



## Declaration on DIREKTHÄNDLERVERTRAG

This agreement is made by

**ŠKODA AUTO a.s.**  
Tř. Václava Klementa 869  
293 60 Mladá Boleslav  
Czech Republic

hereinafter referred to as „Škoda”

and

**ÎM “DAAC-HERMES” SA**  
MD-2069, str. Calea Ieșilor, 10  
mun. Chișinău  
Republic of Moldova

(MD-2069, Calea Ieșilor, 10)  
(city of Chisina)

hereinafter referred to as „HERMES”

and

**Societatea cu Răspundere Limitată “DAAC-AUTO”**  
MD-2069, str. Calea Ieșilor, 10  
mun. Chișinău  
Republic of Moldova

(Limited Liability Company  
“DAAC-AUTO”)  
(MD-2069, Calea Ieșilor, 10)  
(city of Chisina)

hereinafter referred to as „DAAC-AUTO”.

Whereas Škoda and HERMES concluded a "Direkthändlervertrag" dated 27.03.1998 (hereinafter referred to as „Initial Agreement”),

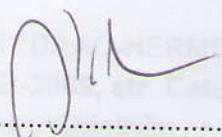
whereas Škoda and DAAC-AUTO concluded a „Direkthändlervertrag No. 1612/05“ dated 20.01.2006” (hereinafter referred to as „Meantime Agreement”),


whereas Škoda and DAAC-AUTO concluded a “Direct Dealer Agreement” (hereinafter referred to as “New Agreement”), which replaces the „Direkthändlervertrag No. 1612/05“ concluded on 20.01.2006,

whereas DAAC-AUTO is a daughter company of HERMES,

now, therefore, Škoda, HERMES and DAAC-AUTO declare that with coming into force of the Meantime Agreement on 20.01.2006 the Initial Agreement between Škoda and Hermes was terminated and at the same time DAAC-AUTO took over all remaining obligations of HERMES out of the Initial Agreement. Furthermore DAAC-AUTO declares to take over these obligations also in the future under the New Agreement.

Mladá Boleslav, 11.12.2007

  
.....  
Fred Kappler  
Member of the Board of Management  
Sales and Marketing  
on behalf of ŠKODA AUTO a.s.

  
.....  
Holger Kintscher  
Member of the Board of Management  
Finance, Commercial Affairs  
on behalf of ŠKODA AUTO a.s.

Place

  
.....  
Igor Șerbinschi  
on behalf of IM "DAAC HERMES" SA



Chișinău 28.12.07

Place

Date

  
.....  
Maxim Buzdugan  
on behalf of Societatea cu Răspundere Limitată "DAAC-AUTO"





ŠKODA AUTO a.s.  
Mezinárodní prodejní strategie  
293 60 Mladá Boleslav

... a. s. (hereinafter referred to as "SKODA AUTO")  
... (hereinafter referred to as "HERMES")  
... (hereinafter referred to as "DAAC-AUTO")

SKODA AUTO is a company of HERMES

SKODA AUTO and DAAC-AUTO decided that with effect from 30.01.2009 the initial Agreement between SKODA and HERMES was terminated and all the rights and obligations of SKODA AUTO were transferred to DAAC-AUTO. SKODA AUTO decided to take over these rights and obligations in the future under the New Agreement.

2009. 01. 15

*[Signature]*

Robert Křiváček  
Member of the Board of Management  
Financial Commercial Affairs  
in behalf of ŠKODA AUTO a.s.

*[Signature]*


Frédéric Kappeler  
Member of the Board of Management  
Sales and Marketing  
in behalf of ŠKODA AUTO a.s.



*[Signature]*  
Date: 2009. 01. 15



*[Signature]*  
in behalf of SKODA a.s. / DAAC-AUTO

  
**ŠKODA AUTO a.s.**  
 Mezinárodní prodejní strategie  
 295 60 Mladá Boleslav



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# ŠkodaAuto

## Direct Dealer Agreement

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## 1. Basis of the Agreement

### Article 1 - Subject of the Agreement

#### Preamble

The Škoda Auto a.s. manufactures high-quality products and offers first-class services. An exemplary Sales Organisation provides these products and services worldwide and offers customer care.

Our joint objective is to meet the needs and wishes of a discriminating range of customers; and to achieve a high level of customer satisfaction which will give rise to a stable and trusting relationship with customers of the Škoda Auto a.s.

In order to achieve this goal, cooperation in a spirit of partnership is called for between the companies of the Škoda Auto a.s. and all members of the Sales Organisation.

Therefore

**ŠKODA AUTO a.s.**

**Tř. Václava Klementa 869**

**CZ - 293 60 Mladá Boleslav**

**Czech Republic**

- hereinafter referred to as "Škoda" -

and

**Societatea cu Răspundere Limitată "DAAC-AUTO"**

**(Limited Liability Company  
"DAAC-AUTO")**

**MD-2069, str. Calea Ieșilor, 10**

**(MD-2069, Calea Ieșilor, 10)**

**mun. Chișinău,**

**(city of Chisina)**

**Republic of Moldova**

- hereinafter referred to as the "Direct Dealer" -

conclude the following Direct Dealer Agreement (hereinafter referred to as "Agreement"):

## **I. Basis of the Agreement**

### **Article 1 - Subject of the Agreement**

1. Škoda assigns to the Direct Dealer the right and obligation, in respect of the Territory of Responsibility set forth in Appendix 9, to buy and sell the Contractual Products of the Škoda brand named in Appendix 1 according to the scope of this agreement at both distributor and retail level and to provide customer care for the said Territory of Responsibility.
2. The basis of this Agreement shall be the constant fulfilment of the Qualitative Standards set forth in Appendix 2, even if express reference should not again be made to them. These standards shall be supplemented by the relevant Škoda guidelines, as amended from time to time, which form an integral part of this Agreement. Škoda reserves the right to introduce new guidelines and to amend or supplement the existing ones. The content of these guidelines shall be limited by the rights and obligations in this Agreement. Appendix 8 contains a list of the guidelines applicable on the date of the conclusion of this Agreement.

When new models are introduced, Škoda shall be entitled to lay down mandatory Qualitative Standards for their distribution and/or the provision of After-Sales services.

3. Škoda will be entitled to stop the production of individual models of motor vehicles listed as Contractual Products in Appendix 1, where this is required by the policy on the relevant models, taking account of economic and technical developments.
4. Škoda reserves the right to distribute small series of vehicles manufactured or distributed by its subsidiaries outside of the Škoda brand's Sales Organisation on the basis of separate agreements.
5. The Direct Dealer shall perform all the duties imposed upon it under the present Agreement, shall exhaust fully all market opportunities for the Škoda brand within the Territory of Responsibility and shall promote in all respects the image and good reputation of Škoda, the Sales Organisation and the Contractual Products in order to ensure that the Škoda brand achieves and/or maintains a superior position in competitive terms.
6. The Direct Dealer shall perform these obligations with the enterprise described in Appendix 3. Any amendments to the data contained in this Appendix shall require Škoda's prior written approval.

### **Article 2 - Definitions**

The terms listed below shall be deemed to have the following meanings:

1. Contractual Products, as used in the present Agreement, shall mean all products and services of the Škoda brand listed in Appendix 1.
2. Sales Organisation, as used in the present Agreement, shall mean all enterprises, Direct Dealers, general agents and direct dealers authorised to market the

Contractual Products, and all enterprises at distributor or dealer level duly authorised by the same.

3. Territory of Responsibility, as used in the present Agreement, shall mean the territory set forth in Appendix 9.
4. Retail Network, as used in the present Agreement, shall mean all enterprises contractually authorised by the Direct Dealer to market or service the Contractual Products within the Direct Dealer's Territory of Responsibility. As far as the retail business activities of the Direct Dealer are concerned, the stipulations for the Retail Network in this Agreement are valid mutatis mutandis for the Direct Dealer.
5. "ŠGP/ŠGA" – in the text hereinafter understood as Škoda Genuine Parts/Škoda Genuine Accessories.

## **II. The Direct Dealer's obligations and legal status**

### **Article 3 - Principles of performance**

1. The Direct Dealer shall be responsible for promoting sales and exploiting the potential of the market for the Contractual Products. Accordingly, on the basis of the sales network planning drawn up by the Direct Dealer and discussed and agreed with Škoda, the Direct Dealer shall establish and maintain a sales network in the Territory of Responsibility, such network providing exemplary services.
2. The Direct Dealer shall conclude all transactions under the present Agreement as an independent entrepreneur, in its own name and on its own account. It is not authorised to act on behalf of Škoda.
3. The Direct Dealer shall ensure that its enterprise as set forth in Appendix 3 is furnished with liquidity commensurate with business requirements at all times and that a balanced financial structure is maintained.
4. The Direct Dealer shall conclude agreements corresponding to the Škoda Standard Dealer Agreement drawn up by Škoda with the members of the Retail Network and ensure that the members of the Retail Network will fulfill their obligations arising from these agreements to the full extent. The Direct Dealer shall be responsible for consideration of local regulations and/or conditions. Should substantial deviations from the Škoda Standard Dealer Agreement be necessary, the Direct Dealer shall discuss and agree such deviations with Škoda prior to conclusion of the respective agreement. The Direct Dealer shall bear itself all risks arising from the dealer contracts and their performance.
5. If the Direct Dealer itself maintains retail outlets it shall ensure that the business interests of its enterprise are not confused with those of its retail outlets and that other members of the Retail Network are not placed at an unfair disadvantage.
6. The Direct Dealer shall distribute the Contractual Products exclusively to final customers or to members of the Retail Network according to article 2, no. 4 of this Agreement for onward sale. The Direct Dealer is not permitted to distribute new and/or unused vehicles to re-sellers which are no members of the Retail Network



according to article 2, no. 4 of this Agreement. Motor vehicles shall be deemed unused within the meaning of the second sentence if they are shown to have been driven less than 1,000 kilometers; the existence of any road licence is immaterial, irrespective of its term.

7. The Direct Dealer shall perform its obligations under the present Agreement separately from all other business activities, and shall agree in advance with Škoda all measures which are necessary to this end.
8. In particular, the Direct Dealer shall employ sales and after-sales service staff which is not engaged in its other business activities. They shall pursue separate marketing and advertising activities for the Škoda brand and communicate an appropriate image. The Direct Dealer shall ensure that the members of the Retail Network also comply with these provisions.
9. The Direct Dealer shall not sell new vehicles or spare parts of brands other than Škoda either directly or indirectly, unless Škoda grants its prior, written approval therefore.
10. The Direct Dealer shall distribute the Contractual Products only within the Territory of Responsibility and shall ensure that the members of the Retail Network also restrict their distribution of the Contractual Products to the Territory of Responsibility. The export of the Contractual Products is prohibited, unless Škoda grants its prior written approval therefore. Outside of the Territory of Responsibility, the Direct Dealer shall not advertise, use agents or acquire customers in any other manner.
11. Therefore, the establishment outside the Territory of Responsibility of enterprises for marketing the Contractual Products and providing after sales service, even under different ownership, as well as the establishment of branches and field stores outside the Territory of Responsibility is prohibited, unless Škoda grants its prior written consent thereto.
12. Škoda may modify the Direct Dealer's Territory of Responsibility or appoint other Direct Dealers for the said territory, in particular if this is necessary for reasons of market policy or sales policy with a view to safeguarding or improving the market opportunities for the Contractual Products. In the event of such a decision being made, Škoda shall take due account of the Direct Dealer's interests. The Direct Dealer will not be entitled to make any claims against Škoda or against third parties on account of such measures.
13. The Direct Dealer shall be responsible to obtain independently all business permits, type approvals or other permits officially required for the sale of the Contractual Products in its Territory of Responsibility and for their renewal.

#### **Article 4 - Sales planning and delivery**

1. In order fully to exploit the market opportunities in the Territory of Responsibility, as well as to permit the planning and full utilization of production capacities, requirement plans for the Contractual Products must be drawn up. The Direct Dealer and Škoda shall agree on requirements for each calendar year and jointly establish

sales targets accordingly. At least once a year, these targets shall be adjusted in line with the market situation. In order to achieve the targets agreed upon with Škoda, the Direct Dealer shall conclude appropriate agreements with the members of the Retail Network.

2. In pursuit of the agreed targets, the Direct Dealer shall order and call up Contractual Products for the period laid down by Škoda in each case and at the times determined by the latter. Škoda's Terms of Sale and Delivery as set out in Appendix 5, as amended from time to time, shall apply.
3. The Direct Dealer shall obtain the Contractual Products exclusively from Škoda.
4. In order to ensure an optimum supply capability, the Direct Dealer shall at all times maintain stocks of the Contractual Products commensurate with anticipated sales as well as holding available the appropriate warehouse capacity and funds. The assortment of the stocks shall correspond to the turn around of the individual Contractual Products. The details shall be governed by the Qualitative Standards as per Appendix 2 and the agreements on sales targets.
5. In the interest of providing optimal customer care for its final customers, the Direct Dealer shall be obliged to keep an appropriate number of demonstration vehicles. The number and models of demonstration vehicles shall be agreed upon when the annual targets for the calendar year are agreed upon.
6. Within the framework of service agreements, the fulfillment of orders vis-à-vis the Direct Dealer or the members of the Retail Network may be effected by third parties, where there objectively justifiable reasons for this.
7. The Direct Dealer shall not modify Contractual Products without Škoda's prior written approval, unless the alteration has been ordered by the Direct Dealer's end user and concerns Contractual Products, which the latter has purchased. Škoda will be entitled to modify the Contractual Products at any time and reserves the right to require the Direct Dealer to make certain changes thereto, against appropriate remuneration.

#### **Article 5 - After-sales service**

In agreement with Škoda, the Direct Dealer shall ensure that after-sales service of a high standard of quality is provided for all Contractual Products, such service aiming to achieve full customer satisfaction. Furthermore, the Direct Dealer shall be obliged to provide service and supply ŠGP/ŠGA pursuant to this Agreement for all Škoda vehicles in the Territory of responsibility, for which Škoda provides ŠGP/ŠGA. The Direct Dealer undertakes to implement the respective requirements issued by Škoda to the members of the Retail Network and to purchase technical literature from Škoda accordingly.

#### **Article 6 - Warranty (quality defects)**

1. The Direct Dealer shall provide a warranty in the Territory of Responsibility at least of the scope indicated in Appendix 6, as amended from time to time. The Direct

Dealer shall ensure that the members of the Retail Network provide a warranty of the same scope to customers, on its account. Warranty claims shall be settled in accordance with Škoda's Guidelines, as amended from time to time, in particular with the Technical Service Handbook (TSH).

2. The Direct Dealer shall ensure that the Retail Network uses only ŠGP/ŠGA which have been purchased from Škoda in connection with warranties, ex gratia payments and recall and field actions.

#### **Article 7 - Škoda Genuine Parts / Škoda Genuine Accessories**

1. The Direct Dealer shall exploit all sales opportunities for ŠGP/ŠGA and in all respects promote the good reputation of ŠGP/ŠGA. It shall ensure that its Retail Network as well as its enterprise complies in full with all Qualitative Standards and Guidelines for the ŠGP/ŠGA.
2. In order to ensure sufficient supplies to meet the needs of the final customers and of the Retail Network, the Direct Dealer shall constantly maintain a stock of ŠGP/ŠGA.
3. In doing so, the Direct Dealer shall comply with Škoda's requirements regarding the storage of the parts to ensure appropriate safekeeping and processing.
4. The Direct Dealer shall not market parts which compete with the Contractual Products, unless Škoda grants its prior approval for the procurement of parts from third parties. The Direct Dealer shall ensure that the members of the Retail Network use and market only ŠGP/ŠGA.

#### **Article 8 - Advice and assistance for the Retail Network**

The Direct Dealer shall advise and assist the Retail Network. In particular, it shall, if necessary against appropriate remuneration:

- agree with its Retail Network upon measures to achieve targets and assist in the implementation of the said measures;
- support the Retail Network's sales promotion measures to an appropriate extent by means of supra-regional advertising for the Contractual Products;
- provide the Retail Network with expert advice by using a reasonable number of specialist staff;
- hold training courses and seminars on all subjects, making available trainers, teaching material and methods and training facilities;
- make available to the Retail Network in-house and self-study training programmes and literature in all fields;
- advise the members of the Retail Network in investment matters, in particular regarding the design, equipment and maintenance of its operating facilities;
- recommend systems and programmes for planning the Retail Network's business activities under the present Agreement, as well as standard systems belonging to Škoda or to itself, in order to rationalise business administration and order

processing. It shall also recommend further technical and organisational operating resources for all relevant fields;

- advise the Retail Network on the equipment of its operating facilities with special tools, operating resources, workshop fittings and equipment and literature, as per Škoda's Guidelines.

#### **Article 9 - Care for customers and potential buyers**

1. The Direct Dealer undertakes to set up a central customer care organisation and develop it on an ongoing basis, in order to be able to react quickly to inquiries and complaints from customers and potential buyers.
2. On demand of Škoda all matters concerning customers and potential buyers shall be recorded and further processed in a central CRM system.
3. All contact with customers shall be systematically recorded and processed by given deadlines (service levels). These deadlines shall be agreed upon by the Direct Dealer and Škoda.

#### **Article 10 - Customer relations management (CRM)**

1. The Direct Dealer shall take part in Škoda's CRM programme on demand of Škoda, which is made up of basic elements (the outline programme), additional modules and supporting management tools.
2. The Direct Dealer undertakes to play an active part in exchanging customer data in the context of the outline programme provided by Škoda, subject to the legislative provisions.
3. The Direct Dealer undertakes to offer the additional modules actively via its Retail Network. Where a customer takes up this offer, the Direct Dealer shall make the data needed for the additional modules available to Škoda.
4. Škoda shall transmit to the Direct Dealer any additional and/or updated customer data and information of which it is aware, in accordance with fixed rules.
5. The Direct Dealer shall meet the organisational requirements for customer relations management and Škoda shall recommend the Direct Dealer tools to assist it therein.

#### **Article 11 - Sales promotion**

1. In agreement with Škoda, the Direct Dealer shall draw up marketing objectives and strategies, taking into account the targets agreed upon pursuant to Article 4, Para. 1. The Direct Dealer shall ensure effective sales promotion and public relations in Territory of Responsibility on the basis of promotional principles discussed and agreed with Škoda. To this end, the Direct Dealer and Škoda shall agree upon an annual budget to be used by the Direct Dealer for promotional purposes.
2. In addition to the campaigns organized by Škoda, the Direct Dealer shall prepare and implement other sales promotion measures, in line with sales development.

3. The Direct Dealer shall ensure that its Retail Network also promotes the Contractual Products and the services offered to customers by Škoda and the Sales Organisation, using only the nomenclature designated by Škoda.
4. The Direct Dealer shall ensure that the members of the Retail Network do not perform any advertising which contradicts the position adopted by Škoda in public or which is detrimental to the image of Škoda and/or the Sales Organisation.

#### **Article 12 - Identification and trademarks**

1. In order to ensure a uniform and consistent identity, the Direct Dealer will be both entitled and obliged to use the registered trademarks listed in Appendix 7 exclusively in connection with its activities under the present Agreement and shall display the said marks on its premises and business papers in the approved form. To this end, Škoda shall provide appropriate samples. The Direct Dealer may not use other signs belonging to Škoda or may only do so in accordance with Škoda's guidelines.
2. The Direct Dealer shall shape its corporate identity, including its advertising, in line with Škoda's Corporate Identity Guidelines, as amended from time to time.
3. The Direct Dealer may only use the registered trademarks listed in conjunction with its own or other signs or names on any other products or their packaging or advertising material or in any other manner whatsoever with Škoda's approval.
4. The Direct Dealer shall market and service the Contractual Products only under the names and designations provided by Škoda. The Direct Dealer may not add any other names or designations thereto.
5. The Direct Dealer may only use Škoda trademarks as a component of its corporate name after Škoda's prior, written approval. The Direct Dealer shall not either directly or indirectly register in its favour any marks or names of the Volkswagen Group or its companies, either alone or in conjunction with other words or marks. This also applies to the use of graphic or phonetic signs which, despite their difference, display a relationship to the marks normally used by the Volkswagen Group or its companies.

The Direct Dealer may not infringe Škoda's trademarks itself or assist a third party in doing so. The Direct Dealer shall notify Škoda of any unauthorised use of the registered trademarks and identification without delay and prosecute any such use in agreement with Škoda.

6. The above provisions apply mutatis mutandis to all of the Direct Dealer's visual and communicative appearances in any media, e.g. its Internet entries and domain.
7. The Direct Dealer shall ensure that the members of the Retail Network also use Škoda's protected marks only in accordance with the present Agreement.

### **Article 13 - Information and reporting**

1. In order to permit Škoda to conduct market surveys and recall campaigns in particular, the Direct Dealer shall, to the legally permissible extent, make available customer data to Škoda or to a third party appointed by Škoda.
2. Škoda is entitled to request reports, e.g. concerning the market situation, sales and workshop statistics, inventories, estimated requirements, legal regulations, taxation and customs duties in the Territory of Responsibility.
3. The Direct Dealer shall furnish Škoda with all such information on business circumstances relating to the subject of the present Agreement as shall be necessary for business purposes. The Direct Dealer shall also ensure a problem-free information flow between Škoda and the members of the Retail Network.

After announcing their intention and during normal working hours, Škoda's authorised representatives shall be allowed access to the Direct Dealer's business and operating premises, warehouses and storerooms - to the extent that these serve business operations under the present Agreement - and permitted to inspect the various departments' documents, data processing systems, accounts, receipts and electronically stored business data and to make copies thereof.

4. On Škoda's request, the Direct Dealer shall submit its balance sheet and profit and loss account, both duly audited by a tax consultant.
5. Škoda shall treat as confidential all information obtained under the provisions of the present Article.

### **Article 14 - Operating facilities and business activities**

1. The Direct Dealer undertakes to equip and maintain its business premises in a manner such that their size, fittings and furnishings, as well as their external appearance are of a standard meeting the guidelines of Škoda from both a technical and commercial point of view. This shall include, in particular, the quality management system as per EN ISO 9000 et sqq.
2. If the volume of business expands, the Direct Dealer shall in each case adapt its enterprise and its equipment to the new situation in accordance with market requirements. Substantial changes to the enterprise and any investments exceeding the scope of normal business operations and which directly or indirectly affect the business conducted by the Direct Dealer under the present Agreement shall require discussion and agreement with Škoda.
3. If substantial services are provided by third parties for the Direct Dealer's business operation, in particular marketing, training or auditing services, then the respective agreements governing the provision of the said services shall require Škoda's prior, written consent. The respective agreements governing the provision of said services shall be listed and submitted to Škoda, upon its request.

4. The Direct Dealer shall employ an adequate number of qualified personnel and ensure their further training, in order properly to fulfil its obligations pursuant to the present Agreement.

### **Article 15 – Data systems**

In order to work efficiently with Škoda, the Direct Dealer shall use the systems and services stipulated by Škoda. These include the necessary technical requirements (e.g. infrastructure, safety and access to systems). Where Škoda does not stipulate any systems for use by the Direct Dealer, the Direct Dealer shall always ensure that its programmes and systems are compatible with the programmes, systems and interfaces defined by Škoda and also that the organizational and technical standards stipulated by Škoda are observed.

### **III. Škoda's obligations**

#### **Article 16 - Advice and assistance**

Škoda shall advise and assist the Direct Dealer. In particular, it shall, if necessary against appropriate remuneration:

- support the Direct Dealer's sales promotion measures to an appropriate extent by means of advertising concepts for the Contractual Products;
- in line with its system, provide the Direct Dealer with expert advice by using a reasonable number of specialist staff, in particular with reference to design, equipment and other investment matters, as well as concerning the maintenance of operating facilities;
- support the Direct Dealer by providing advice on construction matters in the event of modifications to its site and buildings;
- hold training courses and seminars on all subjects, making available trainers, teaching material, training methods and training facilities;
- make available to the Direct Dealer in-house and self-study training programmes and literature in all the relevant fields;
- recommend systems and programmes for planning the Direct Dealer's business activities under the present Agreement, as well as standard systems belonging to Škoda and/or systems for rationalising business administration and order processing;
- provide technical and organizational operating resources in all relevant fields.
- make available plans, concepts and programmes for promoting sales of the Contractual Products as well as for the customer-oriented management of parts and after-sales service operations;
- assist the Direct Dealer in procuring special tools and other workshop equipment;
- together with the Direct Dealer, have any necessary market studies undertaken and possibly participate in the costs thereof.

The Direct Dealer shall use the above-mentioned documentation to exploit all market opportunities and shall co-ordinate the use thereof with Škoda.

#### **Article 17 - Prices**

1. Škoda shall sell the Contractual Products to the Direct Dealer at the prices pursuant to the Terms of sale and delivery in Appendix 5, as amended from time to time. Škoda reserves the right to lay down maximum sale prices for the Contractual Products, which may not be exceeded by the Direct Dealer in its onward sales.
2. The Direct Dealer shall set its resale prices and the retail prices charged by the Retail Network in agreement with Škoda. This shall not apply insofar as it is contrary to legal provisions or official regulations. If the basis for the price calculation should change, the Direct Dealer shall in each case notify Škoda without delay.

#### **Article 18 - Reimbursement of warranty costs, ex gratia payments**

1. Škoda shall reimburse the Direct Dealer for the costs of providing a warranty in accordance with the Conditions of Warranty set out in Appendix 6, as amended from time to time. Settlement shall be made in accordance with Škoda's Guidelines, as amended from time to time.
2. Any ex gratia payments made by Škoda will be voluntary. The procedures followed shall be in accordance with Škoda's guidelines, as amended from time to time.

#### **Article 19 - Direct sales**

In order to exploit market opportunities, Škoda reserves the right also to do direct business with the customers listed in Appendix 4 on account of their special status or international structure and/or to supply them or cause them to be supplied directly with Contractual Products.

The Direct Dealer shall receive remuneration for after-sales care provided for directly supplied Contractual Products, an appropriate share of which shall be credited to the member of the Retail Network performing the relevant work.

### **IV. Term and termination of the Agreement**

#### **Article 20 - Term of the Agreement**

The present Agreement shall come into effect upon being signed by the Parties to the Agreement and is concluded for an indefinite period of time.

#### **Article 21 - Ordinary termination**

The present Agreement may be terminated by either party giving the other party twelve (12) months notice in writing to the end of a calendar month.

Škoda reserves the right to provide the Retail Network with Škoda Genuine Parts itself or have a third party provide them or arrange to have them provided, after a 12 month notice



period. In that event, all of the Direct Dealer's rights and obligations under this agreement shall cease to exist – in part or in full – to the extent that they relate to the provision of Škoda Genuine Parts. The regulations concerning market processing for Škoda Genuine Parts are excluded from this provision.

#### **Article 22 - Termination with immediate effect**

The present Agreement may be terminated in writing for good cause with immediate effect. Škoda shall be entitled to effect such termination in particular if

1. the Direct Dealer fails to obtain or is deprived of an official permit needed to carry out the business activities governed by the present Agreement;
2. the Direct Dealer's business encounters staff, structural or financial difficulties which are not resolved within a reasonable period despite a warning and such difficulties jeopardize the fulfilment of material provisions of the present Agreement;
3. the Direct Dealer's business reputation or economic foundations suffer significant impairment (e.g. due to the commencement of bankruptcy or composition proceedings against the assets of the Direct Dealer, a levy of execution upon the assets of the Direct Dealer or of persons holding shares in the Direct Dealer's business on account of insolvency, or cheques or bills of exchange contested on account of insolvency);
4. the Direct Dealer repeatedly refuses to allow Škoda or its authorised representatives to inspect its documents or access its premises in accordance with Art. 13 Para.3 of the present Agreement;
5. the Direct Dealer is repeatedly in breach of its payment obligations under the present Agreement, despite having received a warning;
6. the Direct Dealer falls substantially and repeatedly short of the set sales targets or market share objectives, despite having received a warning, unless such failure is due to general market conditions or other factors which are beyond the Direct Dealer's control;
7. the Direct Dealer repeatedly fails to comply with one or more of the Qualitative Standards laid down in Appendix 2 or is in breach of some other obligation under this Agreement, despite having received a warning;
8. the Direct Dealer repeatedly acts in breach of the prohibition against selling to resellers (Article 3 Para. 6) or the prohibition against exports (Article 3 Para. 10) despite having received a warning.

In the case of a wilful breach of the prohibition against resale (Article 3 Para. 6), Škoda reserves the right, in addition to a warning or instead of termination, to deduct the Direct Dealer's profit margin and bonus for each case of infringement. In the case of negligence, the Direct Dealer may have half of its profit margin and bonus deducted.

9. the Direct Dealer performs acts or takes measures without the prior written consent of Škoda although such consent was required under the present Agreement.

A warning shall not be required if, given the nature, extent and circumstances of the infringement, such a warning cannot be expected to bring the Direct Dealer's conduct into line with the Agreement.

### **Article 23 - Procedures upon termination of the Agreement**

1. Following termination of the present Agreement the Direct Dealer shall without delay:

- a) cease to make use of Škoda's protected marks as set out in Appendix 7 and of any marks liable to be confused therewith. The respective signs and symbols are to be removed. Otherwise Škoda will be entitled to have them removed at the Direct Dealer's expense;

The Direct Dealer hereby accords Škoda the right to enter his property for the purpose of removing the said signs. This shall also apply to removal of the same by third parties authorised to do so by Škoda.

This shall also apply to use of such signs by the Direct Dealer in its Internet appearances. The Direct Dealer hereby and irrevocably authorises Škoda to apply for the deletion of the same in the Direct Dealer's name.

- b) at Škoda's request, assign to Škoda or to a third party designated by the latter, for reasonable compensation, any orders not yet executed, and surrender to Škoda or to the third party designated by it, free of charge, all documents needed for the execution of such orders or for the provision of services to dealers;
- c) at Škoda's request, make available to Škoda or to a third party designated by Škoda, at the Direct Dealer's expense and risk, all Contractual Products, provided that the Contractual Products
  - were directly acquired from and supplied by Škoda;
  - are brand-new and/or still in the original packaging, unused, undamaged and have not exceeded their shelf life;
  - have not been sold and are the unencumbered property of the Direct Dealer or Škoda and in the possession of the Direct Dealer.

Errors in order processing shall be borne by the Direct Dealer.

The repurchase price of the Contractual Products shall be the Direct Dealer's cost price on the date of purchase (landed cost) but shall not exceed the Direct Dealer's cost price on the date of repurchase, less a reasonable deduction for the condition and age of the vehicles and/or in the case of ŠGP/ŠGA the repurchase procedure is described in ŠGP Logistic Handbook.

- d) at Škoda's request, surrender to Škoda all items, documents, information systems and materials made available to it. Data supplied electronically shall be deleted. To the extent that such material was invoiced when supplied, it shall be paid for by Škoda on return at its current trade value.

2. Upon termination of the present contractual relationship, Škoda has the right to cancel in whole or in part orders which have not been executed; the Direct Dealer shall not be entitled to any compensation whatsoever as a result of such action. This shall be without prejudice to the provision in paragraph 1 b).
3. Insofar as the Direct Dealer is in possession of business permits, type approval or other permits officially required for the sale of the Contractual Products in its Territory of Responsibility, following termination of the present Agreement it shall, to the extent legally permissible and actually feasible, be obliged to assign these certificates and permits to Škoda or to a third party designated by the latter. Should direct assignment prove impossible, the Direct Dealer shall be obliged to do everything in its power to enable Škoda or the third party designated by the latter to continue to market the Contractual Products in the respective Territory of Responsibility following termination of the present Agreement.  
  
Insofar as the assignment of certificates and permits takes place, Škoda shall reimburse the Direct Dealer for a proportion of the costs involved in originally applying for these documents.
4. Termination of the present Agreement shall entitle the Direct Dealer to no claims whatsoever, except as laid down in this Article or as prescribed by mandatory law.

## **V. General Provisions**

### **Article 24 – Form, relationship with previous agreements**

1. Amendments and supplements to the present Agreement shall be made in writing. The Appendices to this Agreement shall form an integral part of the Agreement. Škoda shall have the right to govern details of the performance of the present Agreement by issuing guidelines. Any ancillary oral agreements shall be invalid. The English version of the Agreement shall be the sole authoritative version if questions of interpretation arise.
2. Where special formalities have to be completed before the present Agreement can become valid, the Direct Dealer undertakes to take the necessary steps at its own expense without delay.
3. When the present Agreement takes effect, any previous agreements between the parties pertaining to the business relationship governed by this Agreement shall be null and void. This shall be without prejudice to post-contract claims and commitments under old contracts that have not yet been completely performed.

### **Article 25 - Transferability**

1. The Direct Dealer's rights and obligations under the present Agreement cannot be assigned – either in whole or in part – without Škoda's prior written approval.
2. Škoda will be entitled to have this agreement assigned to a third party, in full or in part. Upon termination of the present Agreement, Škoda or a third party designated by it shall enter into existing agreements between the Direct Dealer and the

members of the Retail Network in place of the Direct Dealer, insofar and for as long as no other ruling is laid down by Škoda.

3. Škoda may have its obligations pursuant to the present Agreement carried out by third parties.

#### **Article 26 - Partial Invalidity**

Should any individual provisions of the present Agreement or of the attached Appendices be or become void or unenforceable on legal or material grounds, the remaining provisions shall continue in force unaffected.

Should a provision be or become invalid, the parties shall replace the invalid provision by a contractual ruling in accordance with the economic intention of the present Agreement and its associated functions. The same shall also apply if the entire Agreement is or becomes invalid.

#### **Article 27 - Failure to exercise rights**

Failure of either party to the Agreement to exercise any of the rights to which it is entitled under the Agreement shall not be regarded as a waiver of such a right and shall not prevent the party from exercising such a right at a later date. This does not apply to waiver of limitation-period or forfeiture pleas, or to statutory limitation periods or circumstances indicating forfeiture.

#### **Article 28 - Liability**

1. Each party to the present Agreement shall itself bear the commercial risk arising to it from the Agreement and the execution thereof. Škoda shall, in particular, accept no responsibility for expenses incurred by the Direct Dealer in the execution of the present Agreement or for undertakings entered into by the Direct Dealer hereunder.
2. In respect of advice or assistance, Škoda shall be liable only for deliberately caused damages.

#### **Article 29 - Further Applicable Documents**

All Further Applicable Documents to this Agreement (see Appendix 8 and other documents, to which this Agreement refers to) are available to the Direct Dealer as amended from time to time under the Škoda B2B Portal (at the address <https://portal.skoda-auto.com>). The Direct Dealer confirms with its signature, that it made familiar with the Further Applicable Documents. In case of conflicts between the regulations of the Agreement and the Further Applicable Documents the regulations in the Further Applicable Documents are authoritative, unless agreed upon otherwise in writing.

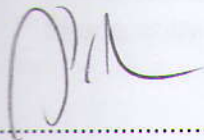
#### **Article 30 - Confidentiality**

The contracting parties shall treat as confidential all information identified as such and, in particular, shall not disclose such information or make it available to a third party.

**Article 31 - Place of performance, jurisdiction and applicable law**

1. The place of performance for all obligations of the parties arising from the present Agreement shall be the place of Škoda's registered offices, if not agreed otherwise upon in writing.
2. If the Direct Dealer is the defendant, then at Škoda's discretion, either the court having jurisdiction of place and subject matter (ratione loci and ratione materiae) at the place of the registered office of the Direct Dealer or the court having jurisdiction for the place of the registered offices of Škoda shall have jurisdiction. If Škoda is the defendant, the parties expressly agree that the court having jurisdiction for the place of the registered office of Škoda shall have exclusive jurisdiction. This agreement on jurisdiction shall apply to all claims, be they of contractual or non-contractual nature, in connection with the Direct Dealer's activities.
3. The coming into existence, validity, performance and termination of the present Agreement, as well as the interpretation of its provisions and the entire business relations between the parties governed by this Agreement shall be subject to the law of the Czech Republic. The application of the provisions of the United Nations Convention of April 11, 1980 on contracts for the international sale of goods, and of the conflict rules of the Czech private international law is hereby excluded.

Mladá Boleslav, 11.12.2007



.....  
Fred Kappler  
Member of the Board of Management  
Sales and Marketing  
on behalf of ŠKODA AUTO a.s.



.....  
Holger Kintscher  
Member of the Board of Management  
Finance, Commercial Affairs  
on behalf of ŠKODA AUTO a.s.

Chisinau 28.12.07

Place Date

  
.....  
Maxim Buzdugan  
on behalf of Societatea cu Răspundere Limitată "DAAC-AUTO"



## Appendix 1: Contractual Products

### I. New vehicles

1. Vehicles of the Škoda brand in accordance with the agreed and applicable supply programme for the relevant year, with any deviations from the supply programme and/or special agreements approved by Škoda.
2. Vehicles from Škoda's current product range for diplomats, tourists and other special purchasers for use abroad.
3. Vehicles of subsidiaries and/or franchisees of Škoda as per the agreements concluded with Škoda, as amended from time to time.

### II. Škoda Genuine Parts

Škoda Genuine Parts are listed in an official catalogue and supplied by Škoda or by suppliers confirmed (in written) by Škoda.

### III. Škoda Genuine Accessories

Škoda Genuine Accessories are listed in an official catalogue and supplied by Škoda or by suppliers confirmed (in written) by Škoda.



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