COMPLAINTS PROCEDURE AND WARRANTY TERMS FOR ENTREPRENEURS (HEREINAFTER REFERRED TO AS THE COMPLAINTS PROCEDURE)

of the business company P.M.H. Design s.r.o., company ID 15771067, tax ID CZ: 15771067, with registered office at 556, 381 01 Přísečná, registered in the Commercial Register maintained by the Regional Court in České Budějovice, section C, file no. 1094.

I Introductory provisions

- 1. This complaints procedure was processed according to the provisions of Act No. 89/2012 Coll., the Civil Code (hereinafter also referred to as the Civil Code) and applies to consumable goods (hereinafter referred to as the "goods"), for which the buyer's rights regarding liability for defects and warranty claims are applied, if a warranty is also provided for the specific goods (hereinafter referred to as the "complaint"). This complaints procedure is part of the general contractual and business terms and conditions.
- 2. The rights of the buyer from the complaint shall always be exercised in accordance with this complaints procedure. Matters not regulated by this complaints procedure are governed by the legal system of the Czech Republic. The seller shall inform the buyer of this complaints procedure in an appropriate way and, at the buyer's request, shall hand it over to him/her in text form.
- **3.** This complaints procedure applies only to entrepreneurs defined in Article II.
- **4.** This complaints procedure and conditions of complaint and guarantee apply both to general liability for defects and to warranty defects for goods for which the seller provides a guarantee, unless otherwise stated.

II Definition of terms

- 1. The seller is the business company P.M.H. Design s.r.o., company ID 15771067, tax ID CZ: 15771067, with registered office at 556, 381 01 Přísečná, registered in the Commercial Register maintained by the Regional Court in České Budějovice, section C, file no. 1094 (hereinafter referred to as the seller) is a person who, when concluding and fulfilling the contract, acts as part of his/her business or other business activity. It is an entrepreneur who directly or through other entrepreneurs supplies the buyer with products or provides services to him/her.
- **2.** An **entrepreneur** is a person who independently performs a gainful activity on his/her own account and responsibility in a trade or similar manner with the intention of doing so consistently to achieve profit; he/she is considered an entrepreneur with regard to this activity.

Any person who concludes contracts related to his/her own business, production or similar activity or in the independent performance of his/her profession, or a person who acts on behalf of or for the account of an entrepreneur is also considered to be an entrepreneur.

For the avoidance of doubt and the prevention of possible collisions or contradictions, for the purposes of the contractual relationship, an entrepreneur is understood to be anyone who identifies him/herself to the seller using an identification number and conducts legal actions under this number.

3. The **customer** is the buyer who, when concluding and fulfilling the contract, acts within his/her business or other business activities (hereinafter referred to as the buyer).

III Quality upon acceptance and acceptance of the goods

- **1.** The seller declares that he/she hands over the goods to the buyer in accordance with §2161 of the Civil Code, i.e.:
- a) the goods have properties that the buyer and the seller have agreed upon, and if there is no agreement, such properties that the seller or manufacturer has described or that the buyer expected with regard to the type of the goods,
- b) the goods are suitable for the purpose that the seller states for their use or for which an item of this type is usually used,
- b) the goods are items in the corresponding quantity, dimensions, or weight, and
- (d) the goods comply with the requirements of legal regulations.
- 2. By taking over the goods from the seller, the buyer agrees to the above-mentioned complaints procedure and its procedure. The buyer shall familiarize with the complaints procedure before placing the order to prevent possible contradictions or collisions.
- **3.** Upon acceptance of the goods, the buyer shall inspect the delivered goods upon acceptance. By signing when handing over the goods upon acceptance, the buyer confirms that the goods are complete and mechanically undamaged. Later complaints of incompleteness and mechanical damage shall not be taken into account.

IV Rights from product defects and exclusions from liability for defects (including warranty defects)

- **1.** The buyer's rights from defective fulfilment are governed by the Civil Code, especially §2099 to §2117.
- **2.** If the defect in the goods is a material violation of the contract, the buyer has the following rights from defective fulfilment:
- (a) removing the defect by repairing the item,
- (b) removal of the defect by delivering a new item without a defect or by supplying the missing item, if the defect cannot be removed, if the defect does not concern only part of the item, and if this is reasonable given the type of the defect,
- (c) a reasonable discount from the purchase price if the defect cannot be removed, or
- (d) withdrawal from the contract if the defect cannot be removed.
- **3.** If the defect in the goods is a minor violation of the contract, the buyer may demand:

- (a) removal of the defect by repairing the item, or
- (b) a reasonable discount from the purchase price if the defect cannot be removed.
- **4.** If the defect concerns only a part of the item, the buyer can only request the replacement of the part; if this is not possible, he/she can request a discount from the price of the item. However, if it is disproportionate due to the type of the defect, especially if the defect can be removed without unnecessary delay, the buyer only has the right to remove the defect free of charge.
- **5.** The buyer can request a reasonable discount from the purchase price only if it is not possible to remove the defect by repairing the item, or by supplying a new item without a defect or by supplying a missing or defective part of the item. If the buyer considers the defect to be a material violation of the contract, he/she shall prove this to the seller.
- **6.** The buyer shall inform the seller about the chosen method of resolving the complaint when reporting the defect; otherwise the seller shall decide on it. The buyer is bound by the choice made and can only be changed after agreement with the seller.
- 7. The buyer acknowledges that until he/she exercises his/her right to a discount on the purchase price or withdraws from the contract, the seller is entitled to deliver the missing goods or remove the defect by repairing or replacing the item.
- **8.** The seller is entitled to exchange the goods for an item/goods/other that has similar properties, in the case of a requested item replacement.
- **9.** The exchange of the goods or withdrawal from the contract cannot be requested if the buyer cannot return the item in the condition in which he/she received it. This does not apply in the following cases:
- (a) there has been a change in the condition as a result of an inspection for the purpose of detecting a defect in the item,
- (b) the buyer used the item before the defect was discovered,
- (c) the buyer did not cause the impossibility of returning the item in an unchanged condition by action or omission, or
- (d) the buyer had sold the item before the defect was discovered, or altered the item during normal use; if this happened only in part, the buyer returns what he/she can still return to the seller, and gives him/her compensation up to the amount in which he/she benefited from the use of the item.
- 10. Impossibility of exercising rights from defective fulfilment
- (a) The rights from defective fulfilment do not belong to the buyer, if he/she knew about the defect before taking over the item or caused the defect him/herself.
- (b) For an item sold at a lower price only in relation to the defect for which the lower price was negotiated.
- (c) The buyer is not entitled to file a complaint for a defect that has already been pointed out in the past, if a reasonable discount from the purchase price has been provided for it.

- (d) The buyer is not entitled to file a complaint for a defect that has already been pointed out in the past, if a reasonable discount from the purchase price has been provided for it.
- 11. The claims from liability for defects are no longer applicable and the seller is not responsible for defects in all cases established by legal regulations and especially in the following cases:
- 12. The seller is not responsible for defects in all cases established by legal regulations and especially in the following cases:
- (a) if the buyer knew before taking over the item that the item had a defect, if the defect is present on the item at the time of taking over and a discount from the purchase price is agreed for such a defect,
- (b) if the goods are used and the defect corresponds to the degree of use or wear and tear the goods had when the buyer took them over,
- (c) the defect occurred on the item due to wear and tear caused by usual use, or if this results from the type of the item (e.g. expiration of its useful life),
- (d) the buyer or a third party other than the seller caused the defect, i.e. the defect is caused or originated by improper use, storage, improper maintenance, any intervention by the buyer or another person, mechanical damage,
- (e) the defect occurred as a result of an external event beyond the influence of the seller,
- (f) is caused by unprofessional installation,
- (g) is caused by their installation and use contrary to the assembly plan or the usual way of designation and use,
- (g) occurred as a result of an unexpected situation (e.g. fire) or the influence of external factors,
- (ch) the defects caused by using the product in incorrect or extreme conditions, which means, among other things, even those placed in a pool/sauna/wellness area and an environment in which it could come into contact with chlorine or other substances capable of damaging its surface with chlorine, as well as due to inappropriate exposure of the goods to adverse weather conditions,
- (i) which was modified according to the wishes of the buyer or for his/her needs;
- (j) consists of deviations of the manufactured goods (dimensions, colour, weight differences, etc.), which do not have a significant effect on the use of the goods.
- 13. For the goods sold by the seller to the buyer as goods listed as **quality of class II**, and in the case of goods referred to as the sale goods, the buyer is only entitled to the repair of the item or part of the item, or to a reasonable discount from the price of the item, not to its replacement. The seller is entitled to replace the item of his/her choice, even for another item with similar properties.

In the case of these goods, the seller is entitled to decide on the method of settlement of the claim from liability for defects of the item, i.e. according to his/her choice, to provide a discount, to repair the item or part of it, or to decide on the replacement of the item.

V Filing of complaints

- 1. The buyer has the right to file a complaint against the seller only, via e-mail: reklamace@pmh-co.cz, or in writing to the address of the seller's registered office. The seller writes a record of the complaint (complaint protocol).
- **2.** The buyer shall prove that he/she has the right to file a complaint, in particular to document the date of purchase, either by presenting a sales document, a confirmation of the seller's obligations from defective fulfilment of the warranty certificate, or in another credible way. Furthermore, he/she shall describe the defect and provide all the documents necessary for a proper assessment of the complaint, e.g. photo documentation.
- **3.** The buyer shall point out the defects without undue delay whenever he/she discovers them or could have discovered them. The rights from liability for defects of the item for which the warranty period applies shall expire if they have not been exercised within the warranty period at the latest, which does not affect the obligation to report defects without undue delay.
- **4.** The buyer shall provide the seller with the cooperation necessary to settle the complaint. The goods submitted for a complaint shall be clean and packed in their original packaging so that they cannot be damaged during handling, and the buyer shall state the conditions under which the goods were used.
- **5.** The provisions of §2108 of the Civil Code do not apply.
- **6.** The warranty period is extended by the period during which the product was in the complaint procedure if the complaint is recognized as justified.

VI Settlement of the complaint

- 1. The seller shall issue a written confirmation to the buyer stating the date and place of the complaint, the characteristics of the alleged defect, the buyer's requested method of settlement of the complaint and the manner in which the buyer shall be informed about the settlement.
- 2. The buyer is not entitled to change the method of handling the complaint once chosen without the consent of the seller, except for the situation when the chosen method of solution cannot be performed at all or in time.
- **3.** The deadline for handling complaints is suspended if the seller has not received all the necessary documents to process the complaint (parts of the goods, other documents, etc.). The seller shall request additional documents from the buyer in the shortest possible time. The deadline is suspended from this date until the delivery of the requested documents by the buyer.

- **4.** The seller usually decides on the complaint within thirty (30) days from the moment of proper application of the complaint, if a longer period of time is not necessary for reasons of proper assessment.
- 5. The buyer shall take over the claimed goods within thirty (30) days from the date when the complaint should have been settled at the latest, after which time the seller is entitled to charge a reasonable storage fee or to sell the goods at the buyer's expense. The seller shall inform the buyer about this procedure in advance and provide him/her with a reasonable additional period of time to take over the goods.
- **6.** During any visit of a service technician to the buyer, a protocol shall be drawn up on the detected defects and the form of their removal. Without such a protocol, the visit of the service technician is not taken into account.

7. Additional rules for complaints

- (a) The seller may inform the buyer about the method of settlement of the complaint (recognition of the complaint as justified or rejection of the complaint as unjustified) in a previously agreed upon manner (in writing or by any of the remote communication means).
- (b) The buyer acknowledges that, when exercising rights in the complaint procedure, he/she shall act towards the seller in a manner that is compatible with the law and generally binding norms of behaviour and shall not act in a manner that would result in a bullying exercise of rights contrary to good morals and legitimate interests of the contracting parties.
- (c) The seller can demand the complete accessories from the buyer that he/she received when purchasing the goods. If the accessories are not delivered based on this request, the complaint may be rejected.
- (d) The buyer is entitled to make claims that are proportionate to the defect of the relevant claimed goods and that are assessed in terms of the intensity of the violation of the purchase contract, i.e. whether it is a material or non-material violation of the purchase contract with regard to the defect of the respective item of the goods.
- **8.** If the Buyer does not collect the settled complaint within thirty (30) days from the date on which the complaint shall be completed, he/she may be charged a storage fee in the amount of CZK 200 for each day of delay after the above-mentioned deadline. If the buyer does not collect the goods until the amount of the storage fee exceeds the price of the claimed goods, these goods can be used to pay the storage fee.
- 9. The buyer acknowledges that the seller can, according to the above mentioned, proceed through self-help sales according to §2126 et seq. of the Civil Code, when, in the case of the Buyer's delay in taking over the item, the other contracting party has the right to sell the item after prior notification to the account of the delayer in a suitable way after providing the delayer with an additional reasonable period for collection.

VII Costs of the complaint

- 1. If the complaint is recognized as justified, the buyer has the right to reimbursement of purposefully incurred costs associated with the exercise of his/her right.
- 2. In the event of an unauthorized complaint, the seller has the right to charge the buyer an amount corresponding to the purposefully incurred costs for the complaints procedure and assessment of the reasonableness of the complaint.

VIII Contractual guarantee for quality

- **1.** The seller provides a guarantee for the selected types of goods, namely the following types of goods with the following warranty period Table no.8.
- 2. The customer shall point out the defects without undue delay whenever he/she discovers them or could have discovered them. The rights from liability for defects of the item for which the warranty period applies shall expire if they have not been exercised within the warranty period at the latest, which does not affect the obligation to report defects without undue delay.
- **3**.In the case of bathroom radiators sold without filling, the warranty shall be limited exclusively to:
 - The tightness of the product
- **4**.In the case of bathroom radiators sold by the Seller with filling and a heating element inserted into the radiator /as a complete unit/, the warranty shall be limited exclusively to:
 - The tightness of the radiator for a period of 5 (five) years;
 - The heating element for a period of 2 (two) years, whereby the Buyer shall only be entitled to the delivery of a new heating element, in all cases without its installation;
 - The radiator filling, including the refilling, for a period of 2 (two) years, whereby the Buyer shall only be entitled to the delivery of a new filling, without the performance of the refilling.
- **5**.For all products covered by warranty, the provisions of Article IV, Sections 1–12 of these Complaint Rules shall likewise apply.
- **6**. For all other goods of the Seller not expressly specified in the table contained in this Article VIII, only statutory liability for defects shall apply.
- 7. For goods sold by the Seller to the Buyer as goods designated and offered by the Seller as "second quality" or goods marked as clearance sale items, no warranty period shall apply.

IX Final provisions

This complaints procedure comes into effect on 1 January 2024.

Changes to the complaints procedure are reserved and the Seller is entitled to change it unilaterally.

Place: Přísečná Date: 1 January 2025 P.M.H. Design s.r.o.

Warranty Periods by Product Category

| Product Category | Model / Type Name | Warranty Period |
|--|--|--|
| Bathroom radiators sold without filling | Apollo, Apollo L, Avento, Avento Frame, Danby, Darius with hooks, Galeon, Kronos, Laveno, Naas, Pegasus, Pluto, Pluto X, Rosendal, Rosendal Massive, Sorano, Sorano Frame, Theia, Theia L, Ulysses | 5 years |
| Bathroom radiators sold with filling and integrated heating element /as a complete unit/ | - | Warranty period pursuant to Article VIII, Section 4 |
| Electric dryers | Britta, Fenix, Inga, Kares, Lisa, Maia, Mona, Niklas, Ole, Venus | 2 years |
| Accessories | Valves, Heating elements, Compression fittings, Rosettes, Towel rails | 2 years |
| Clearance sale items | Blenheim, Coral, Darius, Helios, Juno, Marabu, Nestor, Pegasus, Pluto 1200, Retro, Savoy, Taifun, Zone | 1 year |
| Second quality goods | All goods designated as second quality | No warranty |