

# 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 5, Radlická No. 350/107d,  
Post Code 158 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,  
Post Code 370 04  
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. Acceptance  
or payment of goods and services from the supplier (hereinafter  
referred to as Products) does not constitute agreement even if the  
acceptance or payment is made with knowledge of conflicting or  
supplementary terms and conditions of contract of the supplier.  
Similarly, any terms and conditions of contract of the supplier  
previously agreed upon that conflict with or supplement these Terms  
and Conditions of Purchase shall no longer be recognized. If the  
supplier refers in the tender or in offer (bid) acceptance to its  
trade conditions, provisions of the section §1751, paragraph 2 of  
the Civil Code shall apply.

### **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 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. Unless otherwise stipulated we shall together with delivery receive simple rights of use, unrestricted in terms of time and territory, to use software belonging to the scope of delivery. Our permissible use encompasses, in particular, duplication, loading and running the software. It also encompasses sublicensing, renting and every other form of passing the software on a third person, who is a part of the Robert Bosch GmbH concern. We also have the right to use such software, including the software documentation, with the agreed performance characteristics and to the extent necessary for the use of the product in accordance with the agreement. We reserve the right not to use the licence.
- 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.
- 3.10. The supplementary Additional Purchasing Terms and Conditions for Products regarding Open Source Software apply to software (can be viewed in the download area of Purchasing and Logistics  
[http://www.bosch.cz/cs/cz/our\\_company\\_7/locations\\_7/location\\_9922.html](http://www.bosch.cz/cs/cz/our_company_7/locations_7/location_9922.html)

#### **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 preprinted 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 after receipt of goods or services and delivery of the invoice 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. The payment shall be realized subjected to a review of the invoice.

**8. Notification of Defects**

- 8.1. An examination of the goods is conducted by us at incoming goods only to establish whether there is any obvious damage, in particular transport damage and discrepancies in terms of the identity or quantity of the delivery.
- 8.2. We will give notice of any defects found without undue delay after their discovery.
- 8.3. To this extent the supplier waives the objection to delayed notification of defects.

**9. Claims from defects and sanction**

- 9.1. Unless established otherwise herein below, legal provisions about material and legal defects shall apply.
- 9.2. 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.
- 9.3. 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.
- 9.4. 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.
- 9.5. 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).
- 9.6. 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.

- 9.7. 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.
- 9.8. The supplier is accountable for the fault of its sub-suppliers as it is for its own fault.

#### **10. Liability for damage caused by product defect**

- 10.1. 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.
- 10.2. In cases according to point 9.1, the supplier shall assume all costs and expenditures related thereto, including the costs of possible legal proceedings.
- 10.3. Other matters shall be subjected to the provisions of the applicable legal regulations.
- 10.4. 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.

#### **11. Right to withdrawal and notice of termination**

- 11.1. In addition to the statutory rights of rescission we have the right to withdraw from the contract if there is or threatens to be a fundamental deterioration to the financial circumstances of the supplier and as a result of this the performance of a supply obligation to us is in jeopardy.
- 11.2. We further have the right to withdraw from the contract if:
  - the supplier suspended its payments,
  - the supplier is insolvent or excessively indebted within the meaning of provisions of the section 3 of the Act no.182/2006 Coll. the Insolvency Act.,
  - insolvency proceedings will be initiated in respect of the supplier as a debtor.

- 11.3. In the event of a contract for performance of a recurring obligation, paragraphs 11.1 and 11.2 shall apply by analogy provided that the right of withdrawal shall be substituted by an extraordinary right to terminate the contract without notice.
- 11.4. 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.
- 11.5. 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.
- 11.6. The provisions of Article 10 shall be without prejudice to the legal rights and claims.

## **12. 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.

## **13. Provision of material**

Materials, parts, containers and special packaging provided by us against payment or free of charge remain our property ("Provisions"). These may only be used as designated. The Provisions are processed and assembled for us. If the processed item can not be reconciled to the previous condition, either not at all, or only at a considerable cost, or a considerable loss, it shall belong to such person as its owner, who contributed to the value of the outcome most in respect of the input of material or work. If it is impossible to determine the owner of a new item according to the previous sentence, we thereby become co-owners of a product manufactured upon use of our materials and parts, in particularly in the ratio equal to the value of the provided items to the value of the total product. The supplier has the right to on-sell the products manufactured using our Provisions in the normal course of business subject to reservation of title. The supplier assigns to us in full now already all of the claims and ancillary rights accruing to the supplier from such sale. The assigned claims serve as security for the claims accruing to us through the Provision. The supplier has the right to collect the assigned claims. We may revoke the supplier's rights pursuant to this paragraph 13 if the supplier fails to duly perform its obligations to us, is in default of payment, stops making its payments, or if the supplier applies for the opening of insolvency proceedings or of similar debt settlement proceedings with respect to its assets. We may also revoke the rights of the supplier under this paragraph 13 if the financial circumstances of the supplier should deteriorate fundamentally or threaten to do so or if the supplier meets the criteria for insolvency or over-indebtedness. If the value of the security existing for us should exceed the value of our claims by more than 10 % on

aggregate, we shall release security at our discretion to this extent on re-request by the supplier.

#### **14. Documents and confidentiality**

14.1. 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.

14.2. 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.

#### **15. Export inspection and customs**

15.1. The supplier shall be obliged to inform us about any applicable (re-) export licence requirements or restrictions for the Products under German, European or US export control law and customs regulations as well as the export control law and customs regulations of the country of origin of the Products in its business documents and to send the following information on Products subject to licence requirements to Export-Control@de.bosch.com in good time prior to the first delivery:

- Bosch material number
- Product description
- 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](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.
- 15.2. The supplier shall be obliged to inform us without undue delay of any changes to the licence requirements applying to the Products it supplied to us, as a result of technical changes, changes to the law or governmental determinations.

## **16. VAT Liability**

- 16.1. The Supplier is liable for due payment of a value added tax (hereinafter referred to as „VAT“) on a collected price to the tax administration.
- 16.2. The Supplier declares himself a person who is not facing any pending enforcement or insolvency proceedings or any pending dispute that might result if settled unsuccessfully in an obligation that he would not be able to fulfil or that would lead to the Supplier's economic destabilisation. The Supplier declares himself a person who does not stand in danger of entering an insolvency proceedings and that he is fulfilling all his obligations due in proper manner and in due time.
- 16.3. The Supplier declares himself a person who is not subject to a proceeding for being entered in the list of unreliable VAT payers and who has not been declared an unreliable VAT payer. He undertakes to inform the Company of having become an unreliable VAT payer under the Act no. 235/2004 Sb. (of the Statute Book) regulating the Value Added Tax as amended (hereinafter referred to as „VATA“).
- 16.4. The Supplier is obliged to indicate only the account number, that he has properly announced to the respective tax administration appropriate to his place of business, in all accounting and tax documents or contracts for the purpose of business operations in compliance with these trade terms and conditions, this account being a "published account" in the sense of the VATA.
- 16.5. The Company is entitled to proceed according to respective provisions of the VATA, if it considers the Supplier a risk VAT payer, and to adopt preventive measures consisting in splitting the payment of the agreed price in the price itself and the VAT, and to remit the VAT amount directly to the Supplier's tax administration. The Company shall notify the Supplier of the preventive measure as specified in the previous sentence.
- 16.6. Should a situation occur that the tax administration appropriate to the Supplier's place of business shall call on the Company to settle the VAT for the Supplier, then the Company is entitled to set off its regress claim towards the Supplier resulting from this payment against



- any Supplier's outstanding debt towards the Company unilaterally; the agreed price is considered as paid even if the Company has settled the VAT for the Supplier in compliance with the respective provisions of the VATA. The Company shall notify the Supplier of this procedure.
- 16.7. In the event that the Supplier shall transfer his claim to pay the price towards the Company to a third party prior the Company's settlement, then the Company shall be entitled to settle the VAT to the appropriate tax administration in compliance with the respective provisions of VATA directly. The VAT settlement to the account of the appropriate tax administration together with the payment of the price excl. VAT to the transferee shall be in such a case considered as discharge of the obligation to pay the price by the Company and the Company shall not be in delay with the payment of the price. The Company shall notify the Supplier of this procedure.

## 17. Compliance

- 17.1. The supplier undertakes, within the framework of its business relationship with us, not to offer or grant, promote or accept any advantages, neither in its business dealings nor when dealing with governmental officials, which are in breach of applicable anti-corruption regulations.
- 17.2. The supplier undertakes, within the framework of its business relationship with us, not to make any agreements with other companies or to agree on concerted practices with other companies aiming to or bringing about a prevention, restriction or distortion of competition under applicable antitrust regulations.
- 17.3. The supplier undertakes, within the framework of its business relationship with us, not to make any agreements with other companies or to agree on concerted practices with other companies aiming to or bringing about a prevention, restriction or distortion of competition under applicable antitrust regulations.
- 17.4. 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>.
- 17.5. In the event of a suspected violation of the obligations under paragraphs 16.1 to 16.4, the supplier must investigate any possible violations without undue delay and inform us of the investigation measures taken. If the

suspicion proves to be justified, the supplier must inform us within a reasonable period of time of the measures that it has taken internally within its organization in order to prevent violations in future. If the supplier fails to comply with these obligations within a reasonable period of time, we reserve the right to withdraw from contracts with the supplier or to terminate them with immediate effect.

17.6. In the event of severe violations of the law by the supplier and in the event of violations of the provisions of paragraphs 16.1 to 16.4, we reserve the right to withdraw from the existing contracts or to terminate them without notice.

**18. 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.

**19. General provisions**

19.1. 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 waiving the said requirement of the written form.

19.2. 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).

19.3. 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.