

Outline of Ancillary Expenses and additional information for the Lease and Information regarding the agency agreement

(Mietvertrag, Pachtvertrag, Baurecht)

ÖVI-Form Nr. 13M/5/2014

I. Ancillary expenses in the case of tenancy agreements (<i>Mietverträge</i>)	2
II. Ancillary expenses in the case of lease agreements (<i>Pachtverträge</i>)	3
III. Additional costs for the brokerage of rights to erect buildings on leasehold land (<i>Baurecht</i>)	4
IV. Energy performance certificate	4
V. Legal basis of the broker's commission	5
VI. Obligation to provide information to consumers	6
VII. Rights to withdraw.....	10

Annex:

Model Withdrawal Form for distance and off-premises transactions pursuant to annex 1 to
Federal Law Gazette I 2014/33.

ÖVI form no. 13K/05/2014	General terms and conditions pursuant to Section 10 IMVO [Real Estate Broker Regulation] 1996 BGBl. [Federal Law Gazette] No. 297/1996 recommended by the Federal Chamber of Commerce Austria, Section for Real Estate Experts and Escrow Agents. GZ 2014/05/30 – FVO Ma/Pe – Form 13M/ÖVI
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I. Ancillary expenses in the case of tenancy agreements (*Mietverträge*)

1. **Fees payable on tenancy agreements** (Section 33 item 5 *Gebührengesetz* ("GebG") [Austrian Fees Act]): 1% of the gross rent (including VAT) payable during the term of contract; maximum: 18 times the annual value; in case of an indefinite term of contract 1% of three times the annual value. From 1 July 1999 onwards the landlord/lessor (or, as his representative, the broker, property manager, attorney or notary or other party) is obliged to calculate and pay the fee himself. In case of **tenancy agreements** with a fixed term on buildings or parts of buildings **the major purpose of which is housing**, the fees are limited to three times the annual value as of that point in time.

2. **Costs of execution of agreement** as agreed within the scope of the fee regulations of the respective person who prepared the contract.

3. Commission

The **calculation of the commission** is based on the **gross rent**, which consists of:

- *basic rent or subrent;*
- *pro-rata service charges and regular public charges;*
- *share in special expenses (e.g. lift), if any; and*
- *any remuneration for furniture or equipment rented together with the premises or other additional services of the landlord.*

In order to calculate the basis of calculation of the commission the value added tax must not be included in the gross rent. The heating costs are also not to be included if the transaction concerns a tenancy relationship pertaining to a flat, in case of which pursuant to the tenancy law regulations the amount of the rent may not be agreed upon freely (reasonable rent, reference value rent).

In addition, a commission for special compensation in an amount of up to 5% can be agreed with the previous tenant.

Main tenancy agreements (Hauptmietverträge) or sub-tenancy agreements (Untermietverträge) on flats and detached (one-family) houses	Maximum commission plus 20% VAT	
	Landlord	Tenant
indefinite period/period of more than three years	3 monthly gross rents	2 monthly gross rents
period up to 3 years	3 monthly gross rents	1 monthly gross rent
Agreement on a supplementary commission in the event that a lease agreement is extended or converted into an indefinite lease.	Taking into account the entire term of contract, the commission may be raised to the maximum amount, however not to exceed 1/2 monthly rent	Taking into account the entire term of contract, the commission may be raised to the maximum amount, however not to exceed 1/2 monthly rent
Services of real estate brokers who are at the same time managers of the property where the premises are located*	Maximum commission plus 20% VAT	
	Landlord	Tenant
indefinite period/period of more than three years	2 monthly gross rents	1 monthly gross rent
period of at least 2 years but not more than 3 years	2 monthly gross rents	½ monthly gross rent
period shorter than 2 years	1 monthly gross rent	½ monthly gross rent
Agreement on a supplementary commission in the event that a lease agreement is extended or converted into an indefinite lease.	Taking into account the entire term of contract, the commission may be raised to the maximum amount, however not to exceed 1/2 monthly rent	Taking into account the entire term of contract, the commission may be raised to the maximum amount, however not to exceed 1/2 monthly rent

*This is not applicable if ownership has been established for the brokered apartment and the client is not the majority owner.

Main tenancy agreements (<i>Hauptmietverträge</i>) or sub-tenancy agreements (<i>Untermietverträge</i>) on business premises of all kinds	Maximum commission plus 20% VAT	
	Landlord	Tenant
indefinite period/period of more than three years	3 monthly gross rents	3 monthly gross rents
period of at least 2 years but not more than 3 years	3 monthly gross rents	2 monthly gross rents
period shorter than 2 years	3 monthly gross rents	1 monthly gross rent
Agreement on a supplementary commission in the event that a lease agreement is extended or converted into an indefinite lease.		Taking into account the entire term of contract, the commission may be raised to the maximum amount
It is possible to agree on charging the lessor's commission (not to exceed 3 gross monthly rents) to the lessee of the premises (Sec. 12 IMVO).		

II. Ancillary expenses in the case of lease agreements (*Pachtverträge*)

1. Fees payable on lease agreements (Section 33 item 5 *Gebührengesetz* ("GebG") [Austrian Fees Act]) 1% of the gross rent payable during the term of contract; in the case of an indefinite term of contract 1% of three times the annual value.

2. Costs of drafting the agreement according to the fee regulations of the person who prepared the contract.

3. Commission

(a) Leases, in particular in agriculture and forestry

In the case of leasing of properties or parts of properties a commission may be agreed with both clients which is fixed at a percentage of the rent payable during the term of the lease.

In the case of an **indefinite term of lease**.....5% of the rent payable for 5 years.

In case of a **fixed term of**

up to 6 years.....	5%	up to 12 years.....	4%
up to 24 years.....	3%	more than 24 years	2%

in each case plus 20% VAT.

In the case of appurtenances an additional commission of 3% of the value plus 20% VAT may be agreed upon.

(b) Lease of businesses

In the case of an **indefinite term of lease** 3 times the monthly rent.

In the case of a **fixed term of lease of**

up to 5 years.....	5%
up to 10 years.....	4%
more than 10 years	3%

in each case plus 20% VAT.

In case of compensation for investments or furniture/equipment a commission of 5% of the amount paid by the lessee therefore may be agreed with the lessor or the previous lessee.

III. Additional costs for the brokerage of rights to erect buildings on leasehold land (*Baurecht*)

For **brokering the rights to erect buildings on leasehold land**, the maximum commission equals the following percentage of the rates payable for the leased land throughout its term:

- 3% for rights extending from 10 – 30 years
- 2% for rights exceeding 30 years.

In the event that the term exceeds 30 years, it is possible to agree on a flat commission rate of 3% (plus VAT) which is to be based on the 30-year rent, instead of the 2% fee (Sec 12 (4) IMVO provision on maximum values as amended). As the cap is limited to 2% of the 45-year rent, this amount also equals the maximum commission, regardless of any term of contract which may exceed that period.

IV. Energy performance certificate

The *Act on the Presentation of the Energy Performance Certificate* (EAVG 2012) provides that in the event a building or an object of usage is **rented/leased**, the landlord/lessor has to present to the tenant/leaseholder an **Energy Performance Certificate** in due time before the contract is concluded. At the time of presentation, the **Energy Performance Certificate** may not be older than 10 years. It must also be handed over to the tenant/leaseholder no later than 14 days after the signing of the agreement.

In the event the landlord/lessor fails to provide the certificate, the tenant/leaseholder is entitled to procure the Energy Performance Certificate directly, provided he / she has requested the certificate from the landlord/lessor in vain. The tenant/leaseholder can then opt to either claim reasonable expenses for the certificate at court within a period of three years, or file a court request for the hand-over of the certificate.

The EAVG2012 has been in force since December 1, 2012. It provides that advertisements in print and electronic media must specify the thermal heat requirements (*Heizwärmebedarf* or *HWB*) and the overall energy efficiency factor (*Gesamtenergieeffizienzfaktor* or *fGEE*), with both landlord/lessor and broker being subject to this obligation.

Certificates which were issued before EAVG 2012 went in to force, shall be valid for 10 years after the date of issuance. This regulation also applies if the certificate displays the thermal heat requirements (HWB) only, and not the overall energy efficiency factor (fGEE) as well. In such case the thermal heat requirement value (related to the climate at the site) shall suffice.

The landlord/lessor may choose to hand-over either an **Energy Performance Certificate** on the **overall energy efficiency** of the object or of a comparable object within the same building, or on the entire building. With regard to one-family homes, the requirement to present and hand-over an energy certificate will be satisfied by means of an energy certificate for a comparable building. The author of the Energy Performance Certificate must, however, confirm such comparability.

The Energy Performance Certificate must be compliant with the respective provincial regulations and is designed to create comparable information on the standard energy consumption of an object. The calculation of energy indicators is based on pre-defined conditions and standard parameters which are not user-dependent, resulting in the fact that there may be considerable deviations when the property / object is actually used.

If no Energy Performance Certificate is presented, Sec. 7 EAVG provides that an overall energy performance corresponding to the age and type of the building has been agreed.

Since December 1, 2012, a nation-wide catalogue of exemptions has been in effect in Austria. Contrary to the previous regulation, Energy Performance Certificates must now also be made available for historical monuments and listed buildings. The Act on the Presentation of the Energy Performance Certificate (EAVG

2012) includes administrative penalty provisions. Both the landlord/lessor and the broker who fail to state the HWB and fGEE values in an advertisement are subject to a fine of up to EUR 1,450. Brokers will only be excused if they have informed the landlord/lessor of the subject obligation, requesting both indicators and the procurement of an Energy Efficiency Certificate, which the landlord/lessor refused to supply. Moreover, the landlord/lessor faces an administrative penalty of up to EUR 1,450 if he/she fails to present and / or hand-over the Energy Performance Certificate.

V. Legal basis of the broker's commission

Section 6 paras 1, 3 and 4, Section 7 para 7, Sections 10 and 15 Maklergesetz [Austrian Broker Act]

Section 6 (1) The client is obliged to pay a commission in cases where the transaction is concluded with a third party due to the broker's activity pursuant to the contract.

(3) The broker is entitled to the commission even if, due to his activities, the transaction to be brought about pursuant to the contract is not entered into, but another transaction is entered into, the economic purpose of which is equivalent to the original transaction.

(4) The broker shall not be entitled to a commission if he himself becomes a contracting party to the transaction. This shall also apply if the transaction entered into with a third party is the economic equivalent to a conclusion of the transaction by the broker himself. In the event of any other close familial or economic relationship between the broker and the third party which might impair the safeguarding of the interests of the client, the broker shall only be entitled to a commission if he immediately notifies the client of such close relationship.

Section 7 (1) The entitlement to a commission shall come into existence when the transaction becomes legally effective. The broker shall not be entitled to any advance.

Section 10 (1) The entitlement to a commission and the claim for reimbursement of additional expenses shall arise when they have been incurred.

Special commission agreements

Section 15 (1) An agreement according to which the client, is required to pay an amount, for instance as compensation for or reimbursement of expenses incurred and professional services rendered, even if there is no successful conclusion of a deal attributable to the broker, shall only be permissible up to the amount of the agreed or locally customary commission and only in the event that

1. the transaction described in the broker agreement is not entered into contrary to good faith because the client - contrary to the course of the negotiations up to that point - fails to take any action that would be required for the conclusion of the deal without notable reason;
2. a transaction is entered into with the third party solicited by the broker the purpose of which is not equivalent to the original transaction if conclusion of the transaction is the result of the broker's activities;
3. the transaction described in the broker agreement is not entered into with the client but with a different person because the client informed such person of the business opportunity made known to him by the broker or if the transaction is not entered into with the third party but with a different person because the third party notified the latter of such business opportunity or
4. the transaction is not entered into with the third party because a statutory or contractual right of first refusal, resale or a right to succeed is exercised.

(2) Such a payment may, in the case of sole broker agreements, be agreed upon if

1. the sole broker agreement is terminated early by the client in violation of the contract and without important reason;

2. the transaction was entered into during the term of the sole broker agreement in violation of the contract through the activities of a different broker instructed by the client; or
3. the transaction was entered into during the term of the sole broker agreement in a way other than by the activities of a different broker instructed by the client.

(3) Payments pursuant to para 1 and para 2 shall be considered remuneration (*Vergütungsbetrag*) within the meaning of Section 1336 ABGB [Austrian General Civil Code].

An agreement pursuant to Section 15 Maklergesetz [Broker Statute] must be made in writing in the case of broker agreements involving consumers.

VI. Obligation to provide information to consumers

The real-estate agent's information requirements

(1) **Sec. 30 b KSchG consumer Protection Act:** prior to concluding an agency agreement with the client (in the case of a "Consumer"), the agent has to hand over to the client – with the diligence of a proper real estate professional – a written statement indicating that it will act as an agent, and a list of all expected costs arising from the conclusion of the requested business transaction, including the agent's commission. The amount of the commission must be stated separately; the agent must also inform that client of any economic or private relationship for the purpose of Sec. 6(4) third sentence of MaklerG (Real Estate Agency Act). When the agent – according to common business practice – can act as dual agent, the statement must bear explicit reference to this fact. In the event of any substantial change in circumstances, the agent must rectify the above documents accordingly. If the agent fails to fulfill this obligation before the client agrees to the brokered transaction, Sec. 3(4) MaklerG shall apply.

(2) The real estate agent has to provide the client with the required information (pursuant to Sec. 3 MaklerG) in writing. The information must in any case include all circumstances which are essential to assess the business transaction to be brokered.

NOTE: Based on current business practice, real estate agents may also act as dual agents without the client's explicit approval. In the event that the agent is instructed to act solely for one party in the transaction, the other party shall be informed by the agent.

Information requirements in the event of distance and off-premises sales

Scope of the obligation; legal consequences

to be applied on

- **Off-premises contracts (AGV)** between trader and consumer,
 - which are concluded when a consumer and trader are simultaneously present at a place other than the trader's premises,
 - for which the consumer has made an offer under the circumstances above, or
 - which have been concluded in the trader's premises or by distance sale communication media, directly after the consumer has been addressed personally and individually at a location other than the trader's or its representative's premises, respectively the consumer's premises, or
- **Distance sales transactions (FAG)** – these are contracts concluded between a trader and a consumer, without the simultaneous presence of both parties, through a distribution or service system organized to handle distance sales where telecommunications media (mail, internet, e-mail, telephone and fax) were exclusively used until the respective agreement was concluded.

Exempted are contracts on

- the creation, acquisition or transfer of ownership or other rights related to immovable things (Sec 1 (2) Z 6 FAGG),
- the erection of new buildings, major conversion work of existing buildings and the lease of residential space (Sec 1 (2) Z 7 FAGG);

Sec. 4 FAGG (1) The contract or offer shall not be binding upon the consumer before it has been informed by the trader of the following facts and in a clear and comprehensible matter:

1. the essential characteristics of the goods or services, as appropriate to the medium and the goods or services,
2. the **name** or **company name** of the trader as well as the **address** of its office,
3. where applicable
 - a) the **telephone and fax number**, and the **e-mail address** which the consumer may use to contact the trader easily and promptly and without major effort,
 - b) any address different from the trader's company base which the consumer may use in any case of complaint, and
 - c) the name of the person or the company and the address of the person on behalf of which the trader is acting, as well as any business address of that person that may differ from the foregoing, where the consumer can address any complaints,
4. the total price of the good or service, including all taxes and levies. If the nature of the goods or services is such that the price cannot reasonably be calculated in advance, the method of calculating the price and any additional costs for freight, delivery, shipment or other costs must be stated. If such costs cannot reasonably be calculated in advance, the fact that such additional costs may be payable must be noted as well,
5. in the event of a contract for an indefinite period or a subscription: the total costs per billing period; when such contracts are charged at a fixed rate, the total costs shall mean the total monthly costs; if the total costs cannot reasonably be calculated in advance, the method of calculating the price shall be provided,
6. the costs of using any means of distance communication for the conclusion of the agreement, unless such costs are calculated at the base rate,
7. the terms of payment, delivery and service; the period following the trader's commitment during which the goods or services will be delivered, and, where applicable the trader's complaint handling process,
8. if there is a right to withdraw from the contract: the conditions to terminate the agreement, the time limit and the procedure for exercising this right (the latter by providing a sample for the customer's withdrawal),
9. that (where applicable) the consumer – in the event it withdraws from the contract – is obliged to pay the costs for returning the goods pursuant to Sec. 15; in case of distance contracts for goods that, due to their nature cannot normally be returned by post, the cost of returning these goods,
10. that (where applicable) the consumer – in the event it withdraws from the contract – is obliged to pay the pro-rated share of the work already performed pursuant to Sec. 16,
11. inform the consumer where applicable, on the absence of the right to withdraw from the contract pursuant to Sec. 18, respectively on the circumstances that would lead to the consumer losing its right to withdraw,
12. in addition to referring to the legal warranty right, the consumer is to be informed also on the existence of after-sales customer services and the respective terms, as well as of any trade-specific guarantees,
13. where applicable on existing codes of conduct in accordance with Sec. 1(4) Z4 UWG Act on Unfair Competition, and on how the consumer can obtain a copy thereof,
14. where applicable, on the **duration** of the contract, respectively the **conditions for terminating contracts with indefinite duration** or contracts with automatic renewal,
15. where applicable, on the minimum duration of the consumer's obligations under the agreement,
16. where applicable, on the trader's right to request a safety deposit or other financial security from the consumer, including the pertinent conditions,

17. where applicable, on the functionality of digital contents including technical protection measures for such contents,
18. where applicable — to the extent it is essential — on the interoperability of digital contents with hardware and software that the trader is aware of or can reasonably be expected to have been aware of, and
19. where applicable, the possibility of having recourse to out-of-court complaint and redress procedures the trader is subject to, and the conditions for such approach.

(2) In the event of a public auction, the information referred to in subsection 1 (2) and (3) might be substituted by information on the auctioneer.

(3) The information pursuant to subsection 1(8), (9), (10) may be provided by means of a **model form stating the rights of withdrawal**. The form satisfies the trader's obligation, provided it has been completed appropriately by the trader prior to being given to the client.

(4) The information provided to the client in accordance with subsection 1 is part of the contract. Any modifications are only effective when they have been explicitly agreed upon by both parties to the contract.

(5) If the trader has failed to provide to the client information on additional and other costs in accordance with subsection 1 Z 4, or on the costs for returning the goods in accordance with subsection 1 Z 9, the client does not have to bear these costs.

(6) The obligation to provide information in accordance with subsection 1 applies regardless of other obligations to provide information pursuant to statutory regulations based on the Directive on Services in the Internal Market (2006/123/EC – Federal Law Gazette No. L 376 dated Dec. 27, 2006, page 36) or on certain legal aspects regarding information services in the E-Commerce Directive (2000/31/EC – Federal Law Gazette L 178 of July 17, 2000, page 1) in particular those referring to electronic business transactions.

Information requirement for off-premises contracts

Sec 5 FAGG (1) In the event of contracts concluded off-premises, the information referred to in Sec. 4 (1) shall be provided to the consumer **on paper, or if the consumer agrees, on another durable data medium**. The information must be **legible, clear and comprehensible**.

(2) The trader shall hand over to the consumer a paper copy of the signed contract, or a confirmation of the concluded contract, or upon the consumer's approval, a copy stored on another durable data medium. Where applicable, the copy of the contract or the confirmation of the contract shall include an acknowledgement of the consumer's approval and knowledge pursuant to Sec. 18 (1) Z11.

Providing information for distance contracts

Sec 7 FAGG (1): In the event of distance sales, the information referred to in Sec. 4 (1) must be provided to the consumer in a way which is appropriate to the communication channel used, and it must be **clear and comprehensible**. If the information is provided on a **durable data medium**, it must be legible.

(2): If the contract is concluded through a telecommunications channel where the time for presenting the information is limited in terms of space or time, the trader shall provide to the consumer at least the information provided in Sec. 4 (1) Z 1, 2, 4, 5, 8 and 14 on the essential characteristics of the goods or services, the name of the trader, the total price, the withdrawal right, the term of the contract and the conditions for terminating contracts with indefinite terms. This information must be provided through the same telecommunications channel prior to concluding the contract. The remaining information in Sec. 4(1) shall be provided to the consumer in an appropriate manner and in accordance with subsection 1.

(3): Within a reasonable period of time following the conclusion of the contract, however not later than upon delivery of the goods, or before the respective services are rendered, the trader shall provide to the consumer a confirmation of the concluded contract on a durable data medium, including the information specified in Sec. 4 (1), unless this information has already been given to the consumer on a durable data medium prior to the conclusion of the contract. Where applicable, the confirmation of the contract shall include an acknowledgement of the consumer's approval and knowledge pursuant to Sec. 18 (1) Z 11.

Special requirements in the event of e-contracts

Sec. 8 FAGG (1): In the event that an electronic distance contract –not exclusively concluded by e-mail or a comparable individual electronic communications channel – obliges the consumer to make a payment, the trader has to notify the consumer in a clear and accentuated manner of the information set forth in Sec. 4 (1) Z 1, 4, 5, 14, and 15, prior to the latter's declaration of agreement.

(2) The trader has to ensure that the consumer explicitly confirms during the ordering process that the order is connected to an obligation of payment. If the ordering process requires pressing a button or a similar function, there must be a clear wording, such as "payment for order" or a similar, clear statement notifying the consumer that the order is connected with the obligation to make a payment to the trader. If the trader fails to comply with the obligations in this subsection, the contract or the declaration of contract shall not be binding upon the consumer.

(3) Trading websites shall indicate in a clear and comprehensible way and no later than at the beginning of the ordering process whether there are delivery restrictions and which means of payment are accepted.

(4) Subsections. 1 to 3 also apply on the contracts mentioned in Sec. 1 (2) Z 8. The provisions in subsection 2 (second and third sentence) are also applicable on the contracts mentioned in Sec. 1 (2) Z 2 and 3, provided that they have been concluded in the way described in subsection 1.

Definition of "durable data medium":

Paper, USB sticks, CD-ROMs, DVDs, memory cards, hard-disks, storable and reproducible e-mails.

Special requirements in the event of telephone sales

Sec. 9 FAGG (1): In the event of telephone calls with consumers with a view to concluding a distance sales contract, the trader must inform the consumer at the beginning of the conversation of its name, its company name, or where applicable of the name of the person upon whose order it is acting, as well as the commercial purpose of the conversation.

(2): In the event of a distance sales contract for services negotiated during a call initiated by the trader, the consumer shall be under no obligation before the trader makes available to the consumer a confirmation of the offer on a durable data medium and the consumer subsequently submits to the trader a written acceptance of the offer on a durable data medium as well.

VII. Rights to withdraw

1. Withdrawal from a brokerage agreement (Sole agency agreement, brokerage agreement, brokerage agreement with a prospective client) if it is a distance or off-premises contract (Sec 11 FAGG).

Right to withdraw and withdrawal period

Sec. 11 FAGG (1) The consumer may withdraw from a distance or off-premises contract within a period of 14 days, without giving the reason for its withdrawal. The withdrawal period commences on the date the agreement is entered into.

Omission of information on the right of withdrawal

Sec. 12 FAGG (1) If the trader has failed to comply with its obligation to inform the consumer pursuant to Sec. 4 (1) Z 8, the withdrawal period specified in Sec. 11 shall be extended by twelve months.

(2) If the trader provides the information to the consumer within twelve months from the date relevant for the commencement of the period, the withdrawal period ends 14 days after the consumer has received the information.

Exercising the right of withdrawal

Sec 13 FAGG (1): The withdrawal does not require any specific format. The consumer may use the model form¹ for withdrawals. The withdrawal period is complied with if the declaration is posted within the period.

(2): The trader may offer the consumer the option to complete the model withdrawal form or fill in and submit a declaration of withdrawal through its website. If the consumer uses this channel, the trader has to acknowledge receipt immediately, by means of a durable data medium.

Beginning of the execution of the contract before expiration of the withdrawal period

Sec. 10 FAGG: If a distance or off-premises service contract is about the provision of an indefinite volume or quantity of water, gas, electricity or district heat and the consumer requested provision before the end of the withdrawal period pursuant to Sec. 11, the trader must request the consumer to explicitly solicit early execution of the agreement on a durable data medium, provided that the contract was concluded off-premises.

Obligations of the consumer in the event of withdrawal from a contract for services, energy or water supply, or digital contents

Sec 16 FAGG (1) If, pursuant to Sec. 11 (1) a consumer withdraws from an agreement on services or the provision of energy or water as specified in Sec. 10, after having made a request in accordance with Sec. 10 and the trader subsequently started to fulfill the agreement, the consumer has to reimburse the trader for the amount which corresponds to the pro-rated share of deliveries (made up to the date of withdrawal) in relation to the agreed total contract price. If the total price is excessive, the payable pro-rated share is to be based on the market value of the services actually rendered.

(2): The consumer is not obliged to pay a pro-rated share pursuant to subsection 1 if the trader has not met its obligation to inform the consumer in accordance with Sec. 4 (1) Z 8 and 10.

¹ see annex

Exemptions from the rights to withdraw

Sec. 18 FAGG (1) The consumer shall not have the right to withdraw from distance or off-premises contracts on services if the trader started to execute the contract and has completely rendered the respective services before the withdrawal period has ended (pursuant to Sec. 11). This is only possible, however, if the consumer makes an explicit request pursuant to Sec. 10 and subsequently acknowledges that it will lose its withdrawal right once the contract has been completely fulfilled by the trader

2. Rescission of contract pertaining to real estate pursuant to Section 30a Konsumentenschutzgesetz ("KSchG") [Austrian Consumer Protection Act]

A **client** who is a **consumer** (Section 1 KSchG) and

- has made a contractual statement on the day of the first visit to the premises,
- and if such statement refers to the acquisition of a tenancy right, any other right to use a property or to ownership, namely
- to a flat, a detached (one-family) house or a property suitable for construction of a detached (one-family) house and if
- the same is intended to be used for covering the consumer's own urgent need for accommodation or of that of a close relative;

may declare **within one week in writing that he rescinds such contractual statement.**

The **time period begins** to run only when the consumer has received a duplicate of the contractual statement and information regarding the right to rescind the same, i.e. either on the day after he made the statement or, if the duplicate including the information on the right to rescind the contractual statement was delivered later on, at such later point in time. In any case **the right to rescind the contractual statement expires** not later than one month after the date of the first visit.

Agreements on the payment of a down payment, forfeit money or the like prior to expiration of the period allowed for rescission pursuant to Section 30 a KSchG shall be ineffective.

3. Withdrawal right in the event of door-step sales pursuant to Sec. 3 KSchG Consumer Protection Act

Only applicable on contracts which are explicitly exempted from the applicability of the FAGG (Act on Distance and Off-Premises Sales).

A **customer** who is consumer in the sense of Sec. 1 Consumer Protection Act has the right to withdraw up to the conclusion of the contract, or within 14 days following its conclusion, if

- its contractual declaration was made outside the trader's premises and
- it has not solicited business relations directly with the trader with a view of concluding a contract.

The **term** does not start before the consumer has been handed over a document containing the name and address of the trader, the data required to identify the contract, instructions on the withdrawal right, the withdrawal period and the process of exercising this right.

If the consumer is not informed of its right to withdraw, it shall be entitled to withdraw during a period of twelve months and 14 days following the conclusion of the agreement. In the event the trader hands over the document within twelve months following the beginning of the term, the extended withdrawal period shall end 14 days after the date the consumer receives the respective document.

The withdrawal notice does not require any specific format. The withdrawal period is complied with if the withdrawal notice is dispatched within the withdrawal period.

4. The right to rescind the contract in case of non-occurrence of essential facts or circumstances (Section 3a KSchG)

The consumer may rescind his application for a contract or the contract itself in writing if

- with no initiative of his
- essential circumstances
- that were described by the entrepreneur as being likely
- have not occurred or have only occurred to a considerably smaller extent.

Essential circumstances are

- the necessary cooperation or consent of a third party,
- tax benefits, or
- public aid or a prospective loan.

The **period for rescission** of the contract is one week after the consumer is able to notice such non-occurrence if he was informed about such right to rescind the contract in writing. In any case, however, the right to rescind the contract will end one month after complete performance of the contract by both parties.

The consumer is not entitled to rescind the contract if

- in the course of the negotiations he knew or was required to have known about such non-occurrence;
- if the right to rescind the contract is negotiated in individual cases (not possible to include in a form); or
- if the contract was adjusted in an appropriate way.

5. The right to rescind a developer contract pursuant to Section 5 BTVG [Austrian Developer Contracts Act]

The Developer Contracts Act introduced regulations intended to protect persons acquiring rights to buildings, flats and/or business premises which are yet to be built and/or to be renovated thoroughly. The Statute is only applicable to developer contracts in case of which advance payments of more than Euro 150 per sq.m. of usable space must be effected.

The buyer may withdraw from his/her contractual statement if he/she does not receive the following information from the developer in writing until a week before concluding the contract:

1. the provisional content of the contract;
2. the provisional text of the agreement with the commercial bank in the event mandatory security is required to comply with Section 7 (6/2) of the Austrian Developers' Contract Act (Bauträgervertragsgesetz – BTVG, blocked account model);
3. the provisional text of the certification in accordance with Section 7 (6/3 c) of BTVG in the event mandatory security is required to comply with Sec. 7 (6/3) (solvency model in subsidized rental housing);
4. in the absence of the nomination of a trustee: the provisional text of the security (guarantee, insurance) to be issued in the event securities are required under the law of obligation (Sec. 8);
5. if applicable, the provisional text of the additional security according to Sec. 9 (4) to fulfill the mandatory security required by the developer by entry in the land register (Sections 9 and 10, installment plan A or B).

If the buyer does not receive the information listed under points 1-5 above including a written explanation of his / her right of withdrawal until at least one week before signing the contractual statement, he/she shall

be entitled to **withdraw from the contract**. Withdrawal may be declared at any time before the contract becomes legally effective. After that withdrawal has to be declared within 14 days. The period of withdrawal begins on the date of receipt of the pertaining information, but not before the contract becomes legally effective. Notwithstanding the receipt of the information, the right of withdrawal will expire 6 weeks after the contract has become legally effective.

In addition, the purchaser may rescind his contractual statement if a **residential construction subsidy** on which the parties based the contract is not granted in full or to a substantial extent for reasons for which the purchaser is not responsible. Rescission of the contract must be declared within two weeks. The **period for rescission of the contract commences** as soon as the purchaser is informed of the fact that no residential construction subsidy will be granted and if at the same time or later he/she receives written information regarding the right to rescind the contract. The **right to rescind the contract expires** not later than six weeks after receipt of the information about the fact that no residential construction subsidy will be granted.

The buyer can declare withdrawal to the developer or the trustee in writing.

A statement of rescission regarding a real estate transaction which is addressed to the real estate broker shall also apply to a broker agreement concluded in the course of making the contractual statement.

Mailing of the statement of rescission on the last day of the period (date of postmark) is sufficient. The statement of rescission shall be deemed sufficient if a written document is sent which contains a contractual statement of only one party plus an additional statement showing the consumer's decline of the offer.

This form being given to you by



Valmacor Immobilienreuehand GmbH

Messenhausergasse 14/33

1030 Wien

+ 43 699 118 22 58

immobilien@valmacor.at

who are acting as broker and are represented by D.I. Corneliu Tanasescu

Pursuant to established business practises the broker may act as dual broker.

The broker does /does not have a close familial or business relationship to the third party.

Withdrawal form

(complete and return this form only if you wish to withdraw from the contract)

- To:



Valmacor Immobilienreuehand GmbH

D.I. Corneliu Tanasescu

Messenhausergasse 14/33 1030 Wien

Fax: + 43 1 585 29 60 60

immobilien@valmacor.at

- I/We (*) hereby give notice that I/We (*) withdraw from my/our (*) contract of sale of the following goods (*)/for the provision of the following service (*):

.....
.....

- Ordered on (*)/received on:

- Name of consumer(s):

.....

- Address of consumer(s):

.....

.....

.....
- Signature of consumer(s) (only if this form is notified on paper),

- Date

(*) Delete

Model withdrawal form according to annex 1 to Federal Law Gazette I 2014/33.