

Certificate of Guarantee

1. Definition of Terms and Scope of Validity

- 1.1. In order to be entitled to claim services under the present Certificate of Guarantee, the claiming party must hold a trade licence for the installation of low-pressure central heating systems and hot water preparation plants of the upper and lower categories or a trade licence for gas fitters and plumbers.
- 1.2. Under the present Certificate of Guarantee „Products“ shall designate all heating components manufactured by us after January 1st, 2007, bought new by the party entitled to raise a claim either directly from us or directly from one of our authorized dealers in Austria, unless these components have been exempted from the validity of the Certificate of Guarantee by express declaration to the party entitled to raise a claim or are generally exempted from such guarantee. There are special provisions for electronic and electric products such as HERZ-Electronic thermostats and actuating drives, HERZ-Actuating drives, HERZ-Room temperature controllers, HERZ transformers and wireless control systems and devices, which are not covered by the Certificate of Guarantee. Furthermore, wear parts of HERZ components such as seals are not covered by the present Certificate of Guarantee.
- 1.3. A case of damage in the sense of the Certificate of Guarantee occurs when a customer of a party entitled to raise claims with HERZ raises a warranty claim against the said party for any damage caused by an error in design or a defect in manufacturing or materials of the products.
- 1.4. The geographic validity of the Certificate of Guarantee shall be limited to places within Europe.

2. Extent of Services rendered under the Certificate of Guarantee

We shall render the following services under the present Certificate of Guarantee (excluding any further claims):

- 2.1. Replacement free of charge of the products or product components required repairing the damage, free place of damage.
- 2.2. According to our choice:
 - a) performing the required dismantling /disassembly and assembly/ installation of products or product components or
 - b) repairing the initial products or product components or
 - c) paying the costs for the services as mentioned above.
- 2.3. Repairing the immediate material damage caused by the defective products or paying the costs for the services as mentioned above.
- 2.4. Damages for direct personal injury caused by the defective products.
- 2.5. Our liability according 2.1. to 2.3. is limited to € 500,000 per claim.
- 2.6. Without prejudice to the provisions of item 4.1. our liability shall be limited in terms of time to claims arising within a period of 5 years after manufacturing of the products causing the damage.

- 2.7. Our liability is limited to claims arising out of errors in design, defects in manufacturing or materials of the products and based on the absence of characteristics which have either been guaranteed by us or which can be expected in accordance with the state of technology or with trade practice.

3. Obligations of the Party Entitled to Raise Claims

It is a condition precedent for the implementation of the present Certificate of Guarantee that the party entitled to raise claims meet the below mentioned obligations. Failure to meet any or several of these obligations shall relieve HERZ of any and all obligations under the present Guarantee.

- 3.1. During installation and use of the products it is imperative to observe our instructions for installation and maintenance valid at the moment of installation and laid down in the brochures, standard sheets, as well as our information regarding the scope of application of the products. Furthermore, it is imperative to proceed with due care according to the state of technology, particularly during maintenance.
- 3.2. As soon as the party entitled to raise a claim detects or learns of a case of damage, it shall forthwith inform HERZ of such damage (not later than on the 3rd working day thereafter) by fax, telex or cable and shall make available to us all information requested by us. The information shall be submitted in writing upon our request.
- 3.3. The party entitled to raise a claim shall make sure that the representatives of our company and the agents of our insurance company be granted access to the place of damage immediately after giving notice of the claim and shall take all appropriate measures to determine the cause and scope of the damage. In particular, the party entitled to raise a claim shall keep and make available the products or product components which caused the damage.
- 3.4. The burden of proof lies with the party who suffered the damage. The party entitled to raise a claim shall not acknowledge any obligation to damages neither with regard to its basis nor to its extent, neither in its own name nor on our behalf. Any declaration extending the scope of damages offered by the present Certificate of Guarantee and by the applicable legal provisions made by the party entitled to raise a claim before or after the occurrence of damage, are not admitted and shall not be binding on us.

4. Period of Validity and Formal Provisions

- 4.1. The present Certificate of Guarantee shall cover claims for damage occurring between April 1st, 2007 and March 31st, 2012. We reserve the right to extend this period.

5. Place of Fulfilment, Jurisdiction, Applicable Law

- 5.1. The place of fulfilment shall be Vienna. The court having subject-matter jurisdiction for our company in Vienna shall have exclusive jurisdiction. Any disputes arising from the present Certificate of Guarantee shall be settled according to Austrian Law. The application of the UN-Convention on Contracts for the International Sale of Goods is expressly excluded.

Vienna, February 2010

