



PORSCHE

PUBLIC
ÖFFENTLICH

Dr. Ing. h.c. F. Porsche Aktiengesellschaft General Terms and Conditions of Purchase for Contractual Transport, Warehousing and/or Forwarding Services Status 01/2019

General Part

1. Standard conditions

- 1.1 The legal relationship between the Contractor (hereinafter "Contractor") and Dr. Ing. h.c. F. Porsche Aktiengesellschaft (hereinafter "Client") shall be in accordance with these General Terms and Conditions of Purchase and any other written agreements, including amendments and additions.
The German Freight Forwarders' Standard Terms and Conditions (ADSp) and the Contractor's General Terms and Conditions shall not apply, even if they have not been expressly rejected in specific cases.
- 1.2 The contract shall be based on the following order of precedence in the contract concluded (order and acceptance), the particular call-offs including the respective reference documents and these General Terms and Conditions of Purchase.
- 1.3 Contracts and call-offs as well as amendments and additions thereto must be concluded in writing. As well as the written form, the text form and transactions by means of an electronic system provided by the Client shall suffice.

2. Ordering, Change Request

- 2.1 If the Contractor does not accept an order placed by the Client within five working days of its receipt, the Client shall be entitled to revoke the order. Unless the Contractor objects without delay, call-offs shall be binding.
- 2.2 The Client shall be entitled to request reasonable changes to the subject matter of the contract. The Client must come to an agreement with the Contractor in this regard. The Contractor shall advise the Client without delay of the effects of any such changes. Unless changes in remuneration and time frame have been agreed in writing, the remuneration and time frame shall remain unchanged.

3. Invoicing and payment

- 3.1 As a basic principle, the Client will settle invoices using the invoicing procedure. Invoices must be submitted by the Contractor exclusively in electronic form as follows:
 - a) Direct submission of invoice via EDI in valid VDA format,
 - b) Free-of-charge entry of invoice via the group business platform www.vwgroupsupply.com => Login => Information => Tools => Finanzapplikation (FIN).
 - c) Submission of invoice via a specified provider.
 If electronic invoicing is agreed by the contracting parties, the Contractor must ensure that the original invoices are already created electronically. Information on electronic invoicing and the current EDI guidelines can be obtained from edi-rechnungswesen@porsche.de and at www.vwgroupsupply.com.
 - d) Submission of invoice via OFTP2 for transport services.
 The overall structure of the data record is specified in the tender documents on which the tender is based. These may be amended as part of an ongoing process in line with the transport used.
The Contractor shall ensure that the electronic interface has been set up by the time the services begin to be provided. The Contractor shall bear the costs of any delays in invoicing.
- 3.2 In justified exceptional cases or at the Client's request and by agreement with the Client's creditor accounts department, the Contractor shall submit its invoices in paper form to the following address:
 - Freight invoices to: Dr. Ing. h.c. F. Porsche AG, FFR2, Porscheplatz 1, D-70435 Stuttgart
 - Other invoices to: Dr. Ing. h.c. F. Porsche AG, Kreditorenbuchhaltung, Porscheplatz 1, D-70435 Stuttgart.
- 3.3 Invoices must be submitted in a form suitable for checking stating as a minimum the Porsche Contractor Number, order number, consignment reference number, transport order number, delivery note number, Porsche material number, place of unloading and name of contact in the Client's organization. All necessary invoicing documents must be attached. Invoices must be produced in accordance with German sales tax law. Accounting vouchers in the form of credit notes, debit notes and payment advice notes will be made available to the Contractor electronically via EDI or email or as a download at www.vwgroupsupply.com => Login => Informationen

=> Tools => Finanzapplikation (FIN). In exceptional cases, they will be sent by post or fax.

- 3.4 If invoicing is carried out on a time and material basis, the invoices to be submitted in accordance with the contract/call-off, or otherwise monthly in arrears, must include particulars of the number of employees that have carried out the invoiced services, the number of days worked by these employees, the daily rate for the employees whose services are the subject of the invoice, the copies of all signed timesheets which are to be produced, and a description of the expenses invoiced. Expenses shall only be reimbursed to the extent agreed in the order and, if an all-inclusive rate has not been agreed, only against proof of expenditure.
- 3.5 Payment will be made within 30 days strictly net unless otherwise expressly agreed. This period shall commence on the day on which the invoice is received but not, however, before the agreed delivery date and not before the actual shipment of the goods or the provision of the service and, if appropriate, acceptance.
- 3.6 Payment shall be made by bank transfer.
- 3.7 If deliveries or services are faulty, the Client shall be entitled to withhold payment pro rata by value until orderly completion.
- 3.8 Unless prior written approval, which shall not be unreasonably withheld, is granted by the Client, the Contractor shall not be entitled to assign its claims against the Client or to arrange for such claims to be collected by third parties. If, contrary to Sentence 1, the Contractor assigns its claim against the Client to a third party without the Client's consent, such assignment shall nevertheless be valid. The Client may, however, make payment to the Contractor or the third party at his own discretion with the effect of discharging its obligations.

4. Provision of services

State-of-the-art contractual services shall be provided with due observation of the degree of diligence usual in the industry, but at least with the diligence of a prudent businessman. The relevant statutory and official regulations must be observed. The status at the time of carrying out the respective services shall be definitive.

5. Obligation to inspect and inform

- 5.1 If the Contractor has concerns regarding the intended manner of execution or the materials, studies, preparatory work or documents provided by the Client, these must be advised in writing to the Client without undue delay. The same shall apply if the Contractor is aware or ought to be aware that other information or requirements of the Client are in error, incomplete, not clear or not suitable for execution.
- 5.2 If, while the services are being provided, changes or improvements are seen to be expedient or necessary, the Contractor must immediately inform the Client of this in writing and obtain a decision regarding a possible change to the services.
- 5.3 With justified cause (e.g. in case of non-compliance with agreements, milestones etc. by the Contractor), the Client shall be entitled to check the provision of services by the Contractor during normal business hours and inspect the materials, documents and results which are directly or indirectly associated with the services.

6. Contractor's duty to inspect goods received

The Contractor shall inspect any goods supplied to it to ensure conformity with the data on freight volume in the transport documents and shall document and notify the Client of its findings. If the transport documents do not provide information about freight volume, the Contractor must determine the volume of freight and notify the Client accordingly.

7. Deployment of staff

- 7.1 The Contractor shall only employ staff who are personally and technically qualified for carrying out the services and tasks specified in the order. The Contractor shall provide the Client with the name of a contact person responsible for the orders/representative with whom necessary agreements relating to the subject matter of the contract are to be concluded.
- 7.2 The Contractor shall notify the Client in writing in advance of such contacts/representatives.

- 7.3 The Contractor is obliged to identify staff who are to be in direct contact with the Client (contact persons/representatives) to the Client in writing in advance. The Contractor is required to screen all persons that are deployed on the Client's factory premises to perform owed service before the start of contractual performance. Therefore, the last name, first name, date and place of birth are to be verified against sanctions lists pursuant to Council Regulations (EEC) No. 2580/2001, No. 881/2002 and No. 753/2011 as well as any amendment which has been or will be issued by the European Commission. The check has to be repeated periodically, but at a minimum once per year. The Client has the right to request proof from the Contractor that the appropriate verifications have been performed.
- 7.4 Changes to the Contractor's staff in accordance with Clause 7.2 must be notified to the Client in writing in advance. Clause 7.1 applies analogously to the replacement of Contractor's staff. The Contractor shall be responsible for the consequences in this respect, in particular all costs for replacing staff and the familiarization of replacement staff.
- 7.5 The contractual services shall be provided under the responsible management of the Contractor. The Contractor shall retain sole technical, personal and disciplinary authority for the staff employed by the Contractor within the framework of the subject matter of the contract.
- 7.6 If foreign staff are employed, the Contractor shall ensure that they have a valid residence title which entitles them to engage in gainful employment. A valid work permit in accordance with the currently applicable regulations must be presented to the Client on request.

8. Subcontractors

- 8.1 Except in the case of specific shipments or procurements the Contractor shall not be authorised to arrange for planning and organisational services, or parts thereof, to be provided by subcontractors. Exceptions shall require the prior written agreement of the Client. The Contractor shall bear responsibility in all cases for the selection of suitable subcontractors and shall only select subcontractors which it knows to be reliable.
- 8.2 In all cases, when using subcontractors, the Contractor must observe the relevant laws and regulations, in particular the employment and social security laws. The Contractor shall indemnify the Client against all claims by third parties in connection with the use of subcontractors. The Contractor shall be liable for the actions and omissions of subcontractors as well as for its own actions and omissions.

9. Minimum wage

- 9.1 The Contractor shall undertake to pay its employees at least the statutorily prescribed or contractually agreed minimum wage.
- 9.2 Further, the Contractor shall undertake only to employ such subcontractors that likewise contractually undertake to pay at least the statutorily prescribed or contractually agreed minimum wage to their employees
- 9.3 The Contractor shall place the subcontractors instructed by it under obligation in accordance with Clause 9.2.
- 9.4 In the event of an infringement of the provisions of the Minimum Wage Act (MiLoG), the Contractor shall undertake to comprehensively indemnify and hold harmless the Client from and against any and all obligations associated with such an infringement and also to compensate the Client for any damages resulting from a culpable infringement.
- 9.5 The same obligation shall apply to the Contractor if a subcontractor instructed by him should infringe the provisions of the Minimum Wage Act (MiLoG).
- 9.6 If a claim should be made against the Client by an employee of the Contractor for payment of the statutory minimum wage, the Contractor shall undertake to provide to the Client all information necessary for the defence against the claim and any action for payment. This shall also apply following termination of the contractual relationship between the Client and the Contractor.
- 9.7 The Contractor shall guarantee to place subcontractors instructed by it under obligation in accordance with Clause 9.6 and to pass the necessary information to the Client without delay if an employee of the subcontractor lodges claims against the Client.

10. GüKG, FPersG, FPersVO

- 10.1 The Contractor is responsible for complying with the applicable laws and regulations, including but not limited to drivers' driving times and rest periods. Legal loading gauges and axle loads must be complied with, subject to any special permits.
- 10.2 The Contractor warrants that it holds the permits and authorisation required under the most recently amended German Road Haulage Act (GüKG) for the purpose of providing the service (including but not limited to the permit under section 3 GüKG, the Community license, approval under the CEMT Resolution, CEMT relocation authorization, the Swiss license for commercial road haulage and third state approval under section 6 GüKG). The Contractor also warrants that it only deploys drivers within the meaning of section 7b (1) GüKG if the conditions in this regulation and the Residence Act (AufenthG) are met. The Contractor also guarantees compliance with

the carrying requirements in section 7b (1) and (2) GüKG.

- 10.3 The Contractor is required under section 7c GüKG (Contractor's responsibility) to demonstrate to the Client on demand that it meets the above requirements under the GüKG. Evidence, i.e. in the form of documents, shall be submitted to the Client for inspection.
- 10.4 If the Contractor deploys subcontractors (executing freight carriers), it shall also impose a contractual obligation on such subcontractors to comply with the obligations detailed in this section.
- 10.5 The Contractor shall be liable to the Client for losses arising from infringements of these provisions and shall indemnify the Client against third party claims for damages.

11. Hazardous goods

The Contractor is responsible for compliance with all applicable national and international laws and regulations concerning the transportation of dangerous and environmentally hazardous materials. The latest version of these provisions applies. The mixed loading prohibition under GGVS/ADR applies in particular. The Contractor shall ensure that only trained and/or instructed personnel are deployed in accordance with the applicable regulations. The Contractor's expertise shall be demonstrated by submitting certificates in advance. The Client shall be entitled to arrange for the Contractor's expertise to be evaluated, e.g. audited, at any time, including by third parties service providers who have undertaken to maintain confidentiality.

12. Dates and deadlines, Penalties

- 12.1 The timescales and effective dates (hereinafter "Milestones") for services and deliveries are defined in the contract/call-off, including reference documents, or in a separate written agreement, and are binding. As soon as one of the contracting parties notices that the agreed Milestones cannot be maintained, it shall inform the other contracting party immediately and provide reasons for the delay. The contracting parties shall jointly discuss the effects of exceeding the schedule and possible remedies. Unless otherwise agreed, the statutory regulations for default shall apply in the event of changes to the time schedule initiated by the Contractor.
- 12.2 If a penalty for delays which are the responsibility of the Contractor has been agreed in the contracts/call-offs, the Client reserves the right to lodge a claim for damages. The right to demand payment of an agreed penalty shall not be forfeited by the fact that the penalty was not expressly reserved when accepting the delayed delivery. However, the reservation must be declared by the Client at the latest on payment for the delayed service. A paid penalty is to be deducted from claims for damages for delay, if the penalty and the damages are based on the same delay.

13. Risk of abnormally large losses

The Client states explicitly that it runs the risk of abnormally large losses if failure to comply with delivery periods leads to interruptions in production.

14. Contractor's unlimited liability

Statutory and contractual limits on liability shall not apply if the losses are the result of wilful intent or gross negligence or fundamental breach of contract by the Contractor.

15. Insurance

- 15.1 The Contractor shall obtain insurance at market conditions to cover its liability and shall maintain such insurance cover for the duration of the contract.
- 15.2 The Contractor shall furnish proof to the Client of continued liability insurance cover at the latter's request.

16. Force majeure

Force majeure, labour disputes, civil disturbances, action by official bodies and other unforeseeable, unavoidable and serious occurrences shall release the contracting parties for the duration of the problem and, to the extent affected by such occurrences, from their duties to perform. The contracting parties shall, wherever reasonably possible, be required to immediately provide the required information and adjust their obligations to suit the changed conditions in good faith.

17. Free-issue items

The Client retains the right to ownership of items free-issued by it. Processing or alteration shall be carried out by the Contractor for the Client. If the free-issue items are processed or mixed with other items which do not belong to the Client, the Client shall acquire joint ownership of the new item in the ratio of the value of the items he has provided to the other processed or mixed objects at the time of processing. If mixing takes place in such a manner that the Contractor's item is seen as the principal item, the Contractor herewith transfers to the Client proportional joint ownership of the principal item. The Client herewith accepts the transfer. The Contractor shall hold the sole or joint ownership free of charge for the Client.

18. Termination and end of contract

- 18.1 If the Contractor is providing a work and labour service, the Client may terminate the entire contract or parts thereof at any time or, in the case of continuous service, only by giving reasonable notice. If the Contractor is not responsible for the termination, its entitlement to remuneration shall be based on the statutory provisions with the provision that the assumption according to § 648 sent. 3 of the German Civil Code (BGB) is limited to 2.5% unless the Contractor provides evidence of a higher amount. If termination occurs for good reason without notice, the Contractor shall only be entitled to remuneration for the services which have been completed and demonstrated up to the time of termination if the use of these services is acceptable to the Client and the services are usable. Otherwise, there shall be no entitlement to remuneration.
- 18.2 If the Contractor is providing a service, the Client may terminate the contract or parts thereof at any time. If the termination is based on an action by the Contractor which contravenes the contract and which is the responsibility of the Contractor, or if the Contractor itself terminates the contract without being prompted to do so by an action by the Client which contravenes the contract, only those services which have been provided up to then in accordance with the contract and which have been completed and demonstrated shall be remunerated as long as these can be used by the Client. The Client's right to claim for damages remains unaffected. If the reasons for the termination are not the responsibility of the Contractor, the Client shall reimburse the expenses which can be shown to have been incurred and which result directly from the contract, including the costs arising from commitments which cannot accordingly be resolved. The Contractor shall not be entitled to further claims for performance or for damages in the event of termination.
- 18.3 On completion of the service agreed in the purchase order or following a termination, without prompting, the Contractor must hand over all results of the services as well as the documents including parts, samples and digital data media loaned to it by the Client. A right of retention to these documents shall only apply on account of undisputed or legally binding claims arising from the same legal relationship.
- 18.4 Any notice of termination must be given in writing

16. Confidentiality, Information security

- 16.1 The Contractor shall treat all commercial and technical details which are not common knowledge and to which it becomes party in the context of the business relationship as trade secrets.
- 16.2 Drawings, models, templates, samples and other similar items which are the property of the Client may neither be supplied nor in any other way made accessible to unauthorized third parties. Such items may only be reproduced where such reproduction is essential to meet operational requirements and if permitted by the applicable copyright provisions.
- 16.3 Subcontractors shall be placed under a corresponding obligation.
- 16.4 The Contractor may only refer to the business relationship in advertising with the prior written consent of the Client.
- 16.5 The Contractor undertakes to take the current state-of-the-art measures to protect with immediate effect all of the Client's information and data against unauthorised access, manipulation, destruction or loss, prohibited transmission or any other prohibited processing or other misuse. The full range of current recognized state-of-the-art precautions and measures must be taken to back up Client data and to ensure that data stocks are at all times archived and can be restored in compliance with the law and at no risk of loss.

20. Data Protection, Attribution of data

- 20.1 If the Contractor gains access to personal data during the performance of the contract services, it shall comply with the applicable data protection regulations, in particular collect, process and/or use personal data exclusively for the purpose of the performance of the contract services (purpose), obligate its employees to data secrecy and instruct them on the data protection regulations to be observed.
- 20.2 The Contractor acknowledges that all data created at the Client, the Contractor, the end customer or another third party from or in connection with use of the subject matter of the agreement shall be attributed to the Client, if the end customer or another third party is not entitled to it under prevailing law. The Contractor shall not claim ownership of or any other rights to this data and shall not use the data in particular for big data purposes, such as for collecting data, creating databases or conducting data analyses. The right of the Contractor to use the data for fulfilling this

agreement, where it is required for that purpose, shall remain unaffected.

21. Right of retention and lien

- 21.1 The Contractor shall waive the right to retain or exercise a lien.
- 21.2 The Contractor waives the offsetting of its claims to remuneration against any claims for compensation held by the Client.

22. Compliance and sustainability

- 22.1 The Contractor shall take all necessary and appropriate measures to combat corruption and avoid any other violation of the law, in particular violations of the provisions against antitrust law, competition law, environmental protection law, customs law, foreign trade law and of employees' rights. The Contractor shall take the appropriate organizational (including, but not limited to, appropriate legal or contractual) measures to prevent his legal representatives, employees, subcontractors, consultants or other third parties acting on his behalf from becoming liable to prosecution for committing or failing to act in light of, for example, bribery, corruptibility, granting of undue benefits, acceptance of undue benefits, money laundering, fraud or embezzlement.
- 22.2 In the event of an infringement of these obligations relating to the performance of this contract, or if sufficient reason exists to suspect such an infringement in relation to this contract, the Contractor must inform the Client without undue delay and inform him which measures he is taking to remedy such infringement and prevent future violations. If the Contractor fails to inform the Client without undue delay or to take appropriate remedial measures within 60 days of learning of the situation, the Client shall be entitled to terminate the relevant contract without notice or to end the entire business relationship immediately. The Contractor shall indemnify, defend, and hold the Client, its directors, officers, agents and employees harmless from any and all claims, causes of action, losses, damages, liabilities, costs and expenses, including attorneys' fees, to the extent arising from any breach of the obligations under this section; provided, however, that Contractor shall not be obligated to indemnify, defend, or hold harmless the Client to the extent arising from negligent or intentionally wrongful acts of the Client or anyone for whom the Client is responsible.
- 22.3 The "Requirements of the Volkswagen Group regarding sustainability in its relationships with business partners (Code of Conduct for Business Partners)" available at www.vwgroupsupply.com also apply
- 22.4 If the Client or the public authorities require access to the production process and/or the service provision process and to the Contractor's documents and processes related to an order for the purpose of verifying certain requirements, the Contractor shall undertake to allow such a verification and/or audit in its domain and to provide all reasonable support.

23. General Provisions

- 23.1 The Contractor shall notify the Client in good time of any threatening or existing payment difficulties or possible insolvency.
If the economic situation of a contractual party deteriorates in such a way that the fulfilment of the contract is seriously endangered, the other contractual party shall be entitled to withdraw from the contract for the unfulfilled part.
- 23.2 If one of the provisions of these terms and of additional agreements are or become ineffective, this shall not affect the validity of the remaining provisions. The contracting parties are obliged to negotiate in good faith a rule which replaces the ineffective provision.
- 23.3 The law of the Federal Republic of Germany shall apply exclusively, unless mandatory provisions of another state or an international agreement binding on the Federal Republic of Germany conflict.
- 23.4 The exclusive court of jurisdiction shall be the Client's registered office; however, the Client retains the option of lodging claims with the court at the location of the Contractor's registered office. In the case of Article 31 CMR and Article 46 § 1 CIM, this provision shall apply as an additional provision conferring jurisdiction, in the case of Article 39 CMR, 33 MÜ, 28 WA it shall not apply.
- 23.5 These General Terms and Conditions are produced in German and English. In the event of contradictions and discrepancies between the German and the English version the German version shall prevail.

Special part

Section 1: Transport

If the Contractor has contracted to transport goods, the following provisions shall apply in addition to or alternatively to applicable law:

24. Acceptance of the goods

- 24.1 The Contractor shall notify the Client about visibly damaged goods or incomplete shipments without delay.
- 24.2 Any such reservations entered by the Contractor in the consignment note regarding

the goods and their packaging as well as the number of packages, their references and numbers shall be subject to written confirmation by the Client or local personnel. If there are no legitimate grounds for reservation or if a reservation is not confirmed by the Client or local personnel, the goods and their packaging will be assumed to have been in externally good condition at the time they were accepted for shipment and the number of packages and their references and numbers assumed to comply with the entries made in the transport documents.

24.3 The Contractor shall instruct the loader where to place the transported goods on the loading area and ensure that the goods are securely stowed and fastened for transport.

25. Delivery of the goods

25.1 If the goods are lost or visibly be damaged and if the Client or the recipient notifies the freight carrier of such loss or damage within four hours of delivery, the goods will be assumed to have been missing or damaged as notified upon delivery.

25.2 The assumption under 25.1 shall also apply if the loss or damage could not be clearly seen and the Client or recipient has notified the loss or damage to the Contractor within seven days of delivery by fax or email.

25.3 If the Contractor is the recipient of a shipment transported on the Client's behalf, the

Section 2: Arrangement of transport

If the Contractor has contracted to arrange the transport of goods, the following provisions shall apply in addition to or alternatively to applicable law:

27. Limited liability for the infringement of forwarding obligations

In order to ensure that the risk remains calculable for the Contractor, the Contractor's liability for financial damage shall be limited to €1,000,000.00 (in words: one million euros) per instance and a maximum of €2,000,000.00 (in words: two million euros) per contractual year.

Section 3: Storage

If the Contractor has contracted to store goods, the following provisions shall apply in addition to or alternatively to applicable law:

29. Contractor's obligations

29.1 Upon acceptance for storage the Contractor shall carry out receiving inspections according to references, numbers, quantity and volume of packages as well as for clearly visible damages or other defects in the goods. The Contractor may only store visibly damaged or defective goods or incomplete shipments with the Client's approval.

29.2 If the goods have been lost or are visibly damaged or defective and if the Contractor fails to notify the loss, damage or defect to the Client upon acceptance of the goods for storage at the latest, the goods shall be assumed to be complete, undamaged and free of defects. This assumption shall also apply if the loss, damage or defect was not visible and was not notified within seven days of determination of the damage, defect or incomplete quantity.

29.3 The Contractor shall carry out regular checks and shall inform the Client without delay of any damages or incomplete quantities.

29.4 The Contractor shall comply with the FIFO principle, i.e. the goods first warehoused

Contractor must unload the goods from the means of transport.

26. Liability

26.1 The following maximum limits on liability apply within the area of application subject to section 431 German Commercial Code (HGB)

- 27 units of account per kilo of the gross weight of the transported material goods
- 40 units of account per kilo of the gross weight of the transported vehicles

26.2 The same shall apply to national transport operations on roads outside Germany. Higher compensation shall be payable where stipulated under the applicable law.

26.3 The reference unit of account is the IMF's special drawing right.

26.4 The Client's liability is limited to three times the freight agreed for the relevant shipment. This limited liability shall not apply to personal injuries or damage caused intentionally or by gross negligence.

28. Liability under freight-forwarding law

The provisions of Section 1 shall apply where the Contractor is subject to the rights and obligations of a freight carrier or shipper.

are also the first goods to be retrieved later.

29.5 The Contractor shall keep a warehouse book or operate a corresponding warehouse management system and shall document all receipts and issues for verification by the Client. The Contractor shall perform a physical inventory no later than November of each year in the Client's presence. The cost of negative differences in stock shall be borne by the Contractor. Additional amounts remain the Client's property and shall be identified as such separately by the Contractor.

29.6 Goods which are visibly damaged may only be delivered in consultation with the Client.

30. Property insurance

The stored property shall be covered by a "first loss" all-risk property insurance for €5,000,000.00 (in words: five million euros) which shall be payable solely to the Client. The Client shall provide the information required for this purpose in good time. The Contractor shall furnish proof to the Client of continued insurance cover at the latter's request.

31. Loss handling

The Contractor shall keep loss statistics and make these available to the Client on a regular basis.