

Purchasing conditions

of business companies:

BOSCH DIESEL s.r.o.

with registered office at Jihlava, Pávov 121 Post Code 586 01

Registration Number 469 95 129

Registered in the Commercial Register administered by the Regional Court in Brno, in Section C, Inlet 8864

Bosch Rexroth, spol. s r.o.

with registered office at Brno, Těžební 1238/2, Post Code 627 00

Registration Number 005 47 425

Registered in the Commercial Register administered by the Regional Court in Brno, in Section C, Inlet 123

Bosch Termotechnika s.r.o.

with registered office at Prague 4, Pod Višňovkou 1661/35, Post Code 140 00

Registration Number 189 53 573

Registered in the Commercial Register administered by the Municipal Court in Prague, in Section C, Inlet 121629

Robert Bosch odbytová s.r.o.

with registered office at Prague 4, Pod Višňovkou No. 1661/35, Post Code 140 00

Registration Number 438 72 247

Registered in the Commercial Register administered by the Municipal Court in Prague, in Section C, Inlet 5483

Robert Bosch, spol. s r.o.

with registered office at Roberta Bosche 2678, České Budějovice 3, 370 04 České Budějovice

Registration Number 466 78 735

Registered in the Commercial Register administered by the Regional Court in České Budějovice, in Section C, Inlet 1451

These Purchasing conditions shall apply in the business relationships between any of the aforesaid business companies (hereinafter only referred to as „the Company“) with physical and legal domestic or foreign entities, including the entities of public law.

1. General provisions

These Purchasing conditions shall apply exclusively; business terms and conditions of the supplier, which violate our Purchasing conditions or differ from them, shall not be accepted, unless their binding effect is expressly confirmed by us in writing. Taking over the performance of the supplier and/or the payment for it shall not represent accepting of the business terms and conditions of the supplier.

2. Conclusion of the contract and modifications of the contract

2.1 Purchase orders, conclusion of the contracts and releases of deliveries and their modifications and supplements shall be in writing.

2.2 Any oral agreements, including additional modifications and supplements, shall require our written confirmation to be valid and effective.

2.3 The written form shall be also achieved by means of a remote data transmission or a facsimile.

2.4 Cost budgets shall be binding and shall not be paid by us unless expressly agreed otherwise.

2.5 Should the supplier not accept the purchase order within two weeks from the delivery thereof, we shall be authorized to withdraw that particular purchase order.

2.6 Calls for deliveries within the plan of deliveries and releases shall become binding unless the supplier raises an objection against them

- within two working days from the delivery thereof.
- 2.7 Agreement on quality, safety of work, environmental protection and social responsibility concluded with the supplier (Quality Assurance Agreement), Logistic Manual and regulations of the firm Robert Bosch GmbH for deliveries and packing shall form an integral part of each contract.
3. Delivery
- 3.1 All deviations from our agreements and purchase orders shall only be permissible after our prior written consent.
- 3.2 The agreed terms and deadlines shall be binding. To comply with the term of the shipment of the delivery term, the delivery of the goods to our plant shall be decisive. Unless the shipment is agreed "paid delivery to plant" (DAP or DDP according to Incoterms 2010), the supplier shall prepare the goods for dispatching in time with consideration of the period required for loading and shipment, which shall be agreed with the forwarding company in advance by it.
- 3.3 If the supplier has pledged to realize the installation or assembly of the delivery and unless agreed otherwise, the supplier, subjected to differing arrangements, shall bear all required costs related thereto, e.g. travel costs, accommodation, provision of tools, wage, separation and subsistence allowance etc.
- 3.4 Should the agreed terms not be met, the applicable provisions of valid legal regulations shall apply. If the supplier expects any troubles concerning the production, material supplies, compliance with the delivery term or similar circumstances, which could prevent it from the timely delivery or delivery in the agreed quality, the supplier shall inform our ordering department in writing without delay.
- 3.5 Unconditional acceptance of a delayed delivery or service shall not mean waving the claims appertaining to us as a result of the delayed delivery or service; the same shall apply till the full payment of the outstanding price of the subjected delivery or service by us.
- 3.6 Partial deliveries shall be impermissible on principle, unless we expressly agree with them in advance or they are expected by us.
- 3.7 For the assessment of the number of pieces, weight and dimensions, the values identified by us during the incoming inspection of the goods shall be decisive, subjected to a different proof.
- 3.8 Concerning the software, which forms a part of the delivery, including the documentation, we shall have the right to the use thereof within the range permitted by the law (Sections 65 et seq. of the Act No. 121/2000 Coll.).
- 3.9 Concerning such software, including the documentation, we shall also have the right to the use thereof with the agreed characteristics of performance and within the range necessary for the contractual use of the product. We shall also be authorized to make a back-up copy thereof without any expressed agreement.
4. Force Majeure
- 4.1 Force Majeure, uncaused operation failures, commotions, official measures and other unavoidable events shall relieve us for the period of existence thereof from the obligation of timely acceptance of the delivery of the goods. Within the existence of such events and within two weeks after the termination thereof, we shall be - regardless of other rights of ours - authorized to withdraw from the contract, in part or in full, if such events lasted for not an insignificantly short period and if our need has been reduced considerably due to the necessity caused thereby to purchase from other sources.
- 4.2 The provisions of Article 4.1 shall also apply to the event of a strike or another protest event of employees.
5. Notice of dispatching the shipment and billing
- The data in our purchase orders and releases of deliveries shall apply. The invoice shall be sent in one counterpart to our pre-printed address with the identification of the invoice number and other prerequisites

for the identification of the shipment; the invoice may not be enclosed to the shipments. Unless agreed otherwise in writing, the invoice shall comply with the prerequisites of a tax document.

6. Identification of price and transfer of risk
Unless a special agreement is reached, it shall mean prices with delivery to the identified place (DAP according to Incoterms 2010), including packing. The price shall not include the value added tax. The supplier shall bear the risk of damage to the goods till the take-over of the goods by us or a party authorized by us in the place, where the goods shall be delivered pursuant to the purchase order.
7. Payment conditions
Unless a special agreement is made, the payment of the invoice shall be made either within 20 days with the deduction of the 3% discount or within 30 days without the deduction of any discount from the maturity day of the outstanding claim and delivery of both the invoice and the goods or, as the case may be, provision of the service. The payment shall be realized subjected to a review of the invoice.
8. Claims from defects and sanction
 - 8.1 Acceptance of the delivery shall take place subjected to the review of unobjectionability, especially including correctness and completeness of the delivery, if and as soon as it is possible in normal business operation conditions. We shall reject the detected defects immediately after the detection. In so far the supplier waives any objections to a delayed rejection of defects.
 - 8.2 Unless established otherwise hereinbelow, legal provisions about material and legal defects shall apply.
 - 8.3 The right to choose the type of claims from defects of the delivery shall belong exclusively to us. The supplier may reject the claim from defects of the delivery selected by us if the realization thereof would require unreasonably high costs.
 - 8.4 If the supplier fails to start eliminating defects without delay after our call to eliminate the defects, we shall be authorized in urgent cases, especially to avoid acute dangers or avoid bigger damages, to eliminate such defects by ourselves or with the use of third parties at the costs of the supplier.
 - 8.5 With respect to legal defects, the supplier shall also relieve us from possible arisen claims of third parties, with exception of the cases, when the supplier is not demonstrably responsible for such defects.
 - 8.6 Unless we agree otherwise with the supplier, the supplier shall provide us, by the acceptance hereof, with warranty for quality of the goods delivered on the basis hereof in the length of 3 years. By warranty for quality, the supplier shall warrant that the goods shall be, for the aforesaid period, capable for use for the purpose, for which we ordered the goods and, at the same time, they shall have the qualities required by us or, as the case may be, properties usual for such type of the delivery for the whole period of existence of the warranty and they shall also comply with the conditions established by the technical standards and legal regulations. The warranty period shall start running from the delivery of the subject of contract (transfer of risk of damage).
 - 8.7 If the supplier delivers a replacement subject of contract to us within its liability for defects, the warranty period shall start running anew from the beginning for such delivered subject of contract, with the exception of the case when no legal or contracting right is established for us for the delivery of the replacement subject of contract and the supplier stipulates expressly and clearly in connection with the delivery of a new replacement subject of contract that it ensures the replacement delivery beyond the framework of its legal or contracting obligations within the efforts to avoid disputes and maintain good business relationships.

- 8.8 If costs are incurred by us as a result of a defective delivery of the subject of contract, especially with respect to transport, travel, work, installation, dismantling, material or costs for incoming inspection exceeding the common scope, such costs shall be born by the supplier.
9. Liability for damage caused by product defect
- 9.1 For the event if claims from liability for damage caused by a product defect are enforced against us, the supplier shall be obliged to relieve us from such claims if and insofar the damages were caused by defect of the subject of the contract delivered by the supplier. In case of liability pursuant to the level of fault, the aforesaid shall only apply in case of the fault of the supplier. If it is evident that the occurrence of the defect could take place by a violation of obligations of the supplier, the supplier shall demonstrate that it did not cause the occurrence of the defect.
- 9.2 In cases according to point 9.1, the supplier shall assume all costs and expenditures related thereto, including the costs of possible legal proceedings.
- 9.3 Other matters shall be subjected to the provisions of the applicable legal regulations.
- 9.4 Before the product withdrawal campaign, which is, in full or in part, a result of a defect of the subject of contract delivered by the supplier, we shall inform the supplier, provide it with the possibility of co-operation and agree with it on efficient realization, with the exception of the cases when informing or participation of the supplier is not possible due to risk of default. If the product withdrawal event is a consequence of a defect of the subject of contract delivered by the supplier, the supplier shall bear the costs of product withdrawal.
10. Right to withdrawal and notice of termination
- 10.1 Beyond the framework of the legal reasons for the withdrawal from the contract, we shall be authorized to withdraw from the contract with immediate effect in case that:
- The supplier suspended deliveries to its customers;
 - Material deterioration of the proprietary situation of the supplier, threatening the performance of the obligations of the supplier with respect to the subject of contract, occurred or threatens to occur;
 - The supplier reaches the conditions of insolvency or debts in excess;
 - The supplier suspended its payments.
- 10.2 We shall also be authorized to withdraw from the contract or, as the case may be, terminate it if bankruptcy proceeding has been initiated against the supplier or any similar proceeding aimed at ensuring protection against creditors.
- 10.3 If the supplier has already provided a partial performance, we shall be authorized to withdraw from the whole contract only in case we are not interested in the partial performance at all.
- 10.4 If we withdraw from the contract or terminate it on the basis of our contracting right, the supplier shall be obliged to compensate all damages to us, which are incurred by us as a result thereof, with the exception of the case when the supplier is not liable for the creation of our right to withdraw from the contract or to terminate it.
- 10.5. The provisions of Article 10 shall be without prejudice to the legal rights and claims.
11. Realization of works
- The persons that realize the work during the performance of the contract within the premises and on the lands of our company shall comply with the provisions of the applicable internal regulations of our company. Liability for damages that occur to such persons within the premises and on the lands of our company shall be excluded unless such damages are caused by intentional or grossly negligent violation of obligations of

our legal representatives or the persons authorized by us.

12. Provision of material

The materials, parts, tanks and special packages etc. provided by us shall remain in our possession. They may only be used in compliance with the purpose of their application, i.e. they may not be sold to any third party, pledged or used by any third party in any other way. Processing of materials and assembly of parts shall be realized for us. It is understood that in the ratio of the value of the provided items to the value of the total product, we shall be co-owners of the product produced with the use of our materials and parts, which shall be cared for by the supplier for us to that level.

13. Documents and confidentiality

13.1 All pieces of business, manufacturing or technical information (including the characteristics that can be found in the submitted items, documents or software, and other findings or experience) made available by us, unless they are demonstrably publicly known, shall be kept confidential with respect to third parties and such information may only be provided in the actual operation of the supplier to such persons who shall be necessarily engaged in the works for the purpose of realization of the delivery and who are also bound to the obligation of confidentiality; such information shall remain in our exclusive ownership. Without our prior written consent, such information - with the exception of deliveries for us - may not be reproduced or utilized for business. At our request, all pieces of information originating from us (possibly including produced copies or records) and lent items shall be returned to us or destroyed without delay and completely.

We reserve all rights to such information (including copyrights and industrial ownership rights, such as patents, applied partners, trademarks, protection of semiconductors etc.) If such information was made available to us by third parties, this reservation shall also apply on behalf of such third parties.

13.2 The products, which are manufactured pursuant to the documents designed by us, such as drawings, models etc., or pursuant to our confidential data or with our tools or tools produced pursuant to our pattern, may not be used by the supplier itself or offered or delivered to third parties. It shall also apply to our printing purchase orders accordingly.

14. Export inspection and customs

The supplier shall be obliged to inform us in its business documents about possible obligations to get the permit while exporting (re-exporting) its goods pursuant to the applicable legal regulations governing export and customs conditions in the Czech Republic, countries of the EC and the USA and also pursuant to the legal regulations governing export and customs conditions in the country of origin of its goods. To achieve that, the supplier shall identify, at least in its offers, confirmations of the purchase order and invoices, the following information at the applicable items of the goods:

- Number of the dual-use items submitted to the export permit pursuant to the applicable lists of the dual-use items (Regulation of the Council (EC) No. 1334/2000, as amended by the related regulations, especially the Regulation of the Council (EC) No. 394/2006),
- For the USA, ECCN (Export Control Classification Number) of the goods pursuant to USA Export Administration Regulations (EAR - http://www.access.gpo.gov/bis/ear/ear_data.html),
- Business-political origin of its goods and parts of its goods, including technology and software (Regulation of the Council (EC) 1207/2001, as amended by the related regulations, especially the Regulation of the Council (EC) No. 1617/2006),
- If the goods were transported through the USA, manufactured or stored in the USA or made with the use of the technology of the USA,

- Statistical number of its goods (HS-Code or designation pursuant to the codes of the combined nomenclature of the joint customs rate book), and also
- The contact person in its firm for the clarification of possible questions from our side.

On the basis of our call, the supplier shall be obliged to notify us in writing of all other foreign business data to its goods and parts thereof and inform us without delay (before the delivery of the applicable goods concerned herewith) about all changes in the aforesaid data.

15. Compliance

- 15.1 The supplier shall pledge to comply with the provisions of legal regulations concerning conduct with employees, environmental protection and safety and protection of health at work and work on decreasing the negative impacts of its activities on human beings and the environment. To achieve that, the supplier shall establish, as much as possible, the management system pursuant to ISO 14001 and it shall keep developing it. Furthermore, the supplier shall respect the principles of the initiative Global Compact of the United Nations. On principle, these concern the protection of international human rights, right to collective bargaining, elimination of slave labour and child labour, elimination of discrimination during recruitment and at work, responsibility for the environment and prevention of corruption. More information regarding the initiative Global Compact of the United Nations can be obtained at the address <http://www.unglobalcompact.org>.
- 15.2 We reserve the right to withdraw from the contract or terminate it with immediate effect if the supplier repeatedly and/or despite adequate instructions commits violations of legal obligations and fails to prove that it has ensured remedy of the violation of the law as soon as possible and taken adequate measures for the future to avoid violation of the law.

16. Place of performance

The place of performance shall be the place, to which the goods pursuant to the purchase order/contract shall be delivered or, as the case may be, where the performance shall be realized.

17. General provisions

- 17.1 If any of the provisions hereof and other concluded agreements is or becomes invalid, validity of other provisions hereof and other agreements shall remain without change. In such a case, the contracting partners shall be obliged to replace such invalid provision hereof and other agreements with a valid provision, which is as close as possible to the economic purpose of the initial provision. Modifications and supplements hereof shall be in writing; the same shall also apply to waving the said requirement of the written form.
- 17.2 The contracting relationships shall be submitted exclusively to the Czech law with the exclusion of the application of the collision laws and the Vienna Convention of the United Nations on Contracts for the International Sale of Goods (CISG).
- 17.3 Court jurisdiction in case of any legal disputes resulting directly or indirectly from the contracting relationships, which are based hereon, shall be governed according to the registered office of the company, which concluded the contract with the supplier.