

TERMS AND CONDITIONS OF SALE, DELIVERY, AND INSTALLATION

Information as of June 2013

1. Derogations from and application of these terms and conditions

- a) With the exception of orders made in the Web store, for which separate terms and conditions apply, the following terms and conditions of sale, delivery and installation (hereinafter referred to as terms and conditions) apply to all present and future contracts between Kärcher and the ordering party.
- b) Derogations from our terms and conditions and, in particular, the terms and conditions of the ordering party are valid only if we explicitly acknowledge and confirm them in writing.

2. Quotations, documents, contract conclusion, and oral subsidiary agreements

- a) Unless otherwise specified, our quotations are without engagement in respect of any data presented, including price, quantity, delivery date, and availability.
- b) Unless we explicitly refer to them as binding, documents, figures, drawings, weights and dimensions, etc. included with our quotations are merely close approximations.
- c) We retain the copyright and reserve all rights of ownership on cost estimates, drawings, and other documents. Such documents may not be disclosed to any third party and shall be returned on request.
- d) Our employees are not entitled to make any oral agreements or legally binding assurances in addition to the written contract.
- e) Unless we confirm them in writing, we shall not be bound by oral agreements. Orders shall be regarded as accepted only after our written confirmation or by delivery (fulfilment).

3. Prices, supplementary fees and taxes, calculation of installation works

- a) Our prices include delivery (duty unpaid) and packaging.
- b) Unless otherwise specified, all prices are shown in EUR.
- c) Prices do not include turnover tax.
- d) The calculation of installation works is always made in accordance with the installation rates applicable at the time of installation.
- e) Any cost estimate we make for repairs is made to the best of our specialised knowledge. However, cost estimates are without engagement and we accept no liability for accuracy. We shall advise the ordering party in the event that substantial cost increases are unavoidable after order placement. The ordering party shall be charged according to actual expenditure for requested cost estimates that are not followed up with a corresponding repair order.

4. Payment, crediting, consequences of default, set-off, and ban on the right of retention

- a) In the absence of an agreement to the contrary, all payments shall be made in EUR within seven days of the invoice date and without deductions.
- b) Unless the transaction is with a consumer, the right of retention and a set-off against our claims with counterclaims of any nature whatsoever are excluded. The foregoing does not include counterclaims for which a judicial decision has become final.
- c) Incoming payments are always credited to the oldest debt first, where incidental charges take priority, then interest, and finally the principal sum. However, open claims arising from deliveries for which there is no or an expired reservation of title shall be satisfied first and only after they are satisfied in full will incoming payments be credited to claims for which a reservation of title still exists.
- d) If our payment period is exceeded, then we are entitled to charge interest at the statutory rate, where we reserve the right to claim for further damage caused by default. Unless the transaction is with a consumer, the statutory reimbursement of EUR 40.00 for fees shall be payable in the event of a written demand for payment (Article 458 Austrian Corporate Code (Unternehmensgesetzbuch - UGB)). Moreover, any third-party fees arising from payment demands, collection or discovery, those charged by a creditor protection association in particular, shall be reimbursed pursuant to Article 1333(2) Civil Code of Austria (Allgemeines bürgerliches Gesetzbuch - ABGB).
- e) Unless the transaction is with a consumer and without prejudice to any other rights, we are entitled to demand immediate payment of all open invoices and to withhold our deliveries – while preserving the period still allowed for delivery – until the agreed counter-performance has been made or to rescind the contract after a reasonable period of grace has elapsed and demand damages for non-performance if the customer defaults on payment. Unless the transaction is with a consumer, default of a single payment arising from an instalment agreement shall be tantamount to the due date having been missed.

5. Packaging

- a) We are a member of ARA (Altstoff Recycling Austria AG). Dispensation exists for any packaging we place on the market.
- b) Unless otherwise agreed, the customer undertakes to dispose of units used for commercial purposes at its own expense and in accordance with statutory provisions when it has no further use for them.

6. Delivery periods and delivery dates, extension of delivery period, delayed acceptance

- a) Although we make every effort to comply with the delivery periods or delivery dates confirmed by us, we shall not be bound by them in the absence of an agreement to the contrary. Deliveries start on the date of order confirmation at the earliest but not before clarification of any technical and commercial details or the receipt of an agreed down payment.
- b) Delivery periods shall always extend by the duration of any delay caused by the ordering party.
- c) Timely shipment of the deliverable or timely notification of our readiness for shipment is sufficient to comply with the delivery period or the delivery date.
- d) Force majeure, stoppages, the failure of one of our suppliers to meet a deadline, shortages of raw material/energy/labour, strikes, lockouts, difficulties in the transport sector, traffic disruptions, instructions issued by an official body, and any similar circumstances exempt us from the obligation to deliver while they persist. This is also the case when such circumstances arise during an existing delay.

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- e) Claims for damages arising from delays in delivery may not be asserted against us if the customer is unable to offer evidence of proof that the delay in delivery is due to us acting with intent or gross negligence.
- f) If the shipment or completion of goods is delayed due to a corresponding request by the ordering party or for other reasons attributable to it, then the ordering party shall be charged the costs incurred due to storage as from notification of our readiness for shipment or collection. We are entitled to charge storage costs of at least 0.5% of the amount invoiced per month for storage in our works.
- g) The unit shall be forfeited in the event of non-collection of goods – used units returned for repair, in particular – within two months of the completion date we have communicated in writing or of delivery of the cost estimate for the unit requiring repair.

7. Shipment

We reserve the right to select the forwarding method and route. We will make every effort to consider the requirements of the customer but shall not be bound by them.

8. Obligation to accept and right to make part deliveries

- a) Unless it is a consumer, the ordering party is obliged to accept delivered items in any case. For example, even if they exhibit defects or the like.
- b) We are entitled to make part deliveries and may treat them as independent orders for which we raise separate invoices accordingly.

9. Damages in transit

In the event of damages or losses in transit, claims for compensation must always be secured by notifying the carrier and calling it in for a damage assessment on time or according to instructions. Damaged goods must not be altered before a damage assessment.

10. Provisions for siting and installing units, associated costs, preparatory work, etc.

- a) We are under no obligation whatsoever to verify the intended site of installation and accordingly are not liable for its fitness for purpose. The foregoing applies to the load-bearing capacity of the floor, ceilings and walls at the site of installation, in particular. In the event of doubt as to the suitability of the site of installation, the ordering party is required to consult an expert on its own initiative (a construction expert, in particular).
- b) The following applies if we take charge of installing the units we have supplied:
 - 1. local conditions must comply with our installation drawing by the date of installation;
 - 2. any ancillary works related to installation shall only be carried out by us if this is agreed on explicitly and must be paid for separately;
 - 3. when heavier parts are installed in a site, our technicians must be assisted by site personnel and any framework required for transport and installation must be provided free of charge;
 - 4. necessary connections (water supply and electricity, in particular) must be established on site.

11. Warranty

- a) Provided the claim is made on time, we shall replace or repair defective units or parts. The warranty period for business transactions is one year (regardless of delays beyond our responsibility, always from transfer of risk) and for consumer transactions two years from delivery.
- b) Unless the transaction is with a consumer, any defects found must be reported to us in writing immediately, otherwise all claims shall be forfeited. Parts objected to by the ordering party should be returned to us for verification of the warranty claim at the expense and risk of the ordering party. Replaced parts shall become our property.
- c) The right of the ordering party to assert any claim arising from defects expires by limitation in all cases two months after the date of the timely objection, but not before the warranty period expires.
- d) With regard to third-party products, the warranty we provide to businesses shall only be within the scope of the warranty claims we may assert against our suppliers. We may satisfy such warranty claims through assignment of our claims against our suppliers to the exclusion of any other claims of the ordering party.
- e) We assume no liability for defects or damage arising from the following:
 - 1. unsuitable or improper use, faulty installation or start-up by the ordering party or a third party, natural wear, faulty or negligent handling, excessive use, unsuitable operating media, substitute materials, faulty construction works, unsuitable site of installation, chemical or electrochemical or electrical influences, or other similar and equivalent circumstances;
 - 2. any modification of the deliverable by the ordering party or a third party without our explicit approval in writing beforehand;
 - 3. if our operations manual is not observed or if the training for those units for which we have stipulated training has not been conducted by our or an after-sales service we have authorised.
- f) The ordering party is required to grant us the necessary time and opportunity to make any repairs and replacement deliveries at our reasonably exercised discretion after notification, otherwise we are exempted from the liability for defects.
- g) We may refuse to remedy defects in any case for as long as the ordering party defaults on its obligations, its payment obligations, in particular.
- h) The ordering party is not authorised to perform or arrange for the performance of any repair works without our explicit consent in writing beforehand or granting us a reasonable opportunity to improve the defect first. On no account can we be held liable for the cost of unauthorised repair works. Our warranty shall be void.

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- i) Of the immediate costs incurred in connection with a repair or replacement delivery, we shall – insofar it transpires that the objection is justified and no other arrangements have been made – bear the cost of the replacement part and the reasonable cost of removal and installation if this is carried out by our technicians with respect to businesses. All other costs shall be borne by the ordering party.
- j) Should it transpire that works carried out by us under warranty were not attributable to a defect within the meaning of the foregoing provisions, then the ordering party is required to reimburse us with any costs we incur according to our applicable rates for installation or appropriately if those rates cannot be applied.
- k) Price reductions, nullifications or refunds are due only if improvement and replacement are impossible, are disproportionate in terms of effort, are otherwise unreasonable, or if we have defaulted on either despite having been set a reasonable time limit.
- l) Compensation for consequential damages (excluding bodily harm) may be sought only for instances of gross negligence or intent.

12. Guarantee

- a) We provide retail customers with a 24-month guarantee on material and manufacturing defects for private use. The guarantee is void in the event of improper use.
- b) By way of derogation, the guarantee on heating coils is always 24 months regardless of private or business use.
- c) The guarantee does not cover wearing parts (nozzles, squeegees, brushes, batteries, etc.) or in the case of other unit parts, any defects caused by normal wear or improper use.
- d) The warranty provisions shall apply *mutatis mutandis* for replacement or repair under the guarantee.
- e) The warranty shall be void if the ordering party or a third party modifies the unit or guarantee parts without our written consent.

13. Information and advice

Information about the possible uses of our products, technical advice and other details are given to the best of our knowledge but without engagement or the acceptance of any liability. In particular, the foregoing does not exempt the ordering party from making its own evaluation of our products and their suitability for the intended processes and purposes.

14. Reservation of title

- a) Even if delivered goods are installed, worked or processed, they shall remain our property until full payment of the purchase price and incidental charges.
- b) In this context, the provisions of section 4 are referenced explicitly.
- c) Provided that the ordering party is able to meet its obligations to us as agreed, it shall be entitled to sell the goods that are subject to our reservation of title in the course of its ordinary business. In such cases, the ordering party is obliged to assign any receivables and claims against its users to us if we so request at its own expense, however.
- d) The ordering party is only permitted to pledge, assign as collateral or sell within the constraints of item c).
- e) In the event of a seizure order or other claim on goods delivered by us that are subject to reservation of title, the ordering party is obliged to notify us immediately and to take any steps necessary to protect our ownership. Moreover, the ordering party is required to reimburse us with any costs we incur as a result of protecting our ownership.

15. Place of performance, jurisdiction, and applicable law

- a) Vienna is the place of performance for all deliveries and services.
- b) The exclusive place of jurisdiction for any disputes that arise in connection with the business transaction or its termination is Vienna, provided that no mandatory provision stipulates otherwise. Without prejudice to this agreement on jurisdiction, we may also institute legal proceedings at the registered office of the ordering party, however.
- c) Exclusive application of Austrian law is explicitly agreed on and the CISG is excluded.