



HOME SOLUTION DIVISION - General Terms and Conditions of Sale

effective as of 16.06.2025

1 General

- 1.1 The business relationship between Franke (China) Kitchen System Co. Ltd, 318, Yinglang Industrial Zone, Shaping Town, Heshan City, Guangdong, China (hereinafter FRANKE) and the B2B-Customer for the sale of products and additional services (if contractually agreed) is governed exclusively by these General Terms and Conditions of Sale (GTC) in the version valid at the time of the respective purchase order by Customer.
- 1.2 Supplementing services such as Consulting, Planning, Installation, Maintenance, Digital Services or any other services may be provided according to separate and specific business terms and conditions setting forth such specific commercial services.
- 1.3 Amendments and modifications to the GTC or a concluded contract will only be valid if they have been accepted by FRANKE in writing. Any general purchasing terms and conditions or contractual provision of the Customer are hereby expressly rejected and excluded.
- 1.4 The following order of precedence applies to the validity and interpretation in case of a conflict between the following documents: (1) order confirmation, (2) FRANKE's offer, (3) Distributor Agreement, (4) GTC.

2 Offers

- 2.1 The offers and quote of FRANKE are non-binding and subject to change, unless otherwise indicated in the quote. A contract is concluded by order confirmation (submitted in writing or electronically) or by delivery. FRANKE may make changes to the order confirmation provided that these are insignificant and result in an improvement.
- 2.2 The illustrations, drawings as well as dimensional, weight and performance data from FRANKE's offers, brochures, price lists and catalogues are not binding, unless these have been expressly designated as binding.
- 2.3 Once the order is confirmed, Customer cannot unilaterally cancel or modify it. If Customer unilaterally cancels the order after the order is confirmed, FRANKE has the right to take the following measures depending on the actual situation:
 - i. FRANKE does not accept unilateral cancellation of the order. Customer shall continue to perform the order obligations, including payment, picking up and receiving the goods. If Customer fails to perform the payment obligation, it shall pay FRANKE a penalty for overdue payment calculated at 3‰ per day from the day after FRANKE notifies it of payment. If Customer fails to perform the obligation to pick up or receive the goods, all expenses incurred and the risk of damage or loss of the goods from the day after FRANKE notifies it of the pick-up shall be borne by Customer, and a penalty of 3‰ per day (based on the value of the goods calculated at the order price) shall be paid to FRANKE from the day after FRANKE notifies it of the pick-up.
 - ii. If the order is cancelled, FRANKE will forfeit the deposit paid by Customer and FRANKE reserves the right to pursue Customer for losses.



- iii. After receiving the order confirmation notice from FRANKE, Customer shall pay the full amount and ship the goods at the agreed time. If the project is delayed, the main client (real estate developer) of the project shall issue a project delay certificate, and Customer shall notify FRANKE 30 days in advance and confirm the adjustment of the order delivery time.
- iv. If Customer fails to notify FRANKE 30 days in advance and fails to pay the full amount before the agreed date, or if Customer has notified FRANKE 30 days in advance but fails to pay the full amount more than one month after the original agreed date, FRANKE has the right to require Customer to pay the full amount and charge storage fees, as follows:

- a. A: Storage fee: 1.8 yuan/ cubic meter/ day (invoice issued by FRANKE).
- b. B: Charging method: FRANKE issues an order to collect storage fees, which will be collected at the end of the month.

If Customer fails to pay the full amount for the goods within four months or more of the agreed period, FRANKE will forfeit its deposit and FRANKE will have the right to charge Customer for the cost of capital utilization (calculated at an annual interest rate of 8% from the agreed payment period).

3 Credit check

- 3.1 The Customer acknowledges that FRANKE may carry out a credit check when the Customer is placing an order. The Customer consents to the processing of the relevant data with relevant third parties. FRANKE expressly reserves the right not to accept orders or demand advance payments if the credit assessment is unsatisfactory, at the full discretion of FRANKE at any time.

4 Prices

- 4.1 Prices, currency and rebates are outlined in the supplementing sales quote or sales documentation by FRANKE. Unless otherwise stated, any and all additional charges, such as, but not limited to, freight charges, insurance premiums, custom duties and clearance shall be borne by the Customer. Any resale prices referred to in its price list, catalogues or discount sheets are recommended prices only and not binding to Customer.
- 4.2 FRANKE reserves the right to adjust sales prices, rebates, discounts and product range each of it with at least 30 days' prior notice before the changes become effective.
- 4.3 In the event FRANKE wants to increase price for an accepted order, but unshipped product before delivery, the Customer has the right to cancel its order within one week of receiving notification of the price increase from FRANKE and before dispatch, otherwise the price increase is deemed to have been accepted.

5 Payments

- 5.1 Unless otherwise agreed, invoices are payable in full within 30 days of the invoice date in the currency stated in the invoice and with the standard payment method provided by FRANKE.

5.2 In the Customer does not timely pay outstanding amounts, FRANKE may, at its sole discretion, suspend the delivery of products or services to the Customer, including withholding delivery in respect of orders previously placed by the Customer and accepted by FRANKE, or require advance payment until all amounts owed to FRANKE have been paid. The exercise of this remedy by FRANKE does not prevent FRANKE from exercising other remedies available to FRANKE under this contract or at law.

5.3 FRANKE shall be entitled to charge default interest of 3% per day on amounts outstanding, without an obligation to dispatch a previous notification of default. Claiming defects does not excuse the Customer from the obligation to pay the invoice when due.

6 Delivery and Packaging

6.1 Unless otherwise agreed and stated in the order confirmation, delivery is FCA (FRANKE location, Incoterms 2020). In case of international delivery, the Customer assumes full responsibility for compliance with applicable laws and regulatory requirements. FRANKE shall be responsible for safe packaging in conformity with transportation regulations and good commercial practices.

6.2 Partial deliveries are permissible and can be invoiced. Delivery before a confirmed delivery date is permissible, unless otherwise agreed.

6.3 Delivery and service dates are estimates unless FRANKE expressly agrees in writing to a fixed date or schedule. FRANKE will use commercially reasonable efforts to meet delivery and service date estimates. All delivery and service dates are conditioned on FRANKE's timely receipt of all necessary information and the Customer preparatory work. If the Customer causes a delay in delivery or assumption of the products, FRANKE will store and handle all items at the Customer's risk and will invoice the Customers for the unpaid portion of the contract price, plus applicable storage, insurance, and handling charges. Failure to meet delivery dates shall not entitle the Customer to withdraw from the contract or to claim damages or contractual penalties.

7 Transport inspection

7.1 The Customer must inspect the delivery immediately, but at the latest within 7 calendar days from receipt notify FRANKE in writing of any visible transport damage or error in quantities. If the Customer fails to do so, the deliveries shall be deemed to be accepted and respective claims are forfeited.

8 Returns

8.1 Customer has no right to refuse and return a conforming product. Exceptions are at the discretion of FRANKE.

8.2 The return of a non-defective standard product requires FRANKE's prior consent in any case, details are set forth in the FRANKE Return Procedure Policy. If FRANKE takes back the product, the Customer must pay as minimum 20% of the value of the goods. If the Customer has already paid the full value of the goods, FRANKE shall refund the Customer the amount exceeding 20% of the value of the goods by credit note. The costs of a return shipment are to be paid by the Customer. The products must be returned in undamaged original packaging and accompanied by the proof of purchase (copy of invoice and/or delivery note). Unjustified and/or incomplete returns will not be processed and will be returned to the Customer. Custom-made products and "non-catalogue items" are products that have been specially manufactured and/or procured at the Customer's request, e.g. tops, made-to-measure basins/sinks, products embossed with the Customer's logo, etc. These products and discontinued products cannot be returned or credited.

9 Services

- 9.1 The Customer shall ensure and procure all necessary on-site installations for an undisturbed service and access to Products by FRANKE or its service providers if service is contractually agreed and needs to be provided on site.
- 9.2 FRANKE warrants that contractually agreed services will be performed in a workmanlike manner in conformity with standard industry practice. Should any nonconformity be detected within 30 days after the work is completed and the Customer gives FRANKE prompt written notification, FRANKE will supply the necessary service, direction, or consultation to correct the nonconformity.
- 9.3 Unless otherwise agreed, third party service providers (e.g. for installation) are acting as independent contractors, even if referred to and instructed by FRANKE. FRANKE does not assume any responsibility or liability in relation to independent contractors.

10 Retention of title / purchase money security interest

- 10.1 FRANKE remains the owner of the Products delivered by it until FRANKE has received the full payments in accordance with the order confirmation. The Customer authorizes FRANKE to register the ownership in the official register for retention of title or grants FRANKE a purchase money security interest and agrees not to challenge the legitimacy of this grant. Customer will assist FRANKE in taking all necessary actions to perfect and protect FRANKE's retention of title or any other security interest. Customer shall separate the Products from its other stock and give access to FRANKE upon request.

11 Warranty

- 11.1 FRANKE warrants that the FRANKE Products are new (unless marked as used/refurbished), are free of defects in title, workmanship and materials and correspond to their specifications. Unless otherwise agreed in writing, the Products and Services comply with the regulations and certifications at FRANKE's place of business.
- 11.2 Unless otherwise offered by FRANKE, the default bring-in warranty period is 1 (one) year from the date the product is dispatched by FRANKE or at the taking over of the services.
- 11.3 Customer shall immediately notify FRANKE in writing of any deficiencies of the products or services by submitting appropriate failure documentation. If the Customer reports a defect and no defect is found for which FRANKE is liable, FRANKE is entitled to claim compensation for the work undertaken and expenses.
- 11.4 In the event of a valid warranty claim, FRANKE will, at its option, choose to repair the defective product, to replace it with the same or a similar item or to refund the purchase price paid in cash or by credit note. Replaced parts shall become the property of FRANKE.
- 11.5 FRANKE is not liable for defects that the Customer recognized or should have recognized upon receipt or acceptance of the FRANKE products and did not report to FRANKE immediately after discovery and within the warranty period. There is no entitlement to warranty if the FRANKE products have not been assembled in accordance with the FRANKE instructions or have been improperly handled, used, repaired or modified.
- 11.6 The Customer shall follow and distribute the installation information, product manuals, operating and safety instructions, and other documentation and specifications provided by FRANKE with the products. FRANKE disclaims any liability, including warranty liability, if the Customer does not.

- 11.7 FRANKE may procure from time to time certain products or support services from third parties. Customer acknowledges that FRANKE is not the manufacturer or provider of such items. To the fullest extent permitted by law, FRANKE makes no warranties in relation to such items other than those manufacturers or third-party supporters, which FRANKE is able to pass through for its Customer's benefit.

12 Liability

- 12.1 The liability of FRANKE for all claims of the Customer arising from or in connection with the contract or its improper fulfilment, regardless of the legal basis on which they are made, is limited to the actual direct damages up to the amount paid by the Customer for the product causing the damage.
- 12.2 In no event shall the Customer be entitled to compensation for indirect, consequential or punitive damages, such as loss of production, loss of use, loss of orders, loss of profit and any other indirect, consequential, incidental, punitive or exemplary damages of such kind, whether such damages arise out of or are a result of breach of contract, warranty, tort (including negligence), strict liability or otherwise.
- 12.3 FRANKE is only liable without limitation for damages caused by FRANKE through unlawful intent or gross negligence, or any limitation in this Section that is contrary to applicable mandatory law.

13 Insurance

- 13.1 FRANKE does not provide third parties direct access to its insurance or give additional rights to its insurance, such as naming additional insured parties. Customer shall maintain adequate coverage by a property and a general commercial liability insurance.

14 Intellectual Property

- 14.1 The use of the trademark, logo, product information, product drawings and product pictures of FRANKE for purposes of advertising shall be made in form of the official then current trademark, logo etc. as further describe in the FRANKE brand guidelines.
- 14.2 All intellectual property rights to the products or product documentation and information documents (catalogues, brochures, drawings, product data) are exclusively owned by FRANKE and remain with FRANKE. Any use, reproduction or modification requires the explicit written consent of FRANKE. In no event shall the Customer be deemed to have acquired any ownership rights or interest in or to any intellectual property rights of FRANKE. In the event of a claim or action or suspected infringement of third-party rights resulting from the products, FRANKE may at its expense and option either: (i) procure for the Customer the right to continue selling products or (ii) replace the products and/materials with non-infringing products and materials. FRANKE shall have no liability for continued infringement by the Customer after the exercise of option (i) and/or (ii) above by FRANKE.
- 14.3 Nothing in this Agreement, nor any amendments thereto, shall limit or restrict FRANKE with respect to feedback provided to FRANKE related to the products. The Customer agrees that FRANKE will be free to copy, modify, create derivative works, publicly display, disclose, distribute, license, incorporate and otherwise use the feedback, including derivative works thereto, for any and all commercial or non-commercial purposes.

- 14.4 If the deliveries and services of the supplier also include software, the Customer is granted the non-exclusive right to use the software together with the delivery item, unless otherwise agreed. All intellectual property rights to the software, which enables the operation, reference data, maintenance or repair of the machines, remain the property of FRANKE or its licensor. The Customer is not entitled to edit the software, in particular he has no right to make copies, decompile, reverse-engineer and disassemble or to use other methods to access the source code. The Customer and its Customers are hereby authorized to use the control software to operate the products for their own purposes, but have no further rights to the control software, in particular no right to reproduce, decompile, reverse engineer or otherwise attempt to derive information from the control software or to permit or cause this to be done.

15 Data protection

- 15.1 Personal data will be gathered, processed, and used by FRANKE in compliance with the applicable data protection law and all of our employees, other Franke group companies and third party service providers who receive access to personal data are obliged to respect the confidentiality of the personal data. In the event that FRANKE is provided and receives personal data via Customer or a point of sale for such purpose described below, FRANKE is an independent controller under applicable data protection law. FRANKE collects personal data when customer submits it to us, through registration, completion of forms or e-mails, as part of an order for products or services, after-sale support for products or services, inquiries or requests about products being ordered and similar situations in which data subject has chosen to provide the information to FRANKE or via a point of sale to FRANKE. Some personal data provided (name, address, phone number and email address) will be processed by FRANKE for marketing, advertising or promoting purposes. We assume that this is of mutual interest for our Customer and for the Data Subject to upkeep a good business relationship and the respective Data Subject can object to the processing of his/her data for this purpose at any time without giving reasons by contacting FRANKE.

Some of the personal data provided may be stored or processed in other jurisdictions, such as the United States, whose data protection laws may differ from this jurisdiction. In such cases, FRANKE ensures that appropriate protections are in place to require the data processor in that country to maintain protections on the personal data that are equivalent to those that apply in the country of FRANKE. Customer is obliged to inform any point of sale and its end-users that it complies with applicable data protection law and personal data will be processed by FRANKE according to the terms and limitation set forth in this Clause. Customer shall, without limitation, defend, hold harmless and indemnify FRANKE in the event of damage that is attributable to Customer's transferring of personal data or in breach of applicable data protection law. Our full privacy statement can be found on our website: www.franke.com.

16 Disposal of products and packaging

- 16.1 Unless otherwise required by mandatory applicable law, the Customer assumes the obligation to properly dispose of the delivered goods after the end of use and any packaging (with exception of pallets) at his own expense in accordance with the applicable statutory provisions. If the Customer requests disposal by FRANKE, FRANKE shall provide the Customer with an offer to take back and dispose of the goods and packaging at the time of disposal. All related costs will be charged to the Customer.

17 Export

- 17.1 The export or re-export of products, spare parts or software may be subject to domestic and/or foreign export control regulations. The Customer undertakes to comply with the trade regulations and export control regulations and, if necessary, to obtain any necessary licenses for the export of the products from the competent authority.

18 Business Integrity

- 18.1 The Customer must conduct its affairs in ethical manner, acknowledges to be informed about the FRANKE Code of Conduct adopted by the Franke Group, as modified from time to time, and shall adhere to the Code of Conduct's principles in relation to FRANKE. The FRANKE Code of Conduct and any amendments are published on our website: <https://www.franke.com/ca/en/group/company/compliance.html>. The Customer shall adequately inform its officers, directors and key employees about the FRANKE Code of Conduct and impose the obligation to comply with its principles.

19 Miscellaneous

- 19.1 Should any provisions of these GTC be legally ineffective or invalid, the validity and effectiveness of the remaining provisions shall remain unaffected. In such cases, the invalid provision shall be modified or supplemented in such a way that the intended economic purpose of the provision is achieved as far as possible.
- 19.2 The Customer acknowledges that FRANKE is entitled to retrace or recall equipment or take other corrective actions to the products. The Customer will actively support FRANKE when this need arises.
- 19.3 Force majeure, labor disputes, civil disorder, governmental actions, epidemic, pandemic and other unforeseeable and unavoidable events of major significance release the contracting parties from their performance obligations for the duration of the disturbance to the extent of the impact thereof. The same applies if these events take place when performance by the contracting party affected is already overdue. The contracting parties are required to provide the information reasonably necessary without delay and to adjust their mutual obligations to the altered circumstances in accordance with the principle of good faith dealing.

20 Applicable law and jurisdiction

- 20.1 The laws of the People's Republic of China shall apply. The United Nations Convention on Contracts for the International Sale of Goods is explicitly excluded. The Parties shall first resolve any unfinished matters or conflicts arising during the implementation of the Agreement through friendly negotiation. Any dispute, controversy or claim arising out of or in connection with the GTC, including any question regarding its existence, validity, interpretation, performance, breach or termination, that cannot be resolved through negotiation shall be referred to the competent Court where FRANKE is located.