

The History of “Cost of Living Adjustments” (COLA) at Robert Bosch Corporation.

1975-1978

The company endorsed an ad hoc approach to Cost of Living Increases (COLA) for retirees. Upon approval by the Board of Directors the first COLA increase to Bosch retirees was granted in early 1975. Subsequent COLA increases were granted under the leadership of Mr. Fiene during the late 1970's.

1979-1989

Under the leadership of Mr. Hans Merkle, Mr. Fiene, Mr. Tuermer, Mr. Stahl and Dr. Scholl, eight (8) COLA increases were granted to Bosch USA retirees. These increases were granted on the basis of either .66% or .75% of the Consumer Price Index (CPI).

1991

During the Chairmanship of Dr. Eisele a “Board Guideline”, dated March 18, 1991 concerning the history and proposed continued practice of granting Retiree COLA adjustments was approved. Also, during the “1991 Early Retirement Program” for Bosch USA associates, numerous candidates for this program were verbally “assured” that Retiree COLA adjustments would continue in the future (and were reminded that COLA was in lieu of company paid retiree medical/health care) and that assurance became the basis for their Early Retirement decision.

1992

During the transition year of Chairmanships from Dr. Eisele to Dr. Schiefer, the above Board Guideline was implemented and a COLA adjustment was granted to Bosch Retiree's in the USA.

1995

During Dr. Hahn's Chairmanship the Board Guideline was once again implemented and a COLA Adjustment was granted to Bosch Retiree's in the USA.

1996-2000

During Mr. Oswald's Chairmanship, no COLA adjustments were granted. In May of 2000, representatives of the Bosch Retiree's in the USA wrote a letter to Mr. Oswald requesting a COLA adjustment to be granted. In his letter of June 2000, Mr. Gary Saunders declined the group's request, but offered to monitor the CPI development for future possible action.

2001

During Mr. Kurt Liedtke's Chairmanship another letter was sent by representatives of the Bosch Retiree group requesting a COLA adjustment. The group was hopeful for a positive response due to Mr. Liedtke's obvious

commitment to the beliefs and writings of our founder Mr. Robert Bosch, especially concerning social responsibility and loyalty to long tenured/senior employees. However, in a letter from Mr. Gary Saunders the group was advised no COLA adjustment would be forthcoming.

2004

Another letter was sent to Chairman, Mr. Kurt Liedtke requesting a COLA adjustment and again no adjustment was granted.

2005-2006

Several verbal requests were made during personal visits by representatives of the Bosch Retirees to Mr. Robert Cummins, Senior VP of Human Resources, with all requests denied.

2007

Letters to Chairman, Mr. Peter Marks and Senior VP of Human Resources, Mr. Robert Cummins, requesting COLA adjustments be granted, based on a copy of the written Board Guideline of 1991, which was provided for the first time by the Retiree Group, and testimonials by "1991 Early Retirement Program" participants, stating they were verbally assured COLA adjustments would continue in the future, as had been recent common practice. In his letter of September 20, 2007, Mr. Robert Cummins advised that COLA adjustments to Bosch USA Retirees was once again, denied.

ARBORNA, December 31, 2007