

Purchasing conditions

of 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, Insert 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, Insert 123

Bosch Termotechnika s.r.o.

with registered office at Prague 10, Průmyslová 372, Post Code 108 00

Registration Number 189 53 573

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

Robert Bosch odbytová s.r.o.

with registered office at Prague 5, Radlická 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, Insert 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, Insert 1451

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

1. General provisions

Our terms and conditions of purchase shall apply exclusively; we shall only recognise any terms and conditions of the supplier which conflict with or deviate from our terms and conditions of purchase to the extent that we have expressly agreed to them in writing. The acceptance or payment of goods or services of the supplier (hereinafter referred to as the “subject matter of the Contract”) shall not constitute consent, even if the acceptance or payment is made with knowledge of conflicting or supplementary contractual terms and conditions of the supplier. Similarly, any previously agreed terms and conditions of the supplier which conflict with or supplement these Terms and Conditions of Purchase shall no longer be recognised. If the supplier refers in the offer or the offer acceptance to his terms and conditions, the provision becomes § 1751 paragraph. 2 of the Civil Code are applied.

2. Conclusion and amendments 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. Verbal agreements of any kind - including subsequent amendments and supplements to our terms and conditions of purchase - require our written confirmation in order to be effective.
- 2.3. The written form shall also be fulfilled by fax, data transmission or e-mail.
- 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 (published at <http://www.bosch.cz/nase-spolecnost/bosch-v-ceske-republice/> in the download section Purchasing and Logistics).
- 2.8. For work and services, the supplementary conditions of purchase for work and services (published at <https://www.bosch.cz/nase-spolecnost/bosch-v-ceske-republice/> in the download section Purchasing and Logistics) apply.

3. Delivery

- 3.1. 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.
- 3.2. If the supplier has assumed responsibility for installation or assembly, the supplier shall bear all necessary expenses such as travel expenses, provision of tools and allowances.
- 3.3. Should the agreed terms not be met, the 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.
- 3.4. 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.
- 3.5. Partial deliveries are generally not permitted unless we have expressly agreed to them or they are reasonable for us.
- 3.6. 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.
- 3.7. Unless otherwise regulated in the supplementary terms and conditions of purchase for software, we shall receive simple rights of use, unlimited in time and place, for software which is part of the product scope of delivery with the delivery. Our permitted use includes in particular the reproduction, loading and running of the software.

- 3.8. This also includes sublicensing, leasing or any other form of transfer of the software to third parties who are part of the Robert Bosch GmbH Group and to our subcontractors who are entrusted with the manufacture of our products and in this connection require a right to use the software. The permissible use also includes the passing on of the software as part of a hardware product to the customer and the granting of rights of use thereto, insofar as this is necessary for the use of the hardware.
- 3.9. Concerning the provided 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 conditions of purchase for software as well as the supplementary conditions of purchase for products regarding open source software (both published at <https://www.bosch.cz/nase-spolecnost/bosch-v-ceske-republice> in the download section Purchasing and Logistics) shall apply to software.

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 respective 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 otherwise agreed, payment of the invoice shall be made upon receipt of the goods or services and the invoice shall be paid within 30 days of the due date for payment and receipt of both the invoice and the goods or services. Payment shall be made subject to invoice verification.

8. Notification of Defects

- 8.1. Upon receipt of the goods, we shall only inspect the goods with regard to obvious damage, in particular transport damage, identity and quantity

- deviations of the delivery, unless otherwise agreed with the supplier in a Quality Assurance Agreement.
- 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. We shall be entitled to choose the type of subsequent performance. The place of performance for subsequent performance shall be the intended location of the item. This is the place where the item is located at the time of the notice of defect. The supplier may refuse the type of subsequent performance chosen by us if it is only possible at disproportionate cost.
- 9.3. Should the supplier not begin to remedy the defects after our request to remedy the defects, we shall be entitled in urgent cases, after setting a reasonably short deadline to remedy the situation, in particular to avert acute risks or avoid major damage, to do so ourselves or have it done by third parties at the supplier's expense.
- 9.4. The supplier shall indemnify us against claims by third parties based on the infringement of third-party rights by the subject matter of the Contract, unless the supplier can prove that he is not responsible for the infringement. In addition, the supplier shall, upon request, immediately provide us with the information and documents required for the defence against such claims by third parties.
- 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. Any longer statutory guarantees shall have priority. 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 matter of the 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. Within the scope of subsequent performance, the supplier shall bear the transport, travel, labour, installation, dismantling and material costs. If, as a result of a defective delivery in connection with the repair or replacement of the subject matter of the Contract, we incur costs and expenses which we were also reasonably permitted to incur, in particular costs and expenses for sorting, for an incoming goods inspection exceeding the usual scope, for the examination and analysis of the defect, as well as costs for the involvement of external or own personnel, the supplier shall bear these costs, unless he is not responsible for the defect. Any contributory

- negligence on our part shall be taken into account when determining the costs eligible for compensation pursuant to § 2918 of the Civil Code.
- 9.8. Insofar as automobile manufacturers as our customers use a reference market procedure or a similar procedure customary in the automotive industry for determining and settling warranty claims against us due to the defectiveness of Bosch products, this procedure shall also apply to the relationship between the supplier and us if the defect is attributable to the supplier's products.
- 9.9. The supplier is accountable for the fault of its sub-suppliers as it is for its own fault.

10. Product liability and recall

- 10.1. In the event that claims are made against us on the basis of product liability, the supplier shall be obliged to indemnify us against such claims if and to the extent that the damage was caused by a defect in the subject matter of the Contract supplied by the supplier. In cases of fault-based liability, however, this shall only apply if the supplier is at fault. If the cause of the damage lies within the area of responsibility of the supplier, he must prove that he is not at fault.
- 10.2. In the cases set out in the Article 10.1, the supplier shall bear all costs and expenses, including the costs of any legal proceedings, unless the costs are not necessary and reasonable overall.
- 10.3. Otherwise, the statutory provisions shall apply.
- 10.4. Before a recall action which is wholly or partly the result of a defect in the subject matter of the Contract delivered by the supplier, we shall inform the supplier, give him the opportunity to cooperate and exchange information with him about an efficient execution, unless the information or participation of the supplier is not possible due to particular urgency. If a recall action is the result of a defect in the subject matter of the Contract supplied by the supplier, the supplier shall bear the costs of the recall action, unless the supplier is not responsible for the defect. Any contributory negligence on our part shall be taken into account in the amount of the costs to be borne by the supplier in accordance with § 2918 of the Civil Code.

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, Articles 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 11 shall be without prejudice to the legal rights and claims.

12. Realization of works

Suppliers who carry out work in the premises and on land of our Company in fulfilment of the contract must comply with the applicable laws and regulations as well as with the provisions of the respective internal regulations of our Company. The supplier is obliged to name a person responsible for the execution of the order who ensures the duty of supervision and control. The responsible person of the supplier is obliged to coordinate with our coordinator before carrying out the work, to take suitable protective measures and to inform us and the third parties concerned about mutual dangers. Suppliers are responsible for the instruction and safety of their employees and subcontractors as well as for securing sources of danger against third parties. The supplier may only use suitably qualified employees and reliable work equipment in the premises and on the premises of our Company. Accidents occurring in the premises and on the land of our Company must be reported to the Company immediately.

13. Provision

Materials, parts, containers and special packaging (hereinafter only referred to as the "provisions") delivered by us against payment or provided free of charge shall remain our property, insofar as payment is owed, until full payment has been made. These may only be used for their intended purpose. The processing and assembly of the materials provided are carried out on our behalf. It is agreed that we shall be co-owners of the products manufactured using our materials and parts in the ratio of the value of the materials provided to the value of the entire product, and that the supplier shall keep these materials and parts in safe custody for us. We reserve the right to co-ownership of the products manufactured with the use of our materials until complete fulfilment of our claims arising from the materials provided. The supplier shall be entitled to resell the products manufactured using our materials in the ordinary course of business subject to retention of title. The supplier hereby assigns to us in full all claims with ancillary rights to which he is entitled from the resale of these products. The assigned claims serve to secure our claims arising from the provision of the goods. The supplier is entitled to collect the assigned claims. We may revoke the supplier's rights under this Article 13 if the supplier does not properly fulfil its obligations towards us, is in default of payment, ceases payment, or if the supplier applies for the opening of insolvency proceedings or comparable proceedings to settle its debts. We may also revoke the supplier's rights under this Article 13 if a material deterioration in the supplier's financial circumstances occurs or threatens to occur or if the supplier is found to be insolvent or over-indebted. If the value of the securities existing for us exceeds the value of our claims by more than 10% in total, we shall release securities of our choice at the supplier's request.

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 is obliged to inform us about any licensing obligations or restrictions for (re)exports of his goods in accordance with Czech, German, European, US export and customs regulations as well as the export and customs regulations of the country of origin of his goods in his business documents and, for goods subject to licensing, to send the following information in good time before the first delivery and immediately in the event of changes (technical, legal changes or official findings) to the address Export-Control@de.bosch.com:
- Bosch material number
 - Product description
 - All applicable export list numbers including the Export Control Classification Number according to U.S. Commerce Control List (ECCN),
 - Trade policy origin of goods,
 - Statistical commodity code (HS code),
 - The contact person in its firm for the clarification of possible questions from our side.
- 15.2. The supplier is obligated to take appropriate supply chain security measures in accordance with its business model as defined by the WCO SAFE Framework of Standards, and in particular to support us in taking necessary measures to maintain the authorisation of an Authorized Economic Operator (AEO). The supplier undertakes to provide appropriate evidence, e.g. by means of permits or declarations, e.g. security declarations, declarations within the framework of C-TPAT or similar programs. We or a third party commissioned by us shall be entitled to examine the supplier's evidence in accordance with this Article also at the supplier's premises.
- 15.3. The supplier is obliged to inform us in a binding manner of the preferential origin of his goods and of the trade policy and the preferential origin prescribed in each case. For deliveries of goods within the European Union (EU), he shall issue a long-term supplier declaration in accordance with the applicable EU implementing regulation within a period of 21 days of our request. In addition, the supplier warrants that it will enclose the required proof of origin for deliveries of goods from a free trade agreement/preference agreement country. The commercial origin shall be

indicated on the relevant commercial invoice and a certificate of origin shall be issued where necessary. In the case of a first delivery, the original data must be communicated in writing at the latest at the time of the first delivery. Changes to the origin of the goods must be notified to us in writing without delay.

- 15.4. For deliveries of goods across customs borders, the supplier is obliged to attach to the delivery all necessary documents such as commercial invoice, delivery note and information for a complete and correct import customs declaration. With regard to the invoice, the following should be noted:
- In addition, costs not included in the price of the goods (e.g. research and development costs, licence fees, tooling costs, provisions made by the Buyer with reference to the delivery of the goods) shall be listed separately in the invoice.
 - In the case of free deliveries, the supplier is obliged to state a value in the proforma invoice which reflects a customary market price as well as the following note "For Customs Purpose Only". The invoice or delivery note must also state the reason for the free delivery (e.g. free sample shipment).
- 15.5. The supplier shall support us by all means necessary to reduce or minimise our payment obligations with regard to customs duties or customs clearance costs.
- 15.6. Irrespective of other rights and without liability towards the supplier, we shall be entitled to withdraw from the contract in question or to terminate it without notice if the supplier repeatedly fails to fulfil the obligations under Article 15.1-15.5.

16. VAT Liability

- 16.1. The supplier is liable for due payment of a value added tax (hereinafter only 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 Coll. on the Value Added Tax, as amended (hereinafter only 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 comply with the respective statutory regulations on dealing with employees, environmental protection and occupational safety and shall work to reduce adverse effects on people and the environment in its activities. To this end, the supplier will set up and further develop a management system in accordance with ISO 14001 within the scope of its capabilities. Furthermore, the supplier shall comply with the requirements of the Code of Conduct for Business Partners (www.purchasing.bosch.com/compliance) and the principles of the UN Global Compact Initiative, which essentially concern the protection of international human rights, the abolition of forced and child labor, the elimination of discrimination in employment and occupation, and responsibility for the environment (<http://www.unglobalcompact.org>).
- 17.5. In the event of a suspicion of a breach of the obligations under Articles 17.1 to 17.4, the supplier must immediately investigate possible breaches and inform us of the investigation measures taken and, in justified cases, disclose the affected supply chain. If the suspicion proves to be justified, the supplier must inform us within a reasonable period of time what internal measures he has taken to prevent future infringements. If the supplier does not comply with these obligations within a reasonable period, we reserve the right to withdraw from contracts with him or to terminate them with immediate effect.

17.6. In the event of serious infringements of the law by the supplier and in the event of infringements of the provisions in the Articles up 17.1 to 17.4 , we reserve the right to withdraw from existing contracts or to terminate them without notice.

18. Place of performance

Unless otherwise agreed, the place of performance shall be the place where the goods are to be delivered in accordance with the order or where the service is to be rendered.

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.

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.