

## Code of conduct for the fuel station business

### Preamble

This code of conduct aims to establish a framework that will ensure fair and constructive cooperation between the fuel station companies and the fuel station operators. The code of conduct is about the relationship between the fuel station company and the tenants of the company-owned fuel stations and is supplemented by a provision described in point IV. concerning the relationship of operators of the so-called proprietor fuel stations.

It is intended to establish a trustworthy cooperation between the fuel station company and the fuel station tenant allowing both to make use of the fuel station's market opportunities in order to reach the best possible profitability. Both parties are encouraged to show supportiveness and mutual respect.

The code of conduct is the common outcome of talks being held on the initiative of the fuel station company associations of the Federal Ministry of Economics and Energy together with the Federal Association of Independent Fuel Stations, the German Petroleum Industry Association and the UNITI Federal Association of Medium-Sized Mineral Oil Companies representing the associations of the fuel stations on one hand as well as the Federal Association of Filling Stations and Vehicle Washing Plants, the Filling Station Interest Group, the Association of the Automotive Industry in Bavaria and the Central Association of Car Service Stations representing the associations of fuel station operators on the other hand. The participating associations recommend their members to observe the principles of this code. The associations will make every effort to encourage their members to follow the advice.

### I. Initiation of contract

#### 1. Behavior in case of contract conclusion

Before entering into a contractual relationship, the fuel station companies will make a data sheet of the Federal Ministry of Economics and Energy called "*The operation of fuel stations - what should be clarified before conclusion of contract*" accessible for those who are interested in a fuel station contract for a company-owned fuel station in order to show the possible economic risks of such a contract.

## **2. Business plan**

The fuel station company will discuss a business plan with the interested party. If there is a business plan in use for a fuel station already in operation, the predecessor's data will be integrated as far as it is known and provided that it can be used according to data protection law and that transfer of data is therefore appropriate. The fuel station company will specifically refer to variations of figures or estimates. Records shall be kept and handed over to the interested party upon entering into a contractual relationship.

## **II. Principles of cooperation**

### **3. Fuel station contract**

The fuel station contract shall be set up in written form and in the German language and should be in accordance with the code of conduct. The most important rights and duties of the contract parties have to be clearly stipulated in the fuel station contract. It should also be determined what kind of costs will arise for the tenant of the fuel station. The fuel station contract is subject to German Law and the agreed place of jurisdiction will be in Germany.

If required, already existing fuel station contracts will gradually be adapted to the code of conduct.

### **4. Fair cooperation**

The fuel station company and the tenant will treat each other fairly. Their cooperation is aimed to make joint use of market opportunities so that the fuel station tenant can reach an appropriate revenue providing a livelihood.

Any modifications of the contract have to be effected in an appropriate manner by mutual agreement of both parties.

In case that the business of the tenant is temporarily affected by any negative influences beyond his control, such as road works, the fuel station company will – after being informed in written form by the tenant - check on short notice whether and to what extent the tenant will be given support. Any possible supporting measures have to be taken promptly.

**5. Consultants**

The tenants are free to choose their tax consultants and legal advisors as well as their banks. This does not exclude the possibility of the fuel station company to give recommendations for the bookkeeping system being used. In case that there are any contractual guidelines for the business transactions (e.g. conclusion of a special account agreement) the fuel station tenant has to ensure that these guidelines can be observed.

**6. Employment**

The fuel station tenant decides independently on the content of the employment relationships at the fuel station as an independent contractor. This is also valid for spouse employment or other employments with related parties/partners or relatives. On analyzing the business between the fuel station company and the fuel station tenant, e.g. on negotiations about change of conditions or support measures, the employees will be rewarded for their job with the customary remuneration for that location.

**7. Suppliers for the fuel station shop**

The fuel station company will only recommend or name suppliers who offer the fuel station tenant goods or services at conditions in line with market requirements. In determining what kind of market conditions will apply, the characteristics of the fuel station business have to be taken into account (e.g. delivery, detailed logistics).

**8. Bonuses and premiums**

Any bonuses or premiums offered as a reward have to be set up in a way that the conditions are transparent, reasonable and achievable for the fuel station tenant.

**9. Transparency of data transmission**

The fuel station company will provide information for the respective fuel station tenant of what kind of data will be collected from their station computer or the cash register system.

**iii. Termination of contract**

## **10. Protection of investment**

In case of termination of a fuel station contract based on a non-culpable conduct of the fuel station tenant, the fuel station company will support the tenant on processing his business. In particular, the company will use its best efforts on passing on the inventory of the fuel station shop to the successor, provided that the inventory is in a salable condition and is part of the recommended range of products.

The same applies for the transmission of essential investment goods and/or already existing continuing obligations specific for fuel stations. This could, for example, relate to the car wash, the video monitoring, the workshop equipment or the LED lighting.

However, the fuel station company is not obliged to assist the fuel station tenant on processing of contracts although they are associated with the fuel station, they are not specific for fuel stations, such as a leasing contract for a business car.

In case of disagreement between the withdrawing and the succeeding fuel station tenant, the fuel station company will take an active part in settling their conflicts.

In the event of closure of a fuel station, the fuel station company will try to make reasonable arrangements on an individual basis.

## **11. Transfer of a fuel station**

In view of the tenant's existing obligations according to Secs. 613a BGB the fuel station company shall inform the withdrawing fuel station tenant in time, whether the fuel station should continue its operation after termination of contract. If the case may be, the fuel station company will inform the tenant without delay about the successor's name and address and whether the company is going to take any measures into consideration relating to the change in case that they are relevant for this information according to Secs. 613a BGB (e.g. closing down of car wash or workshop, change of opening hours.)

Considering the succeeding tenant's interests, the withdrawing fuel station tenant will make sure that at the time of termination of the fuel station contract there are no employment contracts containing unusual or inappropriate contractual provisions he could be held responsible for.

## **12. Final accounting**

The fuel station company will quickly draw up the final statement of account, but not later than ten weeks after transfer of the fuel station. If drawing up of final accounting within ten weeks is impossible for reasons beyond their control, an interim financial statement shall be created by this time. Final accounting will be created without delay once the reasons no longer apply.

Immediately after drawing up of final statement the fuel station company shall release securities which are not needed for covering claims. If it is not possible to draw up the final statement within ten weeks, part of the securities shall be released on request of the fuel station tenant as far as possible and provided that the security is not needed for settlement of an outstanding receivable. If partial release is not possible in this case, the fuel station company shall release the security on condition that the fuel station tenant provides for an equivalent form of security as a substitute in order to safeguard outstanding receivables.

## **IV. Owner contracts**

### **13. Principles**

The fuel station company and the operator of a partner-owned fuel station shall treat each other fairly. Clauses 3, 5, 7 to 9 and 12 shall apply for the operators of a partner-owned fuel station as well.

### **14. Easements**

The fuel station operators' contracts should provide that the fuel station company agrees to cancellation of limited easement as soon as the contractual relationship is terminated or ends due to expiration of term agreed upon, either with prior consent of fuel station company, or on request of fuel station company or due to extraordinary termination of partner contract in case of culpable breach of contract by the fuel station company.

## V. Miscellaneous

### 15. Contractual implementation

It is clearly stated that any commercial and other conditions are not subject to the code of conduct but exclusively negotiated between the respective fuel station companies and the tenants bilaterally and confidentially.

### 16. Settlement of disputes

Fuel station companies and fuel station operators will endeavor to resolve any complaints or arising differences of opinions and conflicts through fair and substantial discussions and direct negotiations which are conducted in order to reach an acceptable agreement.

Failing such an agreement, the contracting parties will discuss whether or not they might have recourse to an arbitration to facilitate out-of-court settlement of the dispute.

The associations which have signed the code of conduct will set up a common arbitration board and agree on the conditions by 30th September, 2015. In clarifying any matters of dispute arising between the contracting parties, it is optional to whether they shall either be heard before a state court or before an arbitration court.

### 17. Duration

The code of conduct shall enter into force upon signature of all associations named in the preamble.

It may be terminated by any association with a notice period of six months with effect as of the end of a calendar year but not before 31<sup>st</sup> December, 2019. The association giving notice is excluded from the code of conduct which will be continued by all other members provided that at least one association of the fuel station company and one association of tenants have not terminated the code of conduct.

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