

General Terms of Delivery Franke Foodservice Systems GmbH

(State August 2008)

1. Our Terms of Delivery apply to all current and future quotations made by us and contracts entered into with us. The General Terms of Business of the customer are not recognized. The inoperativeness of individual provisions in these Terms has no effect on the validity of the rest of the provisions and the continued existence of the contract. An inoperative provision shall be replaced by a provision that is as close as possible to the inoperative provision in its economic contents.
2. Our quotations are always without obligation. We reserve the right to deviate from the images, drawings, dimensions, weights and performance details stated in our brochures, price lists and catalogues unless they were expressly described as binding and provided that the deviations remain within commercial tolerances.
3. Delivery times depend on the agreements made in each individual case. Delivery periods begin only on receipt of all documents, licenses, clearances and payments required from the customer. Partial deliveries are permissible if this is reasonable for the customer.
4. Cost estimates, drawings and other documents remain our property and are subject to our copyright. They may not be made available to third parties. Drawings and other documents shall be returned to us on demand. If an order is not placed, they must be returned immediately without special request.
5. Our prices are ex works, without packaging and exclusive of statutory VAT. Unless otherwise agreed, installation costs are not included in our prices. Provided that nothing else is agreed, the assembly costs are not included in our prices. If the customer instructs us to perform the assembly, we are allowed to organize the assembly through a third party. Such assembly works will be subtracted directly. At the request of the customer, we insure our deliveries against transport damage. All costs incurred in this connection shall be paid by the customer.
6. Invoices shall be paid without deduction within 10 days of the invoice date. Our sale prices are denominated in €, £ or US\$ and must be paid in the invoice currency. For kitchens and conversions, an advance payment of 75% is due 30 days before the agreed delivery date. If the customer is in default of payment, we may demand immediate payment of our total claim. Delivery then takes place solely against prepayment. In the cases stated, we are also entitled to make the processing of all orders from the customer conditional on prepayment or the lodging of security. The minimum order value is € 25.
7. Goods delivered remain our property until all claims arising out of the business relationship with the customer have been met in full. The customer is entitled to sell the goods in the proper course of business provided that it is not in default. Pledging or mortgaging is not permitted. The customer assigns any claims relating to the goods arising out of their resale or any other legal consideration (insurance, tort, connection to a plot of land) to us in full now by way of security. If the realizable value of the securities due to us in accordance with the above provisions exceeds our claims by more than 10%, we are under an obligation to release securities in respect of the excess value.
8. If the law of the country in which the object of the delivery is located does not allow the intended retention of title or allows it only to a limited extent, we may reserve other rights in the object of the delivery. The customer is under an obligation to participate in all necessary measures (for example registrations) to implement the retention of title or the rights which take its place and to protect these rights.
9. Customer domiciled within Germany shall undertake to dispose of the delivered goods at the end of their useful life at their own expense and in accordance with the statutory regulations. Customer shall release Franke from its obligations pursuant to Section 10 para. 2 ElektroG (Producer's obligation to take back) and hence exempt it from any third-party claims arising in connection therewith. Should a customer request that the goods be disposed of by Franke, Franke shall prepare an offer for taking back and disposing of the goods at that point in time. The costs for transport and disposal shall be charged to the customer. In their capacity as importers and users of electrical and electronic equipment used for commercial purposes, customers domiciled outside of Germany in an EU member state shall be obliged in accordance with the WEE directive 2002/96/EG, to dispose of these properly at the end of their useful life at their own expense.

Franke shall in this case not be seen as the producer. Customer domiciled outside of the EU shall not fall under the jurisdiction of WEE directive 2002/96/EG. As the importers and users of electrical and electronic equipment used for commercial purposes, the customers are therefore obliged to dispose of such equipment at the end of its useful life in accordance with the relevant statutory regulations.

10. If the goods delivered by us are defective, the defect claims of the customer shall follow the statutory provisions with the proviso that the customer may initially only demand replacement delivery or improvement. If the remedy does not produce the desired result, the customer is entitled to reduce the purchase price or withdraw from the contract with immediate effect. In addition, the customer may demand damages instead of performance in accordance with Clause 12. We are under an obligation to bear the costs required to remedy defects. If the defect is based on a defective product produced by a third party, we are entitled to assign our warranty claims against our supplier to the customer. In this case, a claim may only be made against us in accordance with the provisions above when the customer has asserted the assigned claims against the supplier in court.
11. The warranty period for material defects is 12 months from the transfer of risk. For goods that are not produced by us but by third parties, we pass on to the customer any longer warranty period provided by the producer. If our product has been used for a construction in accordance with its normal application and has caused the construction to be defective, the statutory warranty period continues to apply. Claims for damages are not affected in accordance with Clause 12.
12. We are liable for culpable non-compliance with our material contractual obligations in accordance with statutory regulations. However, if we are guilty of neither grossly negligent nor willful behavior, we are liable only for the foreseeable damage that typically occurs. In all other cases, we are liable if damage has been caused willfully or grossly negligently by one of our legal representatives or by an accomplice. In the event of assumption of a warranty and for damages arising out of injury to life, body or health, we are liable in accordance with statutory regulations. All other claims for damages against us arising out of non-compliance with obligations are excluded. Liability in accordance with the German Product Liability Act is unaffected.
13. In the event of cancellations or returns of goods ordered, we reserve the right to charge a handling/return fee of at least 20% of the value of the goods.
14. German law applies, to the exclusion of the UN Convention on Contracts for the International Sale of Goods.
15. The place of performance for all claims arising out of contracts concluded with us is our place of business. The sole venue for all claims by either party arising out of or in connection with the business relationship is Bad Säckingen, Germany. In addition, we may also, at our discretion, institute legal proceedings against the customer at its place of business.