

1 General principles

1.1 Only the following Terms and Conditions shall govern the orders issued or purchasing agreements drawn up by Robert Bosch S.p.A. or other Italian companies of the Bosch Group (Robert Bosch S.p.A. or other Italian companies of the Bosch Group hereinafter referred to as jointly or individually BOSCH). Any amendment or addition and any term and conditions of the Supplier (hereinafter referred to as Supplier) deviating totally or partially from these Terms and Conditions shall be valid only with specific written confirmation from BOSCH. Otherwise, these Terms and Conditions shall prevail. Acceptance or payment of goods and services from the Supplier (hereinafter referred to as Products) shall not constitute any agreement.

2 Orders and their amendments

- 2.1 Orders, agreements and delivery or supply requests, as well as any amendments or additions, shall be in writing.
- 2.2 Any oral agreements, including amendments and integrations to these Terms and Conditions, shall require written confirmation by BOSCH to be effective.
- 2.3 Any communication sent by fax or email shall also be considered as written confirmation.
- 2.4 Cost estimates shall be binding and shall give no right to fees of any kind for the Supplier, except if specifically agreed by BOSCH and the Supplier (hereinafter referred to as the Parties).
- 2.5 If the Supplier fails to accept, or does not confirm, the order in writing within two calendar weeks of receipt thereof, BOSCH shall have the right to cancel it.
- 2.6 Delivery and/or supply requests by BOSCH referred to framework agreements shall be binding for the Supplier if not refused by the latter within 2 (two) working days of receipt thereof.
- 2.7 If present, the Agreement on Quality, Occupational health and Safety, Environmental Protection and Social Responsibility (Quality Assurance Agreement), the Logistics Manual and the Delivery and Packaging Specifications of BOSCH form an integral part of the agreement.

3 Delivery of goods / Supply of services

- 3.1 Deliveries or supplies different from specifications given in BOSCH agreements and orders shall be accepted with prior written consent of BOSCH.
- 3.2 Agreed dates and terms shall be binding for the Supplier. The compliance with the delivery periods and delivery dates shall be determined by the date of receipt of the Products by BOSCH. Unless delivery "free at factory gate (frei Werk)" is agreed (DAP or DDP Incoterms 2010), the Supplier shall make the goods available in good time, taking account of the time for loading and shipment to be agreed with the forwarder.
- 3.3 If the Supplier is responsible for the set-up or installation and, unless otherwise agreed, the Supplier shall bear all the necessary incidental costs such as travel expenses, provision of tools and daily allowances.
- 3.4 If the Supplier is late in delivering the Product compared to terms agreed on and if the Supplier delivers the goods to places different from those indicated by BOSCH, the latter shall have the right to refuse said delivery and shall have the right to claim for damages. Notwithstanding art.1510 of the Italian civil code, paragraph 2, the Supplier shall not be relieved from delivery obligations by handing over goods to the transporters or shippers. The Supplier shall promptly inform BOSCH purchasing office if foresees any difficulties that could hinder deliver or supply of Products in good time and of the required quality. However, this shall not relieve the Supplier from liabilities for delays in carrying out the service.
- 3.5 Unconditioned acceptance of a late delivery of goods or supply of service shall not mean nor shall be considered in any way or compared to a waiver by BOSCH to claim compensation for damages.
- 3.6 Partial deliveries of supplies shall normally be not acceptable, except if specifically agreed on by the Parties.
- 3.7 In case of claims, shall be considered weights and sizes ascertained by BOSCH when accepting the goods.
- 3.8 BOSCH shall have the right to use the software and relative documentation connected to the goods purchased/service supplied, based on service characteristics agreed on and within limits foreseen by use of said software.
- 3.9 BOSCH shall have the right to use said software, thus including related documentation, with the specifications agreed on and to the extent needed to use the product and respecting agreements in force. BOSCH shall also have the right to duplicate a backup copy even without specific authorisation.
- 3.10 In any case, at the time of the supply, the Supplier shall deliver all documentation needed and suited to its regular use to BOSCH (for example instructions and operations manuals, installation and assembly ones and guarantee certificates).
- 3.11 The Supplier shall supply the services through its company. The Supplier shall only sub-contract the supply of services to third parties with prior written consent from BOSCH and anyway, in the latter hypothesis, the Supplier shall be personally liable towards BOSCH for all sub-contractor activities as if they had been done by the Supplier itself. In case of sub-contract, the Supplier, pursuant to art. 1381 of the Italian civil code, shall incorporate these Terms and Conditions in the agreements with the sub-contractors.
- 3.12 Service standards requested by BOSCH, configurations and purposes specified by it, shall not relieve the Supplier from its obligation to supply solutions that are technically free of defects and economic. The Supplier shall promptly inform BOSCH if the above service standards, configurations or purposes conflict with said solution, or if modifications or improvements to the service or for its purpose are required or appropriate for other reasons. Additional services or modifications carried out without prior written permission from BOSCH shall not be claimed by the Supplier.
- 3.13 BOSCH shall be promptly informed in case of third party industrial patent or intellectual rights are needed to fulfil the order, even in case of risk. In addition BOSCH shall be promptly informed in case of third party claim, received by the Supplier, re: intellectual property rights or trademarks, or claims from other buyers re: characteristics of the goods or brands of goods.
- 3.14 Services carried out by the Supplier shall comply with the agreement and service purposes; the same provision shall apply to specific documentation. The Supplier shall comply with the general state of the science and art, regulatory standards applicable, consumer association directives, safety procedures and relative measures, including BOSCH safety standards. When carrying out engineering orders, the service shall aim for easy maintenance and/or inspection works.
- 3.15 When fulfilling the order, the Supplier shall respect BOSCH interests, adopting and taking all measures at its discretion (for example, choice of materials, accessories or spare parts) based only on objective examination. When possible, the Supplier shall use products of the Bosch range trade marks or belonging to the Bosch Group even in case of an engineering order.
- 3.16 Unless otherwise foreseen in the agreement, drawings, descriptions, calculations and anything carried out by the Supplier or third parties said activity has been sub-contracted to shall become

BOSCH property when they are made and no sum shall be paid by the latter. Thus the Parties hereby agree that the Supplier and any third parties shall have no rights over said works which shall thus become BOSCH property, and, furthermore, the latter shall not pay anything for them to the Supplier; the fee for their creation shall be considered included in the amount agreed on for the Supplier and third parties when they were made. The originals of all the above documents shall be delivered to BOSCH as soon as they are made and completed. Documents made available by BOSCH shall be kept carefully in a safe place. Said documents and others like models, drawings, drafts etc. created or procured to fulfil the order shall remain BOSCH property and shall be returned at latest when the order has been completed. BOSCH reserves all rights on documents made available, even when an invention patent has been granted or a use model been registered. Any right for the Supplier to keep them is hereby excluded.

- 3.17 If informed of the service purpose, the Supplier shall guarantee conformity of said services with the purpose declared. Any inspection or approval of service or parts of the service shall not influence the Supplier in fulfilling services and guaranteeing them. Acceptance shall follow approval of the complete service, not any use or payment of them.
- 3.18 BOSCH shall have the right to use and exploit, at its discretion, free of any right or claim by third parties, all results from fulfilling the services, including inventions and use and exploitation rights in compliance with the Copyright Law, from the moment they are conceived and created, with no fee due to the Supplier.
- 3.19 Any inventions made by the Supplier regarding this assignment, whether patentable or not, shall belong exclusively to BOSCH with no fee due to the Supplier. The latter shall adopt suitable measures for said inventions to be transferred to BOSCH immediately, unless otherwise foreseen in the agreement.

4 Force majeure

- 4.1 In case of force majeure, riots, government measures and other inevitable events, BOSCH shall be relieved from the obligation to accept the Products, based on scheduled expiry dates, for the duration of said events. During said events, and for the 2 (two) following weeks, BOSCH shall have the right – with no prejudice to any other BOSCH right – to withdraw, either fully or partially, the supply agreement if said events last a certain time and BOSCH needs are considerably reduced as, due to said events, goods must be manufactured elsewhere.
- 4.2 The provisions of article 4.1 above shall also apply in the case of labour disputes.

5 Notice of shipping and invoice

- 5.1 Details contained in BOSCH order, agreement, delivery and/or supply request shall be valid. The invoice with the invoice number and other details shall be sent to the address given in the purchase order/agreement and shall not accompany the goods.

6 Price and passage of risk

- 6.1 Prices shall be as "delivered duty-paid" (DAP Incoterms 2010) and include packaging, except as expressly otherwise agreed. Value added tax (VAT) shall be excluded. The Supplier shall take on all loss or damage risks for the goods until they are received by BOSCH, or by its representative, in the delivery place agreed on as according to the agreement.
- 6.2 The due amount for the supply of Products shall be agreed separately in each order or agreement. Prices agreed shall not be modified, unless agreed in writing, specified for each case. If payment has not been set as a fixed amount in an agreement, but is based on expenses sustained and proved, the Supplier shall keep its request within the total offer or estimate amount approved. Supplementary costs shall only be acknowledged by BOSCH if approved in advance and in writing.

7 Payment terms

- 7.1 Payment terms given in the purchase order/agreement shall be valid. Payment is subordinate to the check of the invoice.

8 Claims for defects

- 8.1 Acceptance of the Products shall be subjected and subordinated to inspection and/or control by BOSCH in order to verify the absence of flaws and defects, supply completeness and regularity. BOSCH shall promptly notify any defects found after their discovery. To this extent, the Supplier shall waive the objection to delayed notification of defects.
- 8.2 The Products supplied by the Supplier and/or third parties shall be guaranteed for operating flaws and defects and shall be thus covered by a defect guarantee foreseen by art. 1490 of the Italian civil code and by all the guarantees, none excluded, foreseen by Italian law related to supply, contract and service supply specifications. For this purpose, the Parties shall agree that, pursuant to the first paragraph of art. 1495 of the Italian civil code, the term by which BOSCH shall report defects to the salesman is forty-five working days from their discovery, unless Italian law foresees a longer assessment: in any case, the Supplier shall definitely renounce to raise objections regarding any delay by BOSCH in reporting defects.
- 8.3 In principle, BOSCH shall have the right to select the type of supplementary performance. The Supplier shall be entitled to refuse the type of supplementary performance selected by BOSCH in case it is possible at disproportionate expense.
- 8.4 In the event that the Supplier does not commence rectifying the defect immediately after a request by BOSCH, in urgent cases, especially to ward off acute danger or prevent greater damage, BOSCH shall be entitled to undertake such rectification or have it undertaken by a third party at the expense of the Supplier.
- 8.5 The Supplier shall undertake to keep BOSCH safeguarded and protected against any third party request or claim regarding the supply.
- 8.6 The Parties shall agree that, notwithstanding the third paragraph of art. 1495 of the Italian civil code, the expiry date for compensation requests regarding defects shall be 3 years, except for cases of wrong declaration for fraudulent purposes, with exclusion of the case where the product is used in a building observing customs and laws in force and causes or has caused its defectiveness. Said terms shall become effective from product delivery date (passing risk). Where needed, the Parties shall agree that the provisions in art 1497 of the Italian civil code should apply to these Terms and Conditions.
- 8.7 If the Supplier fulfils the additional service requirement supplying a replacement product, starting and expiry terms for the goods delivered in replacement shall be newly calculated from delivery date, unless – during the additional service – the Supplier explicitly and suitably reserves that said replacement delivery was only done in good faith, to avoid controversy or in the interest of an ongoing supply relationship.

- 8.8 In case BOSCH incurs in costs for the supply of defective Products, they shall be at the Supplier's expense, specifically transport, delivery, working, labour, assembly, disassembly, material or costs for inspection and control.
- 8.9 The Parties agree that in case BOSCH contests the supply for any reason, it shall be entitled to suspend relative payment until it has been ascertained legally through a final sentence; for this reason the Supplier shall not be entitled to act to recover said credit and no interest of any kind, not even legal and what is foreseen by Legislative Decree 231/2002 shall be applied to the sums not paid by BOSCH.
- 8.10 BOSCH shall be entitled to compensate the sums requested by the Supplier against damages with those owed for the supply and even in case BOSCH credit is not certain, available and collectable.
- 8.11 In case the supply has already been paid, these shall not in any way prejudice BOSCH right to contest it and to repeat payment and claim for compensation for all damage suffered, none excluded, from the Supplier.
- 9 Product Liability and Recall**
- 9.1 In the event a product liability claim is asserted against BOSCH, the Supplier shall be obliged to hold BOSCH harmless from such claims if and to the extent that the damage was caused by a defect in the Product supplied by the Supplier. In cases of liability based on fault, this only applies, however, if the Supplier is at fault. Insofar as the cause of the damage falls within the area of responsibility of the Supplier, the Supplier shall prove that it is not at fault.
- 9.2 If the cases indicated in art. 9.1 occur, the Supplier shall sustain all costs and expenses, thus including those for any legal action.
- 9.3 In all other cases, the law shall be applied.
- 9.4 Before recalling any products, due fully or partially to a defect in the product supplied by the Supplier, BOSCH shall inform the Supplier, offering the latter the chance to collaborate and shall discuss with the Supplier the most efficient withdrawal action to be carried out, unless the occurrence of specific urgencies does not allow any communication or collaboration. Recalling costs shall be the Supplier's liability if they are to be attributed to a defect in the product supplied by the Supplier itself.
- 10 Rights of withdrawal and termination**
- 10.1 In addition to the right to withdraw from or terminate the agreement as provided by law, BOSCH has the right to withdraw from or terminate the agreement with immediate effect if:
- The Supplier has stopped supplying its customers;
 - 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 BOSCH is in jeopardy;
 - The Supplier meets the criteria for insolvency or over-indebtedness, or the Supplier stops making its payments;
 - the Supplier does not fulfill the obligations set forth in article 3.13.
- 10.2 BOSCH shall have the right to withdraw from or terminate the agreement if the Supplier files for bankruptcy or other insolvency proceedings involving the assets of the Supplier.
- 10.3 If the Supplier performs only a partial supply, BOSCH shall have the right to cancel the whole agreement if there is no interest in the partial supply.
- 10.4 If BOSCH withdraws from or terminates the agreement according to the contractual rights or respective termination rights, then the Supplier shall compensate BOSCH for the loss or damage incurred as a result, unless the Supplier was not responsible for the rights arising to withdraw from or terminate the agreement.
- 10.5 Statutory rights and claims shall not be limited by provisions of article 10.
- 11 Carrying out works**
- 11.1 People carrying out work or fulfilling an agreement in a BOSCH plant/branch shall comply with relative labour regulations in force. Except as in article 1229 of the Italian civil code, BOSCH shall have no liability for any accidents occurring to said people in BOSCH plants/branches.
- 12 Supply of materials**
- 12.1 Materials, components, containers and special packaging supplied by BOSCH shall remain its property. They shall only be used for their foreseen use. Materials shall be worked and components shall be assembled for BOSCH. In relation to the value of BOSCH components compared to that of the whole product, BOSCH shall be the co-owner of goods made with its materials and parts; the Supplier undertakes to safeguard said products in the interest of BOSCH.
- 13 Confidentiality and secrecy**
- 13.1 The Supplier shall keep all commercial and technical information made available by BOSCH (including data obtained from items, documents or software and any other information or experience); and the results of works carried out for the agreement, except for anything already of public knowledge. Information shall only be made available in the Supplier's office for people needing it to complete the BOSCH supply agreement. Said people shall undertake to maintain said confidentiality. Information is exclusively BOSCH property and shall not be duplicated or used commercially – except for deliveries to BOSCH – without prior written permission from BOSCH. At BOSCH request, all information communicated by BOSCH (including any existing copies or recordings), and goods and instruments provided for use by BOSCH for the Supplier shall be returned immediately or destroyed with proof. All rights on said information shall be reserved BOSCH (including patent and intellectual). Said reserve also applies to information provided by third parties.
- 13.2 Goods made based on documentation like drawings, models and similar, set up by BOSCH or based on confidential information belonging to BOSCH, any goods made using our tools or tools modelled to them, shall never be used by the Supplier outside the Supply agreement with BOSCH, nor offered or transferred to third parties. The above is also applied to BOSCH orders.
- 13.3 Services provided to BOSCH by the Supplier, or parts of them, shall not be supplied to third parties in the same way for two years from the time they are carried out; unless the technology they are based on belongs to the general state of art and knowledge.
- 13.4 Concerning technical and commercial information received by BOSCH to carry out the service, the confidentiality obligation shall also continue after the fulfillment and conclusion of the agreement, till and to the extent that said information does not become of public knowledge for reasons not related to the Supplier, or if BOSCH renounces to said confidentiality commitment in writing.
- 14 Control of exports and Customs**
- 14.1 The Supplier shall inform BOSCH of any requirements regarding export licenses (re-export) of Products based on Italian, European or US laws on export control and on customs regulations, and at the same time shall inform BOSCH of legislation on export control and customs regulation in force in the country the Products come from. Therefore, at least in offers, order confirmation and invoices, the Supplier shall provide the following Product information:
- Export list number of any export lists referring to applicable lists;
 - ECCN (Export Control Classification Number) for US goods (including technology and software) based on US Export Administration Regulations (EAR);
 - Country of origin of Products and relative components, including technology and software;
 - Any product transport in USA territory, any product manufacturing or storage in the USA and any manufacturing with USA technology;
 - Customs tariffs for products; (HS Code of Products);
 - Reference person in the company, available, on request, to provide further information.
- On request, the Supplier shall provide further information on foreign trade regarding the Products and components, in writing and shall promptly inform BOSCH of any changes brought to said data and, in any case, before the supply to BOSCH.
- 15 Compliance, Dlgs 231/2001**
- 15.1 The Supplier shall comply with the respective statutory provisions governing the treatment of employees, environmental protection and health and safety at work and to work on reducing the adverse effects of its activities on human beings and the environment. In this respect the Supplier shall set up and further develop a management system in accordance with ISO 14001 within the realms of its possibilities. Further, the Supplier shall comply with the principles of the UN Global Compact Initiative relating basically to the protection of international human rights, the right to collective bargaining, the abolition of forced labor and child labour, the elimination of discrimination when personnel is engaged and employed, the responsibility for the environment and the prevention of corruption. Further information on the UN Global Compact Initiative is available: www.unglobalcompact.org.
- 15.2 In the event that a Supplier repeatedly violates the law and/or violates the law despite being given prior notice, and fails to prove that the violation of the law has been corrected as far as possible and that appropriate precautions have been taken to avoid violations of the law in the future, BOSCH reserves the right to terminate or withdraw from existing agreements without notice.
- 15.3 The Supplier declares its awareness of the content of D.Lgs. 8th July 2001 n. 231 and of the Organizational Model and the Code of Ethics of the Bosch Company he supplies, and the Code of Business Conduct of the Bosch Group, visible on the webpage www.bosch.it or made available to the Supplier itself. The Supplier undertakes to behave in accordance with the provisions set forth in those documents, and to verify periodically possible modifications and/or amendments during the term of the contractual relationship. The Supplier moreover declares that he is aware of the fact that the compliance with those provisions is an essential condition for Bosch with regard to the start and the maintenance of the contractual relationship. Each violation of one of those provisions of the Organizational Model, the Code of Ethics and the Code of Business Conduct by the Supplier constitutes a material breach of the contractual obligations and entitles Bosch to terminate the contractual relationship with immediate effect according to Art. 1456 of the Italian Civil Code. Possible claims for suffered damages remain unaffected by such termination.
- 16 Place of service**
- 16.1 The place of service is the place where the goods shall be delivered to according to the agreement or where the service shall be provided as specified in the order/agreement.
- 17 Miscellaneous**
- 17.1 If a condition in this agreement or subsequent integrating agreements is ineffective this shall not invalidate the other conditions. The Parties shall agree on a replacement clause reflecting the economic intention as much as possible.
- 17.2 These Terms and Conditions are governed exclusively by Italian law. Application of The Hague Convention regarding the uniform law on international sales of goods, the UN convention on international goods sales agreements or any other convention, regulation or other private international laws regarding law applicable to the sales of goods and/or services are specifically excluded.
- 17.3 All disputes arising from these Terms and Conditions or connected to them shall be decided exclusively by the Court of Milan. Any other competitive or alternative Court shall be specifically excluded.
- 17.4 The Parties mutually agree that every single provision of these Terms and Conditions has been amply discussed, agreed and approved specifically by them, as well as every single paragraph and article.
- Date _____
- The Supplier

- Pursuant to and for the effects of article 1341 of the Italian civil code, the Supplier specifically approves in writing the following articles: art.2 (orders and their amendments), art.3 (Delivery of goods/Provision of services), art.4 (Force majeure), art.8 (Claims for defects), art.9 (Product Liability and Recall), art.10 (Rights of withdrawal and termination), art.11 (Carrying out works), art.13 (Confidentiality and secrecy), art.15 (Compliance, Dlgs 231/01), art.17 (Miscellaneous).
- Date _____
- The Supplier
