

## PROCESS REGULATIONS

For the tender for the audiovisual media rights to the matches of the DFB-Pokal for men and the DFB-Pokal for women for the region encompassing the Federal Republic of Germany, the Republic of Austria and the Swiss Confederation during the seasons 2019/2020 to 2021/2022.

5 February 2018



## **CONTENTS**

1.	Overview of the tender process	3
1.1	Subject of the tender	3
1.2	Tender documents	3
2.	Tender process regulations	4
2.1	Registration to participate in the tender process	4
2.2	Process and timetable of the tender process	5
2.3	Amendments to the tender process regulations	6
2.4	Costs	6
3.	Submission of offers	7
3.1	Offer submission	7
3.2	Submission deadline	8
3.3	Offer content	8
3.4	Additional information	8
3.5	Binding character and validity of the Offer	8
3.6	Board approval	9
3.7	Security	9
3.8	Bidding consortium / Representation	9
3.9	Amendments to rights packages	10
3.10	Exclusion of Offers	10
4.	The DFB's decision	11
4.1	Decision criteria	11
4.2	Decision-making process	11
4.3	Contract conclusion	12
4.4	Communication / Public announcement	12
5.	Miscellaneous	13
5.1	Liability	13
5.2	Confidentiality	13
5.3	Other provisions	14

## 1. OVERVIEW OF THE TENDER PROCESS

#### 1.1 SUBJECT OF THE TENDER

The Deutsche Fußball-Bund e.V. (German Football Association, DFB) is the governing body of football in Germany. The purpose and mission of the DFB is, among other things, to determine or have a third party determine the winners of national cup competitions and to define the regulations required to this end (section 4 no. 1 h DFB Articles of Association). The DFB-Pokal matches are "national matches" organised by the DFB (section 42 no. 5 DFB Spielordnung [Game By-Laws]). Pursuant to section 52 no. 2, paragraph 2.3 of the DFB Game By-Laws, the DFB has the right to conclude contracts for television and radio broadcasts of the association matches organised by the DFB, including the DFB-Pokal matches. The same applies to the rights to all other image and sound media, current and future technical equipment of any sort and any form of program and utilisation, in particular via the Internet and other on-line services, as well as potential contract partners.

The DFB plans, within the scope of these provisions, to hold a tender process to award the audiovisual media rights to the DFB-Pokal games for the seasons 2019/2020, 2020/2021 and 2021/2022 (i.e. in the period running from 1 July 2019 to 30 June 2022) for the regions Federal Republic of Germany and Republic of Austria in German, as well as for the Swiss Confederation in German, French, Italian and Romansh.

#### 1.2 TENDER DOCUMENTS

The tender process held by DFB to award the audiovisual media rights to the aforementioned DFB-Pokal matches comprises the following tender documents:

- Process regulations with registration form and arbitration agreement
- Call for offers (including appendices, hereinafter referred to as "CFO")

The regulations and provisions contained in the tender documents simply constitute a call for offers (invitatio ad offerendum) and shall not constitute an offer by the DFB which, if accepted, would result in a contract. Rather, the regulations and provisions of the tender documents are intended to present the future contractual terms which shall not become binding contractual provisions until an offer submitted by a bidder to the DFB has been accepted by the latter.

## 2. TENDER PROCESS REGULATIONS

The process carried out by the DFB to grant the audiovisual media rights to the DFB-Pokal matches is a transparent and non-discriminatory tender process in which every bidder has the same rights and obligations. As part of this tender process, the provisions contained in these tender process regulations, in particular the following provisions and requirements, shall apply to bidders.

For this tender process, the DFB shall use the services of Infront Sports & Media AG, Grafenauweg 2, 6302 Zug, Switzerland (hereinafter referred to as "Infront"), which shall advise the DFB for the tender and whose staff designated in the tender documents has been expressly authorised by the DFB to take the actions outlined in the tender documents. In particular, Infront shall be authorised to accept offers and carry out contract negotiations with Interested Parties. Conclusion of the contract shall, however, take place directly with the DFB, which shall retain the exclusive right to make the final decision on contract content and conclusion; contract negotiations between Infront and the interested party/bidder shall merely prepare for this decision in a non-binding manner.

## 2.1 REGISTRATION TO PARTICIPATE IN THE TENDER PROCESS

In order to participate in the tender process, a company interested in acquiring rights packages must (up until submission of an offer, hereinafter referred to as an "Interested Party," after submission of an offer, hereinafter referred to as a "Bidder"), through (an) authorised agent(s):

- complete and sign the registration form for Interested Parties contained in Item 6. (hereinafter referred to as "Registration Form"),
- sign the arbitration agreement contained in Item 7., and
- initial these tender process regulations on every page.

By signing the Registration Form, an Interested Party is declaring that it:

- would like to take part in the tender process, and
- has received and read the tender process regulations and has accepted to be bound by them.

The Interested Party shall send the Registration Form along with the arbitration agreement and tender process regulations by 12/02/2018, 12:00 pm CET (receipt) by registered mail with return receipt to Infront Sports & Media AG at the following address:

Infront Sports & Media AG Dr. Mark Schillig Grafenauweg 2 6302 Zug Switzerland

This deadline is not a cut-off date, i.e. the DFB shall be entitled, but not required, to bar an Interested Party that sends the documents after expiry of the deadline from the rest of the tender process. The deadline shall be deemed to have been complied with if a signed copy in the form of a PDF document is submitted via e-mail to the e-mail address dfbpokal-medientender@infrontsports.com. In the event of a submission via e-mail, the original documents must be sent without delay by registered mail with return receipt to the above-mentioned address.

On the Registration Form, every Interested Party must:

- designate a contact person for Infront and/or the DFB who shall be authorised, on behalf of the
  Interested Party, to make declarations connected with the tender process, to take delivery of the
  tender documents for the Interested Party, to attend the information sessions for the Interested
  Party and to submit an offer to DFB for the acquisition of rights packages,
- provide information on the current technical coverage of the company in the region of the Federal Republic of Germany and/or the Republic of Austria and/or the Swiss Confederation,
- present its corporate relationships, and
- confirm whether it would like to participate in the tender process as a Broadcaster, Group of Broadcasters or Representative (see Item 3.8).

#### 2.2 PROCESS AND TIMETABLE OF THE TENDER PROCESS

Pursuant to Item 2.1, Infront shall email all of the companies which registered for the tender process a copy of the CFO so that they can submit an offer for the acquisition of one or more rights packages to the DFB. The CFO shall be sent to the Interested Parties not only in German but also in English. Nevertheless, in the event of discrepancies or contradictions compared to the German version, the latter shall in any case prevail, and in particular, the exploitation agreement shall be concluded in German.

The tender process shall be carried out by the DFB according to the following (non-binding) timetable, unless the timetable is amended by the DFB pursuant to Item 2.3:

Tender process	Date
Sending of tender process regulations (with Registration Form and arbitration agreement)	05/02/2018
Deadline for returning the signed process regulations, registration form and arbitration agreement	12/02/2018
Sending of the call for offers (including appendices)	16/02/2018
Deadline for sending questions concerning the CFO	28/02/2018
Deadline for offer submission	15/03/2018
Expiry of the Commitment Period	31/07/2018

# 2.3 AMENDMENTS TO THE TENDER PROCESS REGULATIONS

The DFB reserves the right to amend, supplement, extend and/or cancel the tender process as it sees fit, to put the rights out for tender again, to otherwise grant them and/or withdraw the regulations and provisions in the tender documents or other content, conditions and obligations in connection with the tender and/or individual or multiple rights packages from the tender process. In particular, DFB shall, if necessary, have the right after submission of the quotes to hold additional bidding rounds, giving single and/or all Bidders the opportunity to submit a new and/or another offer.

The DFB shall communicate corresponding changes to the tender process no later than three working days prior to the expiry of the offer submission deadline. A Bidder may not derive any legal claim against the DFB, its bodies or other natural or legal persons acting on the DFB's behalf (such as Infront) from an amendment to the tender, in particular not from section 311(2) of the German Civil Code (Bürgerliches Gesetzbuch, BGB) or the principle of fault in contract negotiations (culpa in contrahendo).

#### **2.4 COSTS**

Participation in the tender shall be at the Interested Parties' sole risk and expense regardless of whether or not a contract comes into being or the additional costs are based on an amendment to the tender.

## 3. SUBMISSION OF OFFERS

#### 3.1 OFFER SUBMISSION

The CFO shall contain a detailed description and overview of the rights packages and the audiovisual media rights contained therein as well as of the obligations associated with the acquisition of a rights package. Further components of the CFO include the compulsory provisions associated with the offer (including term definitions), the offer form and the implementing provisions for the basic signal.

The offer form shall contain wording according to which, the Bidder submitting the offer, by submitting said offer, simultaneously agrees to the content of the compulsory provisions associated with the offer as well as the additional appendices contained in the CFO with the term definitions, the rights packaging and the implementing provisions for the basic signal.

The Bidder accordingly agrees that the contract coming into being upon acceptance of the offer by the DFB (hereinafter referred to as the "Exploitation Agreement") shall comprise the following documents and their content:

- the offer form (contained in the appendix to the CFO);
- the compulsory provisions associated with the offer (also part of the CFO) as well as
- the additional appendices contained in the CFO with the term definitions, the rights packaging and the implementing provisions for the basic signal.

The Bidder shall be deemed to have submitted its binding offer for the acquisition of a rights package (hereinafter referred to as "Offer") by indicating electronically or in handwriting for what remuneration the Bidder would like to acquire the rights package in question, and by initialing the Offer form on every page and signing it by the Offer deadline set out in Item 3.2 by registered post with return receipt to Infront Sports & Media AG at the following address:

Infront Sports & Media AG Dr. Mark Schillig Grafenauweg 2 6302 Zug Switzerland

In order to meet the submission deadline set out in Item 3.2 it shall be sufficient to submit a signed copy in the form of a PDF document via e-mail to the e-mail address dfbpokal-medientender@infrontsports.com. In the event of a submission via e-mail, the original documents must be sent without delay by registered mail with return receipt to the above-mentioned address.

All declarations, initials and signatures must be executed in a legally-binding manner by one or more authorised agent(s) of the Bidder.

#### **3.2 SUBMISSION DEADLINE**

All Offers must be submitted to Infront by no later than 15/03/2018, at 12:00 pm CET (receipt) according to the requirements set out in these tender process regulations.

This deadline is not a cut-off date, i.e. the DFB shall be entitled, but not required, to exclude an Offer submitted after expiry of the deadline from the rest of the tender process and not to consider it when awarding the rights packages.

The DFB shall be entitled to extend the Offer deadline for all Interested Parties without giving reasons whenever such seems necessary or expedient from the DFB's point of view. The DFB shall make every endeavour to notify all Interested Parties of such an extension of the Offer submission deadline no later than three business days prior to the expiry.

#### 3.3 OFFER CONTENT

Bidders must precisely and unambiguously indicate the price guaranteed by them in Euros for the acquisition of a rights package in the Offer form.

A Bidder may submit an Offer for a single rights package or Offers for multiple or all rights packages (in accordance with the modalities described in detail in the CFO).

A Bidder's Offer must include all seasons (2019/2020 to 2021/2022, i.e. the entire period from 1 July 2019 to 30 June 2022).

By submitting an Offer, Bidders represent that all the information provided in the Offer as well as any attached documentation is accurate and complete and that they acknowledge that the Commitment Period set out in Item 3.5 is binding for them.

#### **3.4 ADDITIONAL INFORMATION**

Every Bidder shall be entitled to attach other documents in addition to those required in the Offer form to the Offer, in particular concepts for exploiting the rights packages.

Infront/DFB may, at any time, request further information, explanations and clarifications on these Offers and information.

#### 3.5 BINDING CHARACTER AND VALIDITY OF THE OFFER

An Offer shall be binding and, until 31/07/2018 at the earliest, shall be unrestrictedly and irrevocably valid and binding for the Bidder (hereinafter referred to as "Commitment Period"). An Offer may not be made subject to a right of revocation on the part of the Bidder.

The DFB shall be entitled to accept or reject the Bidder's Offer or that of other Bidders within the Commitment Period. An acceptance of an Offer from a Bidder by the DFB shall not constitute a rejection of another Bidder's Offer, i.e. every Bidder shall remain bound to its offer until the expiry of the Commitment Period, regardless of whether or not the DFB accepts another Offer before the expiry of this period.

A Bidder shall remain bound by its Offer for a rights package vis-à-vis the DFB even if the DFB gives Bidders the opportunity to submit an additional Offer and the Bidder then submits an additional Offer, or if the DFB, pursuant to Item 3.9 amends the content of the rights package and the Bidder submits an Offer for the amended rights package.

#### **3.6 BOARD APPROVAL**

An Offer may only be subject to board approval with the DFB's consent. If an Interested Party intends to subject an Offer to board approval, it must notify DFB of such in writing in order for the latter to be able to decide whether or not to approve this prior to submission of the Offer.

#### 3.7 SECURITY

The DFB reserves the right, prior to acceptance of an Offer and granting a reasonable period to comply, to request security for the Offer, e.g. through bank guarantees or bonds. If the DFB exercises this right and an Interested Party fails to meet the obligation to demonstrate this security within the period set by the DFB, the DFB shall be entitled to exclude the Interested Party from the rest of the tender process and/or not to consider the Interested Party's Offer when deciding to award the rights packages.

#### 3.8 BIDDING CONSORTIUM / REPRESENTATION

As a rule, Offers should be submitted by broadcasters that would exploit the audiovisual media rights themselves in the event of an acquisition of one or more rights package(s) (hereinafter referred to as "Broadcasters"). Joint Offers from multiple Broadcasters for the acquisition of one or more rights package(s) (hereinafter referred to as "Bidding Consortia") or Offers on behalf of other Broadcasters for the acquisition of one or more rights package(s) (hereinafter referred to as "Representation") shall be barred unless one of the following exceptions described conclusively below applies:

- multiple Broadcasters may submit a joint Offer as a Bidding Consortium if they form a group of
  Broadcasters. Multiple Broadcasters shall be considered a group of Broadcasters if they are
  associated companies pursuant to section 15 of the German Stock Corporation Act (Aktiengesetz,
  AktG) and they divide the exploitation of the audiovisual media rights in the event of an acquisition
  (hereinafter referred to as "Group of Broadcasters"). In this case, the Exploitation Agreement
  must be initialled and/or signed by all broadcasting entities in the Group of Broadcasters. Upon
  accepting an Offer from a Group of Broadcasters, the broadcasting stations in the Group of
  Broadcasters shall be obligated as joint and several debtors and entitled as joint and several
  creditors.
- A Bidder may submit an Offer as a representative of multiple Broadcasters which will divide the
  exploitation of the audiovisual media rights in the event of acquisition of one or more rights
  package(s) (hereinafter referred to as "Representative") if
- it undertakes to sub-license the audiovisual media rights exclusively to Broadcasters represented by said Representative, unless otherwise expressly agreed to in advance by the DFB, and
- its corporate shares are exclusively owned by the Broadcaster represented by the Representative.

A Representative shall be entitled to submit Offers on its own or others' behalf or for its own or others' account.

If multiple Broadcasters intend to submit an Offer as a Group of Broadcasters or to submit a joint Offer through a Representative,

- · this must be confirmed in the Registration Form,
- it must be ensured that the natural person or legal entity participating in the tender process for them is duly authorised, and
- which Broadcaster is the transmitting broadcaster.

The remaining provisions and obligations contained in the tender documents shall remain unaffected by the above.

#### **3.9 AMENDMENTS TO RIGHTS PACKAGES**

As part of the tender process, the DFB shall be entitled to amend, supplement or otherwise modify contents of the rights package at its discretion. Any significant amendment, supplement or other modification shall be communicated to all Interested Parties in a timely manner. Regardless of changes to a rights package and/or submission of a new Offer, a Bidder shall remain bound to its original Offer for the unchanged rights package.

If, in the course of the tender process, after submission of the Offers pursuant to Item 3.1 and expiry of the Offer deadline pursuant to Item 3.2, amendments, supplements or other modifications are made to the content of the rights packages, and they do not contain any significant amendment, supplement or other modification to rights package, the DFB is not obligated to communicate this change, etc. to every Bidder.

### 3.10 EXCLUSION OF OFFERS

The DFB shall be entitled not to consider Offers that do not meet the requirements in this Item 3. in the rest of the tender process and when deciding on the award of the rights packages. Restitutio in integrum or comparable restitutions shall not be required regardless of Bidder fault.

An affected Bidder may not derive any claim against the DFB, its bodies or other natural persons or legal entities acting on the DFB's behalf (such as Infront) from an exclusion from the tender process or the decision to award the rights packages, in particular not from section 311(2) BGB or the principle of fault in contract negotiations (culpa in contrahendo).

## 4. THE DFB'S DECISION

#### **4.1 DECISION CRITERIA**

The DFB shall have full discretion when evaluating the Offers received and deciding to award the rights packages to one or more Bidders. The DFB shall consider the following criteria when making its decision:

- the price quoted by the Bidder,
- the technical coverage of the Bidder,
- the strategic importance of a potential partnership with the Bidder,
- · information regarding the Bidder's expected spectator figures and market shares/ratings,
- the DFB's prior experience with the Bidder in the past,
- the Bidder's broadcasting and exploitation concept,
- the Bidder's general expertise and experience with exploiting sports media rights,
- demonstrable efforts by the Bidder to promote the sports policy and charitable objectives of the DFB,
- use of state-of-the-art forms of technical exploitation by the Bidder,
- the robustness of the Offer,
- the general capabilities of the Bidder to meet the requirements set out in the contract.

The DFB shall have and exercise full discretion when scoring and accepting the Offers and weighting and judging the criteria during the decision to award the rights packages to one or more Bidders. In particular, the DFB shall not be obligated to accept the Offer for a rights package with the highest price.

### **4.2 DECISION-MAKING PROCESS**

The DFB may determine the decision-making process for the acceptance of an Offer and the award of rights packages to one or more Bidders at its own discretion. In particular, the DFB shall be entitled:

- to modify the timing or other aspects of the tender process without prior notice,
- to hold discussions with one or more Bidders and to end, initiate or resume discussions without giving reasons,
- to accept a Bidder's Offer,
- to reject a Bidder's Offer without giving reasons,
- to give Bidders the opportunity to submit an additional Offer for the same or an amended rights package,
- to withdraw rights packages from the tender process and put new rights packages out for tender or otherwise award them, or

• not to accept any of the Offers submitted.

It is planned by the DFB that the Offers will be examined after submission by the specialist department at the DFB and Infront and that a recommendation on the Offers received and the conclusion of an Exploitation Agreement or multiple Exploitation Agreements will be put to the Executive Committee of the DFB.

The DFB shall not be obligated to accept an Offer for the rights packages put out to tender. The DFB shall be entitled to exploit non-awarded exploitation rights itself.

Failure by the DFB to accept an Offer, shall not give rise to any claims by the Bidder against the DFB, its bodies or other natural or legal persons acting on the DFB's behalf (such as Infront) from this, in particular not from section 311(2) BGB or the principle of fault in contract negotiations (culpa in contrahendo).

#### 4.3 CONTRACT CONCLUSION

Once an Offer signed by the Bidder is accepted by the DFB countersigning such Offer and submitting the same to the Bidder, a legally binding contract, namely the Exploitation Agreement, shall come into effect between the Bidder and the DFB (see also Item 3.1). The DFB intends, as soon as possible after notification of acceptance of the Bidder's Offer - i.e. in other words: after signing the Exploitation Agreement with the Bidder in question - to additionally conclude a dedicated long-form agreement which shall carry over the contractual content defined by the acceptance of the Offer and which is designed to cover any side issues not yet dealt with upon acceptance of the Offer. For clarification, it should be acknowledged that even if no long-form agreement comes into being, this shall have no legal impact on the binding character and validity of the Exploitation Agreement which came into being upon acceptance of the Offer.

#### **4.4 COMMUNICATION / PUBLIC ANNOUNCEMENT**

The DFB shall notify every Bidder whose Offer is not accepted of the DFB's decision in writing. The DFB shall not be required to justify its decisions. The DFB shall have the exclusive right to publicly announce the conclusion of a contract with a Bidder. The DFB shall agree upon the form of the announcement with the successful Bidder or Bidders.

## 5. MISCELLANEOUS

#### 5.1 LIABILITY

The DFB, its bodies or other natural persons or legal entities (such as Infront) acting on behalf of the DFB assume no liability for the accuracy or completeness of the documents and information in the tender process regulations or other documents and information provided as part of the tender process or information meetings and negotiations.

The assertion of rights and claims against the DFB, its bodies or other natural persons or legal entities acting on behalf of the DFB (such as Infront) for direct or indirect damage, losses, expenses or costs of any kind that are incurred by an Interested Party in connection with participation in the tender process shall be generally barred except in the event of demonstrably grossly negligent or intentional conduct in breach of contract. For minor negligence, the DFB shall only be liable in case of violation of obligations which are indispensable to achieving the objective of the tender process and in the strict compliance with which the Bidder must be able to trust (cardinal obligations). Liability in this case shall be limited (to the extent permitted by law) to typical and foreseeable damage excluding loss of profit. This limitation of liability shall not apply to compulsory liability for injury to life, body or health.

The DFB's rights and claims, in particular, injunctive relief and damages claims, and legal consequences shall remain unaffected by this provision.

### **5.2 CONFIDENTIALITY**

An Interested Party shall be required to keep all tender documents provided to it, in particular these tender process regulations and the Exploitation Agreement, as well as all information disclosed to it by the DFB in connection with the tender process and which are designated as confidential or are clearly recognisable as trade or corporate secrets due to other factors (hereinafter referred to as "Confidential Information"), confidential vis-à-vis third parties. This obligation shall apply without a time limit.

All information and knowledge which at the time of their provision had already been communicated in the media or otherwise known to the general public or already known to an Interested Party shall not be considered to be Confidential Information within the scope of this provision.

Disclosure of Confidential Information to third parties and any use of the Confidential Information extending beyond that required to achieve the purpose of the contract shall only be permitted with the prior written consent of the DFB. An Interested Party shall be entitled to pass on the Confidential Information to such individuals or bodies that require this information to participate in the tender process (e.g. to the corresponding Broadcasters in case of a joint Offer by a Group of Broadcasters or a Representative for multiple Broadcasters pursuant to Item 3.8), as long as these individuals or bodies agree in advance to also treat the Confidential Information confidentially as set out in this provision. An Interested Party must ensure that these individuals or bodies comply with the aforementioned obligations.

The aforementioned provisions on confidentiality shall not apply when the Confidential Information is disclosed to third parties that are professionally bound by secrecy with regard to this information, or

where the disclosure is necessary to preserve the legitimate interests of an Interested Party or an Interested Party is required to disclose the Confidential Information due to a law or an official or court order. The aforementioned provisions on confidentiality shall also not apply when Confidential Information is disclosed to Infront which is not a "third party" as defined in this provision, but rather is expressly authorised to receive such information.

#### **5.3 OTHER PROVISIONS**

There are no verbal side agreements to these tender process regulations.

These tender process regulations shall also be sent to Interested Parties in English. However, in the event of discrepancies or contradictions compared to the German version, the latter shall in any case prevail; furthermore, the arbitration agreement in German attached in Item 7. must be signed and returned.

Should any of the provisions in these tender process regulations be ineffective, this shall not affect the validity of the remaining provisions. The DFB shall replace the ineffective provision with one that comes as close as possible to the meaning and purpose of the ineffective provision in DFB's opinion. This shall also apply in case of any gap in the provisions.

All references to Items exclusively apply to sections in these tender process regulations.

Unless otherwise agreed in writing, documents, samples and other documents or data storage media attached to the Offer shall become the property of DFB without any claim to remuneration and may be used by the DFB without restriction for any purpose.

The tender process and tender documents, in particular these tender process regulations, are governed exclusively by German Law to the exclusion of private international law and the United Nation Convention on the International Sale of Goods (CISG). The place of jurisdiction for all disputes in connection with the tender process and the tender documents is Frankfurt am Main, Germany.