Digital Container Shipping Association Agreement

FMC Agreement No. 201288

A Cooperative Working Arrangement

Expiration Date: See Article 8
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ARTICLE 1: FULL NAME OF THE AGREEMENT

1.1 The full name of this agreement is the Digital Container Shipping Association Agreement (hereinafter referred to as the “Agreement”).

ARTICLE 2: PURPOSE OF THE AGREEMENT

2.1 The purpose of the Agreement is to permit the parties to discuss, develop, adopt, maintain, revise, and utilize common or compatible information technology standards for the creation, transmission, and/or storage of information and/or documents related to the receipt, handling, delivery, and/or storage of property between participants in the international ocean transportation supply chain. None of the standards agreed shall be binding for the Active Members, Participants, or third parties.

ARTICLE 3: PARTIES TO THE AGREEMENT

3.1 The parties to the Agreement shall be:

(a) The Active Members of the association, as defined in Article 7.1;

(b) The Regulated Participants of the association, as defined in Article 7.3 (together, the Active Members and the Regulated Participants are referred to herein as the “Parties”).

ARTICLE 4: GEOGRAPHIC SCOPE OF THE AGREEMENT

4.1 This Agreement covers the trades between all United States ports and points on the one hand and all foreign ports and points on the other hand (the “Trade”). It is acknowledged
and understood that any standard developed or agreed upon under the authority of this Agreement may be used in trades other than those involving the foreign commerce of the United States.

ARTICLE 5: AGREEMENT AUTHORITY

5.1  (a) The Active Members are authorized to form, own, operate, and dissolve the Digital Container Shipping Association (“DCSA”) as a separate legal entity under Dutch law to carry out the authorities set forth herein, and are authorized to discuss and agree on all aspects of the structure, authority and operation, and dissolution of DCSA, including capitalization, funding of ongoing operations and projects, allocation of costs, membership dues and assessments, payment terms for amounts owed to the organization, the rules and procedures for determining which projects the group will undertake, ownership, administration, staffing, and facilities of DCSA. The Active Members are authorized to cause DCSA to contract with employees and third parties such as vendors, software developers, or consultants.

(b) The corporate documents creating and/or governing the DCSA may include provisions dealing with the rights (including intellectual property rights), liabilities and indemnities among the Parties, and between the Parties and others.
5.2 The Parties in their capacity as Active Members or Regulated Participants of the DCSA and acting within the DCSA, are authorized to:

(a) meet, discuss, exchange information and data, negotiate, and agree upon all matters related to the development, establishment, standardization, and harmonization of terminology, guidelines, and standards for information technology utilized in any aspect of the movement of containers or services ancillary thereto, including the exchange of container data in the internet of things, data security, software, blockchain, electronic communications (including communications with and provision of data to customs authorities, communications between carriers/vessels and terminals or other facilities, communications between carriers and customers, and communications between carriers in different transport modes), and electronic bills of lading and/or other transportation related documents. The Parties are authorized to maintain and revise such standards as they may agree from time to time.

(b) exchange, develop and contract for the development and/or provision of information, statistics, reports, studies, technology, software, and other data pertinent to matters within the scope of Article 5.2.

(c) meet with shippers, logistics providers, operators of other modes of transportation, the owners or operators of terminals, inland depots, and other facilities, vendors, software and hardware developers, consultants, experts, and government officials to discuss and agree upon matters within the scope of Article 5.2; provided, however, that any such non-regulated entity's participation in activities under this Agreement does not bring it under the Commission's jurisdiction, nor does it confer antitrust immunity on the non-regulated entity under the Shipping
Act; provided further, that the participation of such non-regulated entities in activities under the Agreement shall not affect the regulatory jurisdiction of the Commission or the antitrust immunity conferred by the Shipping Act on Parties for activities under this Agreement.¹

¹ The Parties understand that pursuant to 46 U.S.C. 40307(b)(1), this authority does not provide the Parties hereto with immunity from the U.S. antitrust laws with respect to any agreement with or among air carriers, rail carriers, motor carriers, or common carriers by water relating to transportation within the United States.
5.3 Two or more Parties may discuss matters within the scope of Article 5.2 in order to further the purposes of Agreement; provided, however, that no action may be taken on any matters within the scope of Article 5.2 except in accordance with applicable voting procedures.

5.4 Participants that are not Parties may be included in some or all of the activities authorized under Article 5.2 under such circumstances and conditions as the GA may agree from time to time.

5.5 This Agreement is intended to permit the Parties to discuss and agree upon a variety of matters relating to the development and harmonization of information technologies and standards. While the Parties intend to limit their discussions and agreements to matters of an operational nature, it is recognized that certain agreements reached hereunder may impact commercial terms. Notwithstanding the foregoing, this Agreement does not provide authority for the Parties to discuss or agree upon rates to be charged to shippers for transport services or other terms and conditions of ocean or intermodal transportation (other than those incidentally impacted by the discussions/agreements authorized hereunder). Furthermore, nothing in this Article 5 shall be construed as authorizing the Parties to violate the proscriptions of Section 10(b)(14) of the U.S. Shipping Act of 1984, as amended (the “Shipping Act”) (46 U.S.C. § 41103(a)) having to do with the unauthorized exchange of certain confidential business information relating to shippers, consignees, and common carriers or the antitrust laws of any jurisdiction to which the association may be subject.
ARTICLE 6: OFFICIALS OF THE AGREEMENT AND DELEGATIONS OF AUTHORITY

6.1 The DCSA shall be governed by a General Assembly ("GA") comprised of the Active Members, each represented by one representative. The activities of the GA shall be conducted in accordance with Appendix B hereto.

6.2 The GA shall from time to time elect a Board of Supervisory Directors and a Chairman and Vice Chairman of the Board. The activities of the Board of Supervisory Directors shall be conducted in accordance with Appendix C hereto.

6.3 The GA shall, from time to time, appoint a Board of Managing Directors to exercise direction and control over the day-to-day business of the DCSA. The duties of the Board of Managing Directors shall be as set forth in Appendix D hereto.

6.4 The procedures governing the performance of projects to be undertaken by the DCSA are set forth in Appendix E.

6.5 In the event the governing corporate documents of DCSA are amended in a manner that creates a conflict or discrepancy with the terms of this Agreement, such conflict or discrepancy shall be resolved by the filing of an amendment to the Agreement reflecting the change to the governing corporate document(s). All other amendments to the Agreement require the unanimous consent of the Active Members.
6.6 The following persons shall have authority on behalf of a Party to sign and file this Agreement, any subsequent modifications thereto, and any supporting information with the Federal Maritime Commission (the “Commission”) or any other governmental entities with jurisdiction over this Agreement and to respond to any requests for information from the Commission, and such persons are also authorized to delegate such authority:

1. A designated senior executive of each Party; or

2. Legal counsel for the Agreement.

The Parties hereby consent to and authorize the filing by counsel of amendments to this Agreement which have received the unanimous consent of the Active Members.

ARTICLE 7: ACTIVE MEMBERSHIP, PARTICIPATION, WITHDRAWAL, AND EXPULSION

7.1 Entities that qualify as ocean common carriers within the meaning of the Shipping Act and that commit to be represented in the GA by an employee holding an appointment at the level of Chief Information Officer or equivalent are eligible to become active members of the DCSA (“Active Members”). Active Members shall also be Parties to this Agreement.

7.2 Entities that are ineligible to become Active Members pursuant to Article 7.1, may, subject to the approval of the GA, become participants in the activities undertaken by the DCSA (“Participants”). Participants shall have no right to vote on DCSA matters.

7.3 Participants that are regulated by the Commission (“Regulated Participants”) shall become Parties to this Agreement. Participants that are not regulated by the Commission will
not become Parties to this Agreement, provided, however, that any such non-regulated entity's participation in activities under this Agreement does not bring it under the Commission's jurisdiction, nor does it confer antitrust immunity on the non-regulated entity under the Shipping Act; provided further, that the participation of such non-regulated entities in activities under the Agreement shall not affect the regulatory jurisdiction of the Commission or the antitrust immunity conferred by the Shipping Act on Parties for activities under this Agreement.

7.4 The procedures for admission as an Active Member or Participant are set forth in Appendix F. Membership of Active Members and Regulated Participants in this Agreement shall be subject to the filing and effectiveness of an appropriate amendment hereto.

7.5 The procedures for withdrawal by and expulsion of a Party are set forth in Appendix F.

ARTICLE 8: DURATION AND TERMINATION

8.1 Subject to Articles 8.1 and 8.2, this Agreement shall continue in effect indefinitely.

8.2 The Agreement shall terminate upon completion of the liquidation of the DCSA under Dutch Law.

8.3 The DCSA shall be terminated by resolution of a GA, approved in writing by two-thirds of all the Active Members, which resolution shall set the effective date for dissolution and provide for the disbursement of any net remaining assets.
ARTICLE 9: APPLICABLE LAW AND DISPUTE RESOLUTION

9.1 This Agreement is to be governed by and construed in accordance with the law of the Netherlands; provided, however, that nothing herein shall relieve the Parties of their obligation to comply with the Shipping Act.

9.2 All disputes arising out of or relating to this Agreement shall be finally settled under the Rules of Arbitration of the International Chamber of Commerce by one or more arbitrators appointed in accordance with said Rules. The arbitration shall be held in the Netherlands. The language of the arbitration shall be English. The decision of the arbitrator or arbitrators, as applicable, shall be final and binding. Judgment on the award rendered by the arbitrator(s) may be entered by any court having jurisdiction thereof or having jurisdiction over the relevant party or its assets.
Digital Container Shipping Association Agreement
FMC Agreement No.

SIGNATURE PAGE

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed by
their duly authorized representatives as of this 25th day of January, 2019.

Maersk Line A/S

Name
Title

Hapag-Lloyd AG

Name
Title

CMA CGM S.A.

Name
Title

MSC Mediterranean Shipping Company S.A.

Name
Title

Ocean Network Express Pte. Ltd.

Name
Title
IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed by
their duly authorized representatives as of this 25th day of January, 2019.

Maersk Line A/S

Name
Title

Hapag-Lloyd AG

Name
Title

CMA CGM S.A.

Name
Title

MSC Mediterranean Shipping Company S.A.

Name
Title

Ocean Network Express Pte. Ltd.

Name
Title
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Maersk Line A/S

Name
Title

Hapag-Lloyd AG

Name
Title

CMA CGM S.A.

Name
Title

MSC Mediterranean Shipping Company S.A.

Name
Title

Ocean Network Express Pte. Ltd.

Name
Title

Noriaki Yamaga
Managing Director
IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed by their duly authorized representatives as of this 25th day of January 2019.

Maersk Line A/S

Name
Title

Hapag-Lloyd AG

Name
Title

CMA CGM S.A.

Name
Title

MSC Mediterranean Shipping Company S.A.

Name
Title

Ocean Network Express Pte. Ltd.

Name
Title
Digital Container Shipping Association Agreement
FMC Agreement No.

SIGNATURE PAGE

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed by their duly authorized representatives as of this 17th day of December, 2018.

Maersk Line A/S

Hapag-Lloyd AG

Name
Title

CMA CGM S.A.

MSC Mediterranean Shipping Company S.A.

Name
Title

Ocean Network Express Pte. Ltd.

Name
Title

Diogo Aponte
CHIEF EXECUTIVE OFFICER
Appendix A

I. Parties to the Agreement

1. Maersk Line A/S
   50, Esplanaden
   DK-1098 Copenhagen, Denmark

2. Hapag-Lloyd AG,
   Ballindamm 25
   20095 Hamburg, Germany

3. CMA CGM S.A.
   4, Quai D'Arenc
   P.O. Box 2409 13215
   Marseilles Cedex 02 France

4. MSC Mediterranean Shipping Company S.A.
   12 – 14 Chemin Rieu
   1208 Geneva
   Switzerland

5. Ocean Network Express Pte. Ltd.
   7 Straights View
   #16-01 Marina One East Tower
   Singapore 018936

II. Regulated Participants

[NONE]
Appendix B

The General Assembly

A. General Assembly (GA)

The GA is the highest governing body of DCSA. Access to the GA is restricted to the Active Members.

1. Meetings

The GA shall comprise of the Active Members, each represented by one representative. Such representative shall be a natural person holding an appointment at the level of Chief Information Officer or equivalent position in the organization of an Active Member.

A majority of Active Members registered at a GA shall constitute a quorum for the duration of that GA.

2. Powers and Duties

In addition to any other authorities as set forth in the applicable laws or this Agreement, the GA shall:

a. Resolve on election of the members of the Supervisory Board, the Chairman and the Vice-Chairperson of the Supervisory Board based on the bi-annual nominations from the Active Members;

b. Resolve on election of the members of the Management Board;

c. Approve the establishment of DCSA conferences and such groups as it considers appropriate, approve the rules and regulations of such groups or authorizing any such group to adopt its own rules and regulations, including appointment of chairperson for such groups;

d. Approve the reports of the Supervisory Board, the Management Board and the working groups and conferences of DCSA;

e. Approve projects of DCSA, including the relevant financial boundaries thereof, such as budget and contributions, and the project leadership;

f. Approve the admission of new Active Members or Participants and expulsion of the Active Members or Participants of DCSA;
g. Approve agreements between DCSA and other organizations or other trade associations at digital level;

h. Resolve on the amendment to DCSA’s articles of association and other internal regulations approved by the GA;

i. Approve the annual corporate budget of DCSA;

j. Adopt the (audited) annual accounts of DCSA;

k. On the recommendation of the Supervisory Board, approve the applicable fees and contributions of the Active Members and Participants;

l. On the recommendation of the Supervisory Board, approve the currency or currencies in which, and the time by which, such fees and contributions shall be payable by the Active Members and Participants;

m. Resolve on the appointment of an external auditor;

n. Resolve on the dissolution of the DCSA and all related issues requiring a GA decision according to the law in force, among others the nomination of liquidator(s) and the utilization of net assets remaining after settling all obligations of the DCSA.

3. Voting

a. Majority Vote

At any GA, each Active Member shall be entitled to vote, and shall vote with a number of votes proportional to the following:

i. If the number of the Active Members is less or equal to 6, each Active Member shall have one vote.

ii. If the number of the Active Members exceeds 6 or if otherwise agreed at the GA, each Active Member shall have a proportional vote equal to that Active Member’s gross TEU capacity share (as published by alphaliner.com) of the total amount of the Active Members’ gross TEU capacity, provided however that each Active Member shall have at least one vote. Capacity share and voting rights shall be calculated at the beginning of each calendar year and when one or more Active Members is admitted to or withdrawn from or expelled from DCSA.

Unless otherwise stipulated herein, the GA shall adopt its resolutions by a 2/3 majority of the votes cast of those registered and present at the meeting.

If the GA resolves to approve a proposed project, the contributions for such project shall also apply to those Active Members who voted “against” such resolution.
b. Other Voting Rules

Without prejudice to the above mentioned, at any GA resolving on the matters listed below, each Active Member shall be entitled to cast one vote and the resolution shall be adopted by a simple majority of the votes cast of those registered and present at the meeting:

a) Election of the Chairperson of the Supervisory Board
b) Appointment of an external auditor
c) Approval of the annual accounts of DCSA and annual corporate budget
d) Admission of new Active Members or Participants
Appendix C

The Board of Supervisory Directors (the “Supervisory Board”)

A. Members of the Supervisory Board

The Supervisory Board shall be composed of not more than six (6) persons elected by the GA. To be eligible for election as a member of the Supervisory Board, an individual must:

1. Hold one of the following positions at an Active Member, or similar, allowing for difference of nomenclature:
   - Chair of the board;
   - President of the company;
   - Chief executive;
   - Managing director;
   - Chief Information Officer
   - Senior or Executive Vice President
   - Chief Technology Officer

2. Have the requisite knowledge of and experience in the container shipping industry.

Should a vacancy arise on the Supervisory Board, the Supervisory Board shall elect a replacement from among the representatives of the Active Members, who shall hold office until the end of the next GA. A member of the Management Board cannot be simultaneously appointed as a member of the Supervisory Board.

B. Voting

1. An absolute majority of the elected members of the Supervisory Board shall constitute a quorum at each and any meeting of the Supervisory Board. The members of the Supervisory Board can participate at the meetings by means of video or telephone conference. Unless otherwise is stipulated herein, the Supervisory Board adopts its resolutions by absolute majority of votes of the Supervisory Board members present at the meeting.

2. A resolution in writing signed or approved by email or other electronic means by all the Supervisory Board members entitled to vote at a meeting of the Supervisory Board, shall be a resolution as valid as if it had been made at such meeting. The resolution shall be effective from the date of the last signature. A copy of every signed resolution shall be kept by the Management Board.
3. No Supervisory Board member may vote by proxy or be represented by another individual at a Supervisory Board meeting.

C. **Powers and Duties**

   In addition to any other authorities as set forth in the applicable laws or this Agreement, the Supervisory Board shall:

   1. Supervise the Management Board and review compliance of the Management Board activities with the DCSA policy approved by the GA;
   2. Determine term of office and remuneration of the members of the Management Board and approve the internal regulations of the Management Board;
   3. Review and make suggestions to the GA on DCSA policy within the framework of the DCSA’s governing corporate documents, this Agreement, and the decisions of the GA;
   4. Approve the agenda of the meetings of the GA;
   5. Prepare an annual report on its activities and submit it to the GA;
   6. Approve the rules and regulations of working groups of DCSA, unless these are approved by the GA;
   7. Approve the rules and regulations of any working group, unless they are approved by the GA;
   8. Recommend to the GA the fees and contributions of the Active Members and Participants, the time by which they shall be payable, and the currency or currencies in which they are to be paid;
   9. Make recommendations to the GA on admittance of new Active Members and Participants or expulsion of an Active Member or Participant;
   10. Resolve on the suspension of an Active Member or Participant;
   11. Approve the budget and utilization of fees by the Management Board. Its decision shall subsequently be approved by the GA;
   12. Approve DCSA’s strategy vis-a-vis other organizations, associations and companies.
   13. Approve DCSA’s approach vis-a-vis the digital container shipping eco-systems industry, especially on the issues of harmonization, standardization and innovation;
   14. Supervise the implementation of the decisions of the GA (in particular concerning the utilization of resources)
   15. Approve new digital policies and worldwide strategies to be presented to the GA for decision and approval;

The GA can make certain resolutions of the Supervisory Board subject to its prior approval.
D. Chairperson

1. The Chairperson of the Board shall:

   a. Convene and chair the meetings of the GA and the Supervisory Board
   b. Inform the GA and the Supervisory Board of the current status of work, summarizing the reports provided by the Management Board
   c. Represent and promote the digital strategic targets of the association to the wider world in accordance with the governing corporate documents of the DCSA.

2. Each Active Member is entitled to apply for the Chairmanship and, if elected by the GA, shall be mandated for two years. The same representative of the Active Member may be re-elected for one subsequent term of office only.

3. In case of his/her retirement from or replacement within said Active Member, the GA shall elect his/her successor for the remainder of the mandate.

4. The Vice-Chairperson shall perform the role of Chairperson in the event of the Chair's absence. The provisions of Section D shall accordingly apply to the Vice-Chairmanship.
Appendix D

The Board of Managing Directors (the “Management Board”)

A. Members of the Management Board

The Management Board shall be composed of at least one (1) person and shall exercise its authorities, day-to-day business, direction and control over the business and affairs of DCSA under the supervision of the Supervisory Board.

To be eligible as a member of the Management Board, an individual must have the requisite knowledge of and experience in the Container Shipping Industry.

Members of the Management Board shall be appointed by the GA in accordance with the articles of association of the DCSA.

B. Voting

1. If the Management Board consists of more than one member, an absolute majority of the elected members of the Management Board shall constitute a quorum at each and any meeting of the Management Board. The members of the Management Board can participate at the meetings by means of video or telephone conference. Unless otherwise is stipulated herein, the Management Board adopts its resolutions by absolute majority of votes of the members of the Management Board present at the meeting.

2. A resolution in writing signed or approved by email or other electronic means by all the Management Board members entitled to vote at a meeting of the Management Board, shall be a resolution as valid as if it had been made at such meeting. The resolution shall be effective from the date of the last signature. A copy of every signed resolution shall be kept by the Management Board.

C. Powers and Duties

In addition to any other authorities as set forth in the applicable laws or this Agreement, the Management Board shall:

1. Manage the day-to-day business of DCSA and represent DCSA in relations with third parties.
2. Coordinate with counsel with regard to the preparation of minutes of meetings of the GA;
3. Prepare the annual accounts of DCSA and submit them for approval to the Supervisory Board and the GA;
4. Propose amounts of the base fees and the base budgets;
5. Draw up proposals and/or implement proposals concerning issues to be studied in the form of projects as decided by the GA;
6. With the approval of the Supervisory Board, establish one or more working groups to advise on subjects of significant interest to the container shipping industry, appoint its members and dissolve any such working groups at any time, monitors, supervises and directs the work of such groups;
7. Monitor the work of project managers;
8. Either establish and determine the rules and regulations of any working group, or authorize any such committee to adopt its own rules and regulations;
9. Delegate, as appropriate, authority to working groups or other persons;
10. Take action on behalf of DCSA vis-à-vis third parties in all circumstances and in particular, represent DCSA in all legal proceedings, take civil action and agree on all settlements.
11. Designate a person who in the event of temporary absence of a member of the Management Board shall assume his/her responsibilities.

The GA and/or the Supervisory Board can make certain resolutions of the Management Board subject to their prior approval.
Appendix E

Projects

If the GA has decided to establish a project, a written commitment of participation, once given on the basis of the finalized project brief, shall be binding as herein defined (inter alia, for the running period, the budget and the content(s) of the project).

A. Project Roadmap and Categories

A project roadmap is maintained, containing projects in the categories of innovation, standardization and harmonization. The project roadmap serves as foundation for which projects may be executed.

The project roadmap shall be reviewed at every 2nd GA, and a vote shall take place for changes, additions, alterations and deletion of any project on the roadmap.

B. Project Delivery

Projects shall:

1. Not start work prior to approval through the GA and the approval of the project budget.
2. Be delivered in accordance with DCSA’s project delivery model.
3. Prepare an obligatory project brief, inter alia, describing a project's purpose and financial issues (budget, individual contributions of participants, conditions of payment, ownership and marketing of results, etc.) and define a duration limited in time.
4. Conduct a feasibility study as basis for the project brief if the budget of a project exceeds the amount of EUR 500,000.
5. Be managed by an appointed project manager under monitoring of the Management Board.
6. Report through the project manager to the Management Board and Supervisory Board.
7. Be included in the respective annual corporate budget as project costs.

C. Project Support

The DCSA departments shall act as normal service providers for all adopted projects after closure, subject to their available resources and the acceptance by the GA concerned of the budget they request.
D. Participation of Participants and Third Parties

Participants may participate in those projects which relate to their field of activity. The participation of third parties shall be decided on a case-by-case basis.

An Active Member, a Participant, or a third party taking part in a project may be entitled to appropriate financial compensation if they provide that project with recognized specific know-how or expertise.

E. Unspent Contributions

In the event that project contributions are not completely spent following the closing of a project's accounts, the remaining funds can be reimbursed to the contributing project participants proportional to their payment.
Appendix F

Procedures for Admission, Withdrawal, Suspension, Limitation, and Expulsion of Active Members or Participants

A. Admission as an Active Member or Participant

1. An application for admission as an Active Member or Participant shall be directed in writing to the Supervisory Board and be submitted together with the application fee and applicable dues. When the application is complete, the Supervisory Board shall make a recommendation regarding the application to the GA. All applications are subject to approval of the GA. The Active Members and Participants hereby agree that upon approval by the GA, this Agreement shall be amended to add the applicant as an Active Member or Regulated Participant, as appropriate.

B. Withdrawal

1. An Active Member or Participant may withdraw at any time by giving not less than three (3) months’ written notice prior to the desired date of resignation to the GA. The withdrawal shall take effect at such date as the withdrawing Active Member or Participant shall have fulfilled all its financial obligations originating during the time of membership/participation. It shall, however, not be bound by any new commitments to DCSA beyond the date of the notice of resignation. An Active Member or Regulated Participant’s resignation from the DCSA shall also constitute withdrawal as a Party from this Agreement.

2. Notwithstanding Section B.1. of this Appendix F, an Active Member may nevertheless withdraw with effect as of the end of the financial year of DCSA following the year in which the withdrawal application was filed or, with immediate effect, if it cannot be reasonably required from such Active Member to continue his membership.

3. Notwithstanding Section B.1. of this Appendix F, an Active Member may nevertheless withdraw with immediate effect within one month from the date on which a resolution which limits its rights or expands its obligations is notified to such Active Member.

4. Notwithstanding Section B.1. of this Appendix F, an Active Member may nevertheless withdraw with immediate effect within one month from the date on which a resolution about conversion of DCSA into another legal entity form, merger or division of the DCSA is notified to such Active Member.

C. Termination of an Active Member or Participant

1. An Active Member or Participant may be terminated by the GA under the following conditions:
a. An Active Member no longer meeting the criteria for eligibility for active membership may have its active membership terminated by GA ninety (90) days after the occurrence of the event giving rise to its ineligibility. In such case, the Active Member may be offered to become a Participant.

b. An Active Member or Participant declared bankrupt, filing for or being granted protection from creditors under applicable bankruptcy and/or insolvency laws or placed under administration or in receivership, or making a voluntary assignment for the benefit of its creditors, or going into liquidation otherwise than for the purpose of amalgamation or reconstruction, or ceasing to hold the authority to operate, or otherwise ceasing to carry on the business that qualifies it for active membership, may have its membership or participation terminated by the GA effective thirty (30) days from the date of occurrence of such event.

2. The GA may also vote to terminate an Active Member or Participant under the following conditions:

a. The Active Member or Participant is in breach of the articles of association of the DCSA or any rule or regulation adopted thereunder, or of this Agreement;

b. If it is not reasonable to demand of DCSA to continue the membership of an Active Member or Participant;

c. If the Active Member or Participant unreasonable harms DCSA;

d. The Active Member or Participant has committed any act or omission which is prejudicial to the mission and aims of DCSA;

e. The Active Member or Participant has been placed in Limitation for a period of at least one (1) year.

f. The Active Member or Participant has been found to have been involved in material legal misconduct by a court of competent jurisdiction

3. If membership or participation is terminated by the GA under Sections C.1. or C.2., the termination is effective immediately.

D. Voluntary Suspension

At the written request of an Active Member or Participant, the Supervisory Board may agree to suspend its membership or participation for a fixed period if the Supervisory Board considers it in the interest of DCSA. During the period of suspension, the Active Member or Participant shall not be required to pay any fees coming due after a request for suspension and shall not exercise any rights and privileges under this Agreement. Notwithstanding any such voluntary suspension, an Active Member or Regulated
Participant shall remain a Party to this Agreement until such time as the Active Member or Regulated Participant withdraws or is terminated.

**E. Limitation**

1. Any Active Member or Participant in arrears with the payment of fees and interest of more than EUR 3,000 for a period of more than ninety (90) days shall be placed in limitation by the Management Board and lose all rights and privileges of membership or participation during the period that the limitation is in effect, unless the Supervisory Board has agreed to alternative financial arrangements. Notwithstanding any such limitation, an Active Member or Regulated Participant shall remain a Party to this Agreement until such time as the Active Member or Regulated Participant withdraws as a member of the DCSA or its membership is terminated.

2. The Management Board shall indicate, in the notice of limitation to the Active Member or Participant, the effective date of the limitation, and the conditions to be met for the limitation to be removed.