

## Conditions of Sale and Delivery

### [1.] General provisions

- [1.1.] These Terms of Sale and Delivery shall apply to the present order and all future orders, unless provisions deviating therefrom are agreed in written form. This concerns all subsidiary agreements, later amendments or addenda of any existing orders to these Conditions of Sale and Delivery in particular. Oral agreements will not be deemed valid.
- [1.2.] All specifications of weight, dimension, capacity, price effectiveness and the like as listed in the catalogues, brochures, mailings, advertisements, graphs and pricelists are to be considered as being approximate. For outer dimensions given in the offer for a sauna, dependent on the exterior wall cladding and the position of the wall air extractor elements there is a tolerance of up to 5 cm. Interior dimensions do not change through this. Slight technical deviations in quality, colour and designs which are customary in the trade and cannot be avoided for technical reasons may not be objected to. Silgmann reserves the right to make minor alterations to diagrams, layouts and perspective drawings as well as descriptions. In addition, Silgmann expressly reserves the right to make changes to the construction and to further develop their products to achieve technical and commercial optimisation and to make alterations due to changes in production technology which become necessary in particular as a result of the amendment of legal regulations during the execution of the order, if deviations from graphs, layout and perspective drawings are marginal. Silgmann shall inform the customer of any additional costs in advance.

### [2.] Customer's terms and conditions

The customer's terms and conditions shall not be applicable. Upon placing the order with Silgmann, the customer's terms and conditions are deemed rejected for the present order and any future order, even if the order is not made on the basis of the present Conditions of Sale and Delivery. These Conditions of Sale and Delivery are deemed acknowledged by the customer through placement of their order.

### [3.] Order and conclusion of contract

- [3.1.] Orders shall not be binding for Silgmann before written confirmation (order confirmation). Should the order be confirmed only partly or should the confirmation deviate from the order, the agreement shall be brought about based on the conditions confirmed by Silgmann. In such event, the customer may, within 8 working days from receipt of the order confirmation, declare rescission from the contract in writing.
- [3.2.] In case the contract was initiated by Silgmann and the customer is a consumer as defined by the Consumer Protection Act (Konsumentenschutzgesetz), the customer shall have the right to declare rescission from the contract within 8 days from receipt of the order confirmation.

### [4.] Customer's duty to co-operate

- [4.1.] Individual saunas, „saunaria“, steam baths, etc are planned and designed to the extent possible on the basis of information, documents and other supporting sources provided by the customer. These include in particular height of the room, size of the room, height and width of the chimney. In addition the customer shall ensure that requirements for the construction of saunas, „saunaria“ and steam baths with regard to structural engineering are met. In case the customer provides Silgmann with incorrect information the customer shall incur all responsibility exclusively. Silgmann shall have no obligation to verify the correctness of the information provided by the customer.
- [4.2.] The customer undertakes to complete all structural work required prior to the date agreed for delivery and installation. In order to allow for the delivery of saunas, „saunaria“, solaria, etc. doors, stairs and corridors that need to be passed on the way to the place where they are installed need to be wide enough.
- [4.3.] Installing saunas and „sanariums“: The customer undertakes to complete all structural work required prior to the date agreed for delivery and installation. Such structural work includes in particular: the floor in the area where the sauna is installed and in the entrance room to the sauna; electrical installation; the required work for connecting air ventilation and extraction and/or installing air inlet and exhaust vent pipes; insulation of the room

in which the sauna is installed including installation of an absolutely tight steam lock, as condensate may form. All electrical installations to be provided on the customer's part shall be carried out by a licensed electrician, whereby all specifications provided by Silgmann and all legal regulations shall be complied with. The same shall apply to all electrical connections. The room for the sauna has to be swept clean when the sauna is delivered.

- [4.4.] Setting up steam baths: The customer shall prepare a tiled floor, electrical installations, water connection, floor drainage, installation plans for exhaust vent pipes; all installations which have to be completed by the customer, shall be carried out by licensed specialists and all applicable regulations shall be considered.
- [4.5.] Solaria: As far as special electrical installations are required for solaria, they shall to be laid and connected by a licensed electrician.
- [4.6.] Should the customer fail to meet their obligation to cooperate as defined in this article, they shall have to compensate Silgmann for the damage incurred; in such case, Silgmann shall also have the right to rescind from the contract and/or to claim damages for non-performance, as far as all other legal requirements entitle them to do so.
- [4.7.] The customer shall have to obtain all permits required from the building authorities; with regard thereto, they shall indemnify and hold harmless Silgmann.

### [5.] Time for delivery and delivery

- [5.1.] The delivery dates advised are not binding; should Silgmann fail to keep to the delivery date, the customer may request a declaration from Silgmann, stating whether Silgmann rescinds from the contract or whether it will deliver within reasonable time. In no case, the customer may hold Silgmann liable for any damage that may have resulted therefrom.
- [5.2.] Should Silgmann be unable to meet the delivery date due to force majeure or other reasons beyond its control, the time for delivery shall be extended appropriately. Force majeure shall mean in particular any disruption of operations which is not due to Silgmann's fault, delay in delivery of vital raw and construction material, strike or lockout, war, natural disasters, etc. In these cases, the customer shall be entitled to rescind from the contract after expiry of a 3-month period from the original delivery date.
- [5.3.] Silgmann shall have the right to execute the order in part deliveries. For these, the payment terms are applicable with the proviso that payments shall be made proportionate to the respective value of a part delivery.
- [5.4.] The type of shipping shall be specified by Silgmann.
- [5.5.] The risk shall be transferred to the customer upon handing over of the goods to the forwarding agent or the haulage contractor or as soon as the goods have left the plant or the warehouse at the customer's risk, irrespective of who bears the shipping costs. In any case insurances are taken out on behalf and for the account of the customer. Should the goods be shipped by Silgmann's own lorries or lorries of the forwarding agent, it shall be the customer's responsibility to unload the goods and move them into the building; this shall also apply if the goods are dispatched free buyer's address. Should the customer fail to accept the goods upon delivery, Silgmann shall have the right to store the goods ordered at the customer's expense.

### [6.] Prices and terms of payment

- [6.1.] All prices are quoted inclusive of the statutory value added tax. The customer shall bear all additional costs arising in connection with the order, including the costs for haulage contractors and forwarding agents, customs duties and other border taxes, etc.
- [6.2.] All invoices shall be paid in full and without any deductions within eight days from the date of invoice, even if the customer has made a complaint such as a notification of defect. Furthermore, Silgmann shall have the right to issue part invoices for (part)performance.
- [6.3.] In the event of delay in payment Silgmann shall charge dunning fees of EUR 11,00 as well as the statutory default interest of eight percentage points above the base interest rate. Silgmann shall be entitled to charge dunning fees and default interest regardless of whether the customer is responsible for the delay in payment.
- [6.4.] Silgmann shall not be obliged to continue its performance of any uncompleted order before payment of all amounts due has been received.

[6.5.] All payments shall be made to the bank account specified in the order or the order confirmation; they shall be credited to the customer's debt account. First, payments shall be allowed as credit against any costs (dunning fees, legal charges, etc.), then to interest and last to the respective oldest capital debt. Any earmarking of payments by the customer shall be invalid.

[6.6.] Bills of exchange shall not be accepted in lieu of payment, unless expressly agreed. Bill and discount charges shall be incurred by the customer.

[6.7.] The object of delivery shall remain property of Silgmann until full payment of the purchase price, of ancillary costs (installation cost) as well as until satisfaction of all claims from previous and future delivery of goods.

[6.8.] Should delivery be effected later than the delivery date agreed upon for reasons attributable to the customer, Silgmann shall have the right to charge prices applicable on the actual day of delivery. The prices agreed require that installation shall be possible without interruption immediately upon delivery and that delivery and installation involve only one journey. Should additional trips be required for reasons beyond Silgmann's control, the additional costs incurred by Silgmann shall be charged to the customer. The costs for construction work to be carried out by the customer are not included in the prices agreed.

#### [7.] Advance payment and invoicing

[7.1.] For orders of a value exceeding EUR 5,000,00 or customised orders the customer undertakes to make, upon signature of the order, an advance payment equalling one third of the order value; this advance payment shall be invoiced upon delivery of the order confirmation.

[7.2.] Silgmann may issue an invoice for the order value less the advance payment already received as from the time the customer is obliged to accept the goods.

#### [8.] Acceptance and handing over

[8.1.] The trial operation of the product shall be carried out directly after its installation. If the trial operation may not be carried out for reasons that are not to be attributed to Silgmann, the cost of the necessary journey of the technician shall be incurred by the customer. Further, this shall apply to cases in which the installation of the product was included in the total price.

[8.2.] The product shall be accepted immediately upon the completion as agreed and immediately upon the trial operation. Acceptance shall be confirmed in a report (acceptance report). Upon acceptance the instruction manual shall be handed over to the customer, who shall confirm receipt thereof by signing the acceptance report. The customer may not refuse acceptance for immaterial defects. Should the customer refuse the acceptance of the product for immaterial defects or the trial operation – irrespective of the reason given – the product shall be deemed duly accepted upon completion of installation.

[8.3.] In the case of selfinstallation there shall be no trial operation.

#### [9.] Warranty, notification of a defect and liability

[9.1.] The customer shall have the duty to notify Silgmann in writing forthwith, however, no later than 14 days upon acceptance, of any claims in particular notification of defects, but also claims for damages (unless excluded through the provisions provided hereinafter); in doing so the customer shall provide sufficient documentation.

[9.2.] Silgmann shall have the right to discharge itself from all (warranty) claims asserted, which shall include in particular claims for rescission or price reduction, through improvement of the defective product or subsequent delivery of the missing goods. Unless the business deal was made with a consumer, only the defective product shall be improved or the missing goods delivered subsequently; the work time (including journey) involved shall not be included in the warranty.

[9.3.] Silgmann warrants that the goods are state-of-the-art technology and that there are no faults inherent that diminish the value or render impossible or impair the intended use of the product, as defined in the contract. There shall be no warranty for normal wear and tear of spare and wear parts, e.g. steam cylinders, silicone joints and UVA lamps. Basins and sauna bucket from wood should always be filled with water, as no warranty can be assumed for tightness. Silgmann shall assume warranty for a period of one year for goods that are commercially utilised, in particular saunas and „saunaria“; solaria shall be exempted therefrom; the warranty granted for solaria that

are commercially utilised shall be half a year. The warranty period shall commence as from the day of acceptance of the goods.

[9.4.] Silgmann shall only be held liable within the scope of mandatory law; the liability for consequential damage shall be excluded completely.

[9.5.] We shall assume no liability, whether during the warranty period or after expiry thereof, for any damage resulting from insufficient care or improper operation not complying with the instruction manual as well as improper utilisation not complying with the usual operation conditions.

#### [10.] Customers default in acceptance

[10.1.] In the event of customer's default in acceptance, Silgmann shall – for as long it insists on performance – have the right to store the product ordered or the components of the product ordered at the customer's expense and risk. Should Silgmann store the goods itself, it shall have the right to charge, for each beginning month, storage fees of 10 % of the invoice amount agreed, inclusive of any advance payments that may have been made, as from the 10th day following the day on which the customer was obliged to accept the product or components thereof. Silgmann shall not be obliged to hand over the stored goods before settlement of the storage fees accrued or any other claims against the customer.

[10.2.] If the customer fails to provide payment or a security as agreed in due time, Silgmann may demand performance and claim damages for non-performance – even after handing over the product or components thereof – or rescind from the contract after having granted an adequate period of grace of 14 days. In the latter case Silgmann may either claim loss of profit or a 25 % cancellation fee calculated based on the invoice amount agreed, including any advance payment already made by the customer; such fee shall not be subject to reduction by a judge.

#### [11.] Privacy policy

The customer expressly agrees that the data which have been provided to Silgmann in the course of placing the order may be processed by it; this applies in particular to the customer's data and data of movement of goods and payment transactions.

#### [12.] Place of performance, venue and governing law

[12.1.] The address of Silgmann's registered office shall be the place of performance.

[12.2.] All disputes arising out of this agreement including the issue whether a valid contract has been brought about and whether it has an effect before conclusion and after termination shall be heard by the competent court at the place Silgmann's registered office. However, it is at Silgmann's discretion to choose the competent court at the place of the customer's registered office, domicile, habitual residence or assets.

[12.3.] These Conditions of Sale and Delivery including the issue whether a valid contract has been brought about and whether it has an effect before conclusion and after termination shall be governed by Austrian Law exclusively. This contract shall not be interpreted in accordance with the United Nations Agreement for the International Sale of Goods.

#### [13.] Final provisions

[13.1.] Should one of the provisions herein found to be invalid, the validity of the remaining provisions shall not be impaired thereby. The provision becoming invalid shall be automatically replaced by a valid provision which serves the intended economic purpose as closely as possible.

[13.2.] Should a customer be a consumer as specified in Art 1 para 1 sub-para 2 of the Konsumentenschutzgesetz (Austrian Consumer Protection Act) the provisions adopted hereinabove shall only be valid to such extent as they are not contradictory to the provisions of the Konsumentenschutzgesetz.

[13.3.] Any deviations from these Conditions of Sale and Delivery shall not be valid, unless made in writing; this shall also apply to any agreement defining a deviation from this requirement of the written form.

[13.4.] The customer expressly waives the right to set off any claims they may have on our claims on them.

[13.5.] Notifications or declarations provided herein or by law shall have to be sent by registered letter or telefax (fax confirmation). For the purpose of determining whether deadlines have been complied with, the date of the stamp of the respective post office at the contract partner's place of business or residence shall be decisive.