

DMSB-Karting-Championships

CONDITIONS OF THE TYRES SUPPLY AND PUBLICITY PARTNERSHIP CONTRACT FOR THE 2019 SEASON OF THE DMSB-KARTING-CHAMPIONSHIPS

1. DEFINITIONS

In the contract as defined hereunder, the following terms must be understood as follows:

1.1 CHAMPIONSHIP:

The events in the DMSB-Karting-Championships include in general **5 or 6** events per year and will have the following classes:

- DKM – Deutsche Kart-Meisterschaft (CIK Category OK)
- DEKM – Deutsche Elektro-Kart-Meisterschaft (DMSB Category Electro-Kart)
- DJKM – Deutsche Junior-Kart-Meisterschaft (CIK Category OK-Junior)
- DSKM – Deutsche Schalt-Kart-Meisterschaft (CIK Category KZ2)
- DSKC – DMSB-Schalt-Kart-Cup (CIK Category KZ2)

comprise what shall hereunder and in the ensuing CONTRACT be referred to as the CHAMPIONSHIP.

The CHAMPIONSHIP is governed by:

- the FIA International Sporting Code and the Appendices thereto,
- the DMSB Regulations,
- the General Championship Regulations,
- the General Standard Supplementary Regulations,
- the Special Championship Regulations (Sporting Regulations),
- the DMSB Legal Order and Code of Procedure (“RuVO”),
- the DMSB Environmental guidelines,
- the FIA-CIK Technical Regulations concerning the Categories OK, OK-Junior, KZ2,
- all the other relevant FIA-CIK- and DMSB Regulations

This combined set of texts constitutes the legal, administrative and technical framework of the CHAMPIONSHIP and the conditions set forth therein shall have binding force and prevail among the parties to the contract.

1.2 DMSB has entrusted DMS Widi GmbH with the marketing of the DMSB German Kart Championship (DKM) and DMSB grants to the DMS Widi GmbH the herewith related rights and proxies. DMS Widi GmbH shall promote the DKM independently and exclusively. The DMSB has as well the sole and exclusive Sporting Power and will oversee the tender procedure.

1.3 The COMPETITORS shall mean all the COMPETITORS taking part in the CHAMPIONSHIP who are required by regulation to compete using only the TYRES defined by the SPORTING REGULATIONS and which is the subject of the present invitation to tender.

1.4 The MANUFACTURER shall mean the TYRE manufacturer which tenders into the contract to supply TYRES for the 2019 season of the CHAMPIONSHIP, and does not cover any subcontractor or affiliated company which is not a direct subsidiary.

The contract term is basically for one year, there is a possibility for the DMS Widi GmbH to renew

the contract annually for another year (after agreement with the MANUFACTURER), the contract can be renewed two times as maximum. The MANUFACTURER will be informed about the decision regarding the renewal until 30.09. of each year.

No “regulatory advantage“ will be afforded by the DMSB to the MANUFACTURER, i.e. the DMSB, in the performance of its role as sports authority, will not offer any special treatment or concession to the MANUFACTURER other than that which is mentioned in the current contract.

1.5 The PRODUCTION SITE shall mean the factory which will produce all the TYRES sold over the duration of the CONTRACT that will result from this tendering procedure, in order to guarantee a strictly uniform quality of manufacture.

1.6 The TYRES shall mean the subject of this invitation to tender. They must be CIK homologated (Appendix I).

1.7 SUPPLY CONDITIONS: This term shall mean the conditions under which the MANUFACTURER shall supply the TYRES to the COMPETITORS.

Each MANUFACTURER wishing to tender must describe in an appendix the specific SUPPLY CONDITIONS it is proposing.

The SUPPLY CONDITIONS must respect the absolute equality of all COMPETITORS and must define the price for supplying the TYRES for the whole duration of the CONTRACT.

A single price scale in Euro, including all the relevant taxes that are applicable for all the destinations, must be proposed.

Notwithstanding compliance with all the conditions set out in the present invitation to tender, each tenderer must obligatorily fill in the form given in Appendix II and enclose it with the tender.

The TYRES must be made available at the venue of each event in the CHAMPIONSHIP.

1.8 CONDITIONS OF THE PUBLICITY PARTNERSHIP: this term implies the conditions under which the MANUFACTURER commits to giving his financial support to the Championship in the form of a publicity partnership.

Each MANUFACTURER that wishes to tender must submit a firm and complete proposition concerning a publicity partnership, including significant advantages for the COMPETITORS and the DMS Widi GmbH and to describe in an Appendix the precise PARTNERSHIP CONDITIONS that it proposes. Each petitioner must complete the form in Appendix III and add it to the bid.

In the framework of the CONTRACT, the MANUFACTURER is entitled to undertake advertising according to the conditions set down in Appendix III and for commercial reasons to make the most of the fact that it has received the suppliers CONTRACT; it will also be entitled to be recognised in all respects as an exclusive supplier of the CHAMPIONSHIP.

However, several conditions apply to the granting of this entitlement:

i. The right to advertise an association with the CHAMPIONSHIP is always subject to the right of the DMS Widi GmbH to protect the value and integrity of the CHAMPIONSHIP and the sport. For this reason (and for this reason only), the DMS Widi GmbH reserves the right to object to the

content of any particular advertisement if the DMS Widi GmbH regards the content or nature of such advertisement or promotion to be detrimental to the interests of the CHAMPIONSHIP or the sport. In the event of such an objection, the MANUFACTURER will withdraw or modify the advertisement or promotion as appropriate. The MANUFACTURER will submit to the DMS Widi GmbH any proposed advertisement in advance for written approval.

ii. It is specifically acknowledged by the MANUFACTURER that entering into an arrangement with the DMS Widi GmbH which entitles the MANUFACTURER to advertise its association with the CHAMPIONSHIP will not prevent the DMSB from applying all sporting rules in a manner which is scrupulously fair. Therefore, nothing in this agreement will confer any advantage or right to any special treatment in the field of the DMSB's regulatory control over the CHAMPIONSHIP.

iii. To ensure that there can be no conflict of interest, the MANUFACTURER acknowledges that, if the contract goods fail in any respect to meet the DMSB's regulatory criteria, the DMS Widi GmbH will apply whatever sanction or penalty is appropriate notwithstanding the terms of this agreement. Nothing in this contract may be cited as any defence to an infraction of any of the DMSB's rules or the International Sporting Code and no warranty or expectation arises as a result of this agreement that the contract goods comply with any sporting rule. Nothing in this agreement can be regarded as limiting in any way the DMSB's discretion to take regulatory decisions.

1.9 The CONTRACT shall mean the TYRE supply and publicity partnership CONTRACT to be signed between the selected MANUFACTURER and DMS Widi GmbH upon completion of this tendering procedure.

In order to ensure that the TYRES are available on the date set out in the present invitation to tender, the selected TYRE MANUFACTURER has four weeks counting from the notification of the draft CONTRACT in which to send any comments and to supply the documents necessary for the finalisation of the contract. If this time limit is not respected, the DMS Widi GmbH reserves the right to revise its position on the awarding of the CONTRACT resulting from the invitation to tender, without it being possible for any legal action to be taken against it.

In any case, the selected TYRE MANUFACTURER must make all due haste to ensure that the CONTRACT is finalised before the date on which the TYRES are to be available, as set out in this invitation to tender.

2. RELATIONS BETWEEN THE MANUFACTURER AND THE COMPETITORS

This invitation to tender does not govern the private relationship between the COMPETITORS and the MANUFACTURER

However, this invitation to tender does require that the MANUFACTURER sells the COMPETITORS the TYRES necessary for the free practise on Friday before each CHAMPIONSHIP event at the same price as the TYRES for the EVENTS.

The solvency of the COMPETITORS is not in any way guaranteed by the CONTRACT which shall result from this invitation to tender.

3. SUBCONTRACTING

The CONTRACT may not be assigned or transferred under any circumstances whatsoever without the express agreement of the DMS Widi GmbH; this condition also applies to subcontracting.

However, this express agreement is not required in the case of the assignment, transfer or

subcontracting of the contract to a direct subsidiary of the MANUFACTURER.

4. GUARANTEE OF THE CORRECT EXECUTION OF THIS CONTRACT

4.1 The MANUFACTURER which enters into the contract once its tender has been accepted must produce an attestation certifying that an insurance policy has been contracted in its name with a top-ranking international insurance company, these document covering both its liability as MANUFACTURER for any and all action which might be taken to obtain compensation for prejudice caused by a manufacturing defect affecting the TYRES used pursuant to the CONTRACT, and its liability in the event that it fails to supply the quantity of TYRES required for the CHAMPIONSHIP (see article 6.2).

4.2 The insurance cover is to guarantee the solvency of the MANUFACTURER in the event that the MANUFACTURER is held liable and must compensate third parties pursuant to a court decision or an amicable settlement following legal action taken to enforce the guarantee of either the MANUFACTURER or the DMS Widi GmbH.

5. GOVERNING LAW AND LANGUAGE

5.1 All documents in connection with this invitation to tender shall be drafted in English or German. The language which shall prevail for the Interpretation of the provisions of the CONTRACT will be determined according to the selected supplier.

5.2 The governing law shall be German Law. It shall apply to this invitation to tender, as well as to the CONTRACT.

5.3 The Court having jurisdiction to settle any dispute which may arise between the DMSB, DMS Widi GmbH, the MANUFACTURER and the COMPETITORS in connection with this invitation to tender and the ensuing CONTRACT, regardless of which parties are in dispute, shall be the responsible authorized court in Frankfurt a. M. / Germany.

6. FAILURE TO SUPPLY

6.1 If the MANUFACTURER cannot meet the demand of the COMPETITORS and has not provided for a production capacity allowing it to meet the demand of the entered karts, the MANUFACTURER shall be liable for all costs, damages, legal expenses, etc., which this failure to supply has entailed.

Therefore, at the time the CONTRACT is entered into, the MANUFACTURER must present a blanket insurance policy covering its liability in the event that it fails to supply the quantity of TYRES required for the CHAMPIONSHIP (see Article 4.1).

6.2 The CONTRACT shall contain the following clause releasing the MANUFACTURER from liability if such failure to supply is due to a force majeure event:

“In the event that the MANUFACTURER is unable to supply the quantities of TYRES required for the competitions in accordance with the provisions of this CONTRACT, the MANUFACTURER shall not be liable if such failure to supply is due to a force majeure event, such as war, insurrection, earthquake, not, or depletion of stocks of raw materials, if such depletion affects all the companies which are rivals of the MANUFACTURER and blocks the entire industrial production of racing TYRES.

Depletion of stocks of raw materials which does not affect the entire TYRE manufacturing industry shall not be considered a force majeure event. Strikes and other social strike or problems which prevent manufacture of the TYRES in the factories of the MANUFACTURER are also not considered to be force majeure events.“

No occurrence other than the force majeure events referred to above shall release the MANUFACTURER from liability in case of failure to supply.

7. TENDERS

7.1 Tenders may be submitted in a closed and sealed envelope addressed to:

DMSB – Deutscher Motor Sport Bund e.V.
Silke Langhorst
Hahnstraße 70
60528 Frankfurt
Germany

or by E-Mail to slanghorst@dmsb.de

and should arrive there no later than 2 pm on **30th November 2018**.

A receipt shall automatically be issued to the tenderer and shall serve as an acknowledgement of receipt.

7.2 Any envelope received after this date shall not be opened and shall be sent back to the sender.

7.3 The selection of the candidate to be retained after this invitation to tender will be the responsibility of the DMS Widi GmbH.

7.4 Among other criteria, the DMS Widi GmbH will also consider the performance of the product.

7.5 The selected tenderer shall be informed by fax/e-mail no later than **03th December 2018**.

8. TECHNICAL CONDITIONS

8.1 Each MANUFACTURER wishing to tender must supply TYRES that are in conformity with the technical specifications (Appendix II) and the SPORTING REGULATIONS.

8.2 The quantity of TYRES necessary for the competition shall mean the quantity necessary for:

- all the COMPETITORS taking part in the CHAMPIONSHIP
- all the events in the CHAMPIONSHIP
- for the free practise on Friday before each CHAMPIONSHIP event

The corresponding quantities and delivery rates are specified in Appendix II.

The entire production of TYRES to be used for the CHAMPIONSHIP, which are the subject of this invitation to tender, must be of a strictly uniform quality throughout the CHAMPIONSHIP, and for this reason must be produced for the complete year of the CHAMPIONSHIP.

8.3 The DMS Widi GmbH does not guarantee the MANUFACTURER a minimum quantity of TYRES to be supplied.

9. DELIVERY OF THE TYRES

The MANUFACTURER must ensure the transportation and delivery of the TYRES to each CHAMPIONSHIP event.

Concerning delivery, the DMS Widi GmbH will install one TYRE distribution centre within the precincts of each circuit.

The MANUFACTURER responding to the current invitation to tender must present a note explaining the method of delivery to the place where they will be used, with the understanding that the final possible delivery date for the TYRES is the day before the technical verifications for the Championship events.

At least one representative of the MANUFACTURER must be available throughout each event of the CHAMPIONSHIP.

List of appendix

- Appendix I: Technical Specifications
- Appendix II: Delivery conditions form
- Appendix III: Partnership conditions form

Appendix I

TECHNICAL SPECIFICATIONS APPLICABLE TO THE INVITATION TO TENDER FOR TYRE SUPPLY

DEFINITIONS

TYRES

The TYRES are defined in point 1.6 of the general conditions of this invitation to tender.

PRODUCT

Slick-tyres:

- **DKM - OK**
CIK-tyre classification „Prime“
- **DEKM – Electro-Kart**
CIK-tyre classification „Option“
- **DJKM - OK-Junior**
CIK-tyre-classification „Option“
- **DSKM - KZ2**
CIK-tyre-classification „Prime“
- **DSKC - KZ2**
CIK-tyre-classification „Prime“

Wet-tyres:

- **DKM - OK**
CIK-tyre-classification „Wet“
- **DEKM – Electro-Kart**
CIK-tyre classification „Wet“
- **DJKM - OK-Junior**
CIK-tyre-classification „Wet“
- **DSKM - KZ2**
CIK-tyre-classification „Wet“
- **DSKC - KZ2**
CIK-tyre-classification „Wet“

LONGEVITY OF THE TYRES FOR DRY CONDITIONS

It is the duty of the MANUFACTURER to consider all the conditions of use of the TYRES throughout the CHAMPIONSHIP, by referring to the Regulations and to the Calendar of events. The layout of the circuits, the possible meteorological conditions, excluding extreme weather such as might cause the event to be cancelled, the number of tyres allocated per event and the length of these must be taken into account, in order to define the proposed characteristics for the products.

LONGEVITY OF THE TYRES FOR WET CONDITIONS

In the same way, the life of the tyres for wet conditions must take into account that a complete race on a track that is totally, but not uniformly, wet, concentrating on the driving safety given by these products in conditions of heavy rain.

TECHNICAL INFORMATION

CHARACTERISTICS OF THE PROPOSED PRODUCTS PER CLASS

	Tyres for dry conditions		Tyres for wet conditions	
	Front	Rear	Front	Rear
commercial name				
commercial dimensions				
product identification				
external diameter	mm	mm	mm	mm

BARE CODE

All tyres (slick and wet) must have a unique identification (BARE CODE label, according to the CIK requirements, no duplicate codes for slick and wet tyres) applied during the production process to identify each single tyre. This BARE CODE label must be visible from the outside of the tyre.

Appendix II

CONDITIONS OF DELIVERY APPLICABLE TO THE INVITATION TO TENDER FOR THE SUPPLY OF TYRES

INFORMATION ON THE MANUFACTURER

INFORMATION ON SALES PRICES PER CLASS*

Slick Tyres DKM/DJKM/DSKM/DSKC

Price for the COMPETITORS including all taxes and costs for the competition tyres	Price for the COMPETITORS including all taxes and costs for free practice tyres

Wet Tyres DKM/DJKM/DSKM/DSKC

Price for the COMPETITORS including all taxes and costs for the competition tyres	Price for the COMPETITORS including all taxes and costs for free practice tyres

Slick Tyres DEKM**

Price for the DMS Widi GmbH including all taxes and costs

Wet Tyres DEKM**

Price for the DMS Widi GmbH including all taxes and costs

*The Price per set of tyres (slick and wet) may not exceed the usual market price level.

The TYRES are included in the DEKM inscription-fee and will be paid by **DMS Widi GmbH.

INFORMATION ON THE PLANNED SERVICE

- The logistics concerning the proposed delivery
- Type of team in charge of the logistics (importers' Service provider, etc.)
- Methods of transporting the products to the facilities used by this team.
- Methods put in place to the CHAMPIONSHIP events

The human resources put in place to run this program:

- Organisation chart
- Numbers
- Availability

The commercialisation diagram:

- Order methods
- Payment methods
- Delivery delay after ordering
- Other points

Appendix III

PARTNERSHIP CONDITIONS APPLICABLE TO THE INVITATION TO TENDER FOR THE TYRE SUPPLY

As part of this invitation to tender, the implication of the MANUFACTURER in terms of a publicity partnership for the benefit of the COMPETITORS and the CHAMPIONSHIP will be evaluated according to the following criteria:

Slick-tyres:

At each CHAMPIONSHIP event all COMPETITORS of this event must buy the following Slick-tyres from the MANUFACTURER (except DEKM):

- **DKM - OK**
CIK-tyre-classification „Prime“: Slick-tyres for Qualifying Practice, Qualifying Heats and Final Phase (4 front tyres, 4 rear tyres) plus optional for the COMPETITORS: Slick-tyres for the free practice on Friday before each CHAMPIONSHIP event
- **DEKM – Electro-Kart**
CIK-tyre-classification „Option“: Slick-tyres for Free Practice, Qualifying Practice and Final Phase (3 front tyres, 3 rear tyres)
- **DJKM – OK-Junior**
CIK-tyre-classification „Option“: Slick-tyres for Qualifying Practice, Qualifying Heats and Final Phase (3 front tyres, 3 rear tyres) plus optional for the COMPETITORS: Slick-tyres for the free practice on Friday before each CHAMPIONSHIP event
- **DSKM - KZ2**
CIK-tyre-classification „Prime“: Slick-tyres for Qualifying Practice, Qualifying Heats and Final Phase (4 front tyres, 4 rear tyres) plus optional for the COMPETITORS: Slick-tyres for the free practice on Friday before each CHAMPIONSHIP event
- **DSKC - KZ2**
CIK-tyre-classification „Prime“: Slick-tyres for Qualifying Practice, Qualifying Heats and Final Phase (4 front tyres, 4 rear tyres) plus optional for the COMPETITORS: Slick-tyres for the free practice on Friday before each CHAMPIONSHIP event

Wet-tyres:

At each CHAMPIONSHIP event all COMPETITORS of this event could buy the following wet-tyres from the MANUFACTURER (except DEKM):

- **DKM - OK**
CIK-tyre-classification „Wet“: Wet-tyres for Qualifying Practice, Qualifying Heats and Final Phase (4 front tyres, 4 rear tyres) plus optional for the COMPETITORS: Wet-tyres for the free practice on Friday before each CHAMPIONSHIP event
- **DEKM – Electro-Kart**
CIK-tyre-classification „Wet“: Wet-tyres for Free Practice, Qualifying Practice and Final Phase (2 front tyres, 2 rear tyres)
- **DJKM – OK-Junior**
CIK-tyre-classification „Wet“: Wet-tyres for Qualifying Practice, Qualifying Heats and Final Phase (4 front tyres, 4 rear tyres) plus optional for the COMPETITORS: Wet-tyres for the free practice on Friday before each CHAMPIONSHIP event
- **DSKM - KZ2**
CIK-tyre-classification „Wet“: Wet-tyres for Qualifying Practice, Qualifying Heats and Final Phase (4 front tyres, 4 rear tyres) plus optional for the COMPETITORS: Wet-tyres for the free practice on Friday before each CHAMPIONSHIP event

- **DSKC - KZ2**

CIK-tyre-classification „Wet“: Wet-tyres for Qualifying Practice, Qualifying Heats and Final Phase (4 front tyres, 4 rear tyres) plus optional for the COMPETITORS: Wet-tyres for the free practice on Friday before each CHAMPIONSHIP event

OBLIGATION TO RETURN USED TYRES

The MANUFACTURER has to take back all the used tyres which he has sold to the COMPETITORS of the CHAMPIONSHIP at each CHAMPIONSHIP event.

COMPUTER AND READING DEVICES FOR BARE CODE

The MANUFACTURER has to provide for each CHAMPIONSHIP event min. 1 Computer incl. Software and min. 4 Reading devices for the Bar code system to the DMS Widi GmbH.

PARTNERSHIP CONCERNING VISIBLE SPACES

In order to increase the value of its presence as exclusive supplier of the CHAMPIONSHIP, the DMSB reserves the following visible spaces for the MANUFACTURER:

- frontal position on the karts
- one embroidered patch on the drivers overalls at chest level (140 x 30 mm)
- a conspicuous space on the podiums back
- at the podium ceremony the drivers has to wear Caps from the MANUFACTURER
- at each CHAMPIONSHIP event the MANUFACTURER will get the possibility to brand himself with minimum 2 flags and 4 banners (max. 4m x 1m) on the circuit
- Logo to be used on all result list and forms of communication from the CHAMPIONSHIP
- Logo (and link to the MANUFACTURER) on the DKM Homepage www.kart-dm.de
- Insertion of a MANUFACTURER promotional video/logo in the DKM live-stream (if available)

The DMS Widi GmbH grants the MANUFACTURER that the visible spaces mentioned will be mandatory in the SPORTING REGULATIONS.

The MANUFACTURER is requested to make a financial offer as compensation for the availability of these areas, with an amount for the duration of the CONTRACT.

OTHER PARTNERSHIP SUGGESTIONS

The MANUFACTURER is free to suggest to the DMS Widi GmbH any other forms of increasing the value of its presence in the CHAMPIONSHIP. These suggestions will be studied, taking into account the item under consideration (banners on the circuit, billboards, driver promotion, TV, communication etc.).