

KAN-therm Systems Warranty Conditions (hereinafter: Warranty Terms):

KAN sp. z o.o. with its registered office in Kleosin, ul. Zdrojowa 51, 16-001 Kleosin, entered in the Register of Entrepreneurs of the National Court Register kept by the District Court for the city of Białystok, 12th Economic Division of the National Court Register under KRS No. 0000187613, using tax identification number NIP [Tax ID No]: 9661319453, REGON [National Business Registry No]: 050637490, BDO No: 000006007 (hereinafter: **Guarantor**) grants quality warranty for elements included in KAN-therm systems, on the following conditions:

1. The Warranty is valid in Poland and applies to products installed in Poland.
2. The Guarantor ensures that the products covered by the Warranty do not have physical defects, having arisen during the production process or resulting from the use of inappropriate material for production, which make it impossible to use these elements for their intended purpose.
3. KAN-therm systems are covered under warranty during the following periods:

KAN Products	Warranty period
System KAN-therm UltraLine	
a) Individual/non-commercial construction	15 years
b) Commercial construction	10 years
System KAN-therm Push/Press Platinum	10 years
System KAN-therm Press /Press LBP	10 years
System KAN-therm PP	10 years
System KAN-therm Steel	10 years
System KAN-therm Inox	10 years
System KAN-therm Steel Sprinkler	
a) Sprinkler systems	10 years
b) Hydrant systems	5 years
System KAN-therm Inox Sprinkler	10 years
System KAN-therm Copper/Copper Gas	10 years
Surface Heating/Cooling Systems	10 years
KAN-therm Football System – Stadium installations	10 years
Control elements and automatics included in KAN-therm Systems	2 years
Ball valves of KAN-therm STEEL system and KAN-therm INOX system	5 years

4. The warranty period is calculated from the date of commissioning of the installation.
5. The basis for obtaining the warranty is the following:
 - a. Submission of an investment application by the Investor, or a contractor acting on his behalf, to the Manager of the Guarantor Region, no later than 30 calendar days from the date of commissioning of the system, together with a completed application to issue a Warranty Card,

conforming to the specimen presented in Appendix 1 to these Warranty Terms, and a completed personal data form conforming to the specimen constituting Appendix No. 2 to these Warranty Terms. Address details of the Guarantor's Regional Managers are published on the KAN website at <http://pl.kan-therm.com/contact/kan/main.html>.

- b. Adherence to the principles of system design and execution specified in the instructions and manuals of KAN sp. z o.o. (Guarantor), available on the KAN website at <http://pl.kan-therm.com/download/poradniki.html>.
 - c. System execution by an entity holding a valid KAN contractor/installer certificate.
 - d. Using only original KAN-therm system components and functional KAN-therm system tools (holding an up-to-date inspection report).
 - e. Issuance, completion and signing of a Warranty Card complying with the template constituting Appendix 3 hereto by the Regional Director of the Guarantor.
6. Violation of any of the terms specified in section 5 above shall nullify and void the warranty.
7. The Guarantor may request from the applicant for a Warranty Card, or from the person submitting a claim about the product, to produce a copy of the entry in the construction log regarding the completion and commissioning of the system and proof of purchase of the product to which the Warranty Card will apply. If this is refused, the Warranty becomes null and void.
8. The Warranty does not apply if the damage was caused by:
- a. mechanical damage, e.g. drilling into pipes;
 - b. external factors e.g. freezing of the system;
 - c. failure to comply with the terms set out in section 5;
 - d. structural changes or tampering with the products;
 - e. natural wear and tear of the products;
 - f. incorrect or negligent installation, not complying with current standards or regulations, or contrary to the art of construction;
 - g. placing the system (products) in a corrosive or chemically aggressive environment;
 - h. force majeure;
 - i. acts of vandalism.
9. Procedure in case of failure:
- a. The User or Investor of the facility shall notify the Guarantor in writing immediately after the occurrence of the failure and take action limiting the extent of the damage by switching off the system or securing the system in another way. The Guarantor shall not be liable for damage resulting from failure to take measures to limit the extent of damage. After receiving a notification of failure, the Guarantor shall send, within 7 business days, its representative to determine the causes of the failure and to document the type and extent of possible damage. If the product (KAN-therm system component) claimed to have a defect is dismantled before the arrival of representatives of the Guarantor, the warranty will become null and void.
 - b. In the event of damage, the Guarantor's insurer reserves the right to inspect the site of the damage within 14 business days of the visit of the Guarantor's representative, but before the user undertakes any action aimed at removing the possible damage, on pain of loss of warranty rights. The term "removal of damage" does not include actions aimed at minimising the effects of the failure.
 - c. The Guarantor reserves the right to dismantle samples and perform laboratory tests on the product claimed to have a defect.

10. If the claim is accepted, the Guarantor shall, upon prior approval of a cost estimate, cover the costs of disassembly and removal of the defective products, which were found to be defective due to material defects or improper manufacture, and the costs of delivery and re-assembly of defect-free products, including the necessary repair work to achieve the condition that existed before the damage occurred.
11. The Guarantor reserves the right to have any repair work carried out by specialist firms of its own choice.
12. Compensation for lost profits, lost production, interruption of plant operation or immobilisation and reduction in value and other indirect consequential damages shall be excluded.
13. The repair period of the system does not extend the total duration of the warranty.
14. If the system is sold, the rights under this warranty are transferred to the purchaser.
15. The entity carrying out installation (assembly) of the system is responsible for the correct assembly and operation of the system. The Guarantor's liability in this respect is excluded.
16. The Guarantor has an insurance policy, which secures execution of possible claims under the warranty.
17. The liability of the Guarantor under the warranty is limited to PLN 30,000,000.00 per damage event and for all damage events per year.
18. The appendices are an integral part of the Warranty Terms, including a glossary of definitions (Appendix 4).
19. These Warranty Terms enter into force on:

Appendices:

1. Application form for a Warranty Card
2. Personal data form
3. Warranty Card Form
4. List of definitions of terms in the warranty documents.