructed as to the risks to his or her health and safety before he or she begins his or her activities. This instruction must be documented. Instruction must be repeated at a regular basis, at least annually, if the risk situation or the focus of instruction changes, and after longer work interruptions (longer than three months). If occupational health and safety measures are deemed insufficient, the client's quality inspector can refuse to perform the activity, in which case the contractor shall not have the right to bring claims from the contract. Claims by the client shall remain unaffected by this provision.

(4) Confidentiality

All knowledge of and information about manufacturing or business secrets gained through the inspection or documents shall be treated with confidentiality within DB AG and its affiliated companies and shall not be disclosed to third parties. This is notwithstanding disclosure requirements to courts and authorities.

The contractor, as a general rule, shall not be permitted to require the client's quality inspector to sign personal non-disclosure agreements. In exceptions justified by the contractor, such non-disclosure agreements shall require an additional contractual arrangement in text form between the client and contractor.

(5) Support

The contractor shall provide the necessary labor, documents, premises, machines, devices, inspection and measurement equipment, communication opportunities, and working materials to support the execution of the client's QA measures. Communication shall, as a general rule, take place in German, unless alternative arrangements are stipulated in the contract.

(6) **Differences of opinion, rejection**

Should inspections reveal that objects were not produced as contractually agreed, they shall be improved or replaced in accordance with the contractual agreements and then inspected again by the contractor. The contractor shall ensure that the products that were not produced as contractually agreed and services that were rejected by the client's quality inspector are not used or delivered. In case of disagreement between the contractor and the client's quality inspector, the project manager or client's contact person listed in the contract shall be consulted.

4 Performing the quality insurance measures

(1) **Inspections**

The client's quality assurance department shall carry out quality assurance measures depending on the product and contractual arrangements. These measures can be of a preventive nature, taking place in the development phase and before/during manufacturing, as well as performed directly on the delivery lots.

(2) **Inspection locations and equipment**

The quality of products provided shall, as a general rule, be verified at the contractor's premises specified in the contract. If verification of the manufacturing processes and products at the contractor's premises is not possible, verification shall take place at the premises of the subcontractor or at the place of manufacture. The contractor shall ensure that an inspection appointment can take place at the subcontractor's premises and shall handle the necessary coordination and performance of the inspection with the participation of the client's quality inspection engineer.

The contractor shall provide proof that the testing and measuring equipment are calibrated and suited for the testing and measuring tasks. If this is the responsibility of the subcontractor, the contractor shall ensure that the subcontractor furnishes the afore-mentioned proof.

(3) **Information**

The contractor shall arrange the requested inspection appointment with the client's quality inspection engineer in an appropriate form (by telephone; e-mail) with sufficient notice, at least two calendar weeks in advance (four calendar weeks if production takes place outside the country).

(4) **Frequency of inspection**

Rail vehicles:

The frequency and execution of inspections by the client depends on the contractor's quality capabilities. If the contractor has proven his ability to effectively provide all quality features and the product for delivery meets all of the client's requirements, the client's quality inspector grants a delivery release.

Delivery approval shall be limited to a specific timeframe or delivery lot.

Infrastructure:

Delivery approval shall be limited in time and shall apply for all products and services in the validity period of the Q classification.

(5) **Approval, labeling and shipment**

The contractor may not dispatch products until the contractually agreed verification and approval for delivery have been granted by the client's quality inspector.

If a delivery requires approval, the delivery approval document must accompany the delivery. The contacts named in the contract shall receive a copy of the 3.1 inspection certificate in accordance with EN 10204 and the delivery approval document for the relevant products.

Rail vehicles:

During the validity period of a temporary delivery approval, the contractor shall maintain a list of deliveries, coordinated with the client's quality inspector, that specifies the 3.1 inspection certificate. This list shall be made available to the client's quality inspector.

Infrastructure:

The 3.1 inspection certificate for the products or services created in the validity period of the current Q classification shall be made available for the client's quality inspector to view as needed.

5 Subcontractors

The contractor is responsible for the quality of all products from subcontractors. For this purpose, the contractor shall maintain an effective system for quality assurance that ensures both the necessary quality capability of subcontractors and ongoing monitoring of their quality capability. The contractor shall also transfer the rights of the client to its subcontractors.

When deliveries are made from a subcontractor to DB AG's contractor, DB AG shall not, as a general rule, inspect the products. Approval by DB AG shall not normally be required. This provision shall not affect the client's execution of or participation in other required QA measures (such as MPQ and testing of welded structures).

If the client verifies the quality of products provided at the subcontractor's premises or at the place of manufacture in accordance with Section 4 (2), the subcontractor shall be contractually bound by the contractor to comply with these supplementary contractual terms for quality assurance in procurement. In such cases, delivery approvals shall be issued for the contractor rather than the subcontractor.

The quality assurance organization at DB AG has the right to view the goods received by the contractor to ensure that the required inspections have been carried out and documented.

Also applicable to rail vehicles:

The contractor shall, if required, forward inspection requests from the client's quality inspector responsible for its plant to ensure that an inspection can be conducted on time at the subcontractor's premises and, if applicable, its subcontractor's premises.

6 Expenses for quality assurance measures

The price arranged in the contract for the services to be rendered by the contractor covers all of the contractor's expenses that arise from assisting the client's quality assurance organization in verifying the contractor's inspection results. Units that are rendered unusable as a result of the inspection shall not be attributed to the delivery.

The contractor shall compensate the client for expenses incurred through inspection, provided the contractor is responsible for the expenses. This shall apply in particular if:

1. The inspection for a subcontractor used by the contractor must be conducted outside of the country and the contractor's headquarters is not in this country or in Germany; this shall also apply to further subcontracting
2. The contractor does not meet the client's requirements for Q1 suppliers; this shall also apply to necessary additional QA measures in the entire supply chain
3. The inspection must be repeated or additional inspections made due to reasons for which the contractor or subcontractor is responsible, for example, replacements for defects or unsuccessful visit by the client's quality inspector
4. The inspection has to be repeated at a different site due to missing inspection equipment

Otherwise, the client shall bear its costs for inspections, unless otherwise specified in the contract. □