

BUSINESS TERMS AND CONDITIONS FOR SUPPLY OF CUSTOMISED TEXTILE GOODS

Terms for ordering customised products

- **Minimum order quantity (MOQ) for socks** is 100 pairs of the same model **and** colour in the maximum of two sizes, **always at least 30 pairs of one size**. Choice of three sizes requires an order of 150 pairs, four sizes 200 pairs. Ordering 250 pairs allows the choice of six sizes.
- **MOQ for seamless apparel** is 50 items of the same cut and colour in the maximum of two sizes in 25:25ratio. MOQ for ordering more sizes will be arranged individually.
- **MOQ for other apparel** - production will be arranged individually depending on the product and the scale of order.

The information required before production

- The order will be made according to the buyer's proposal
- **The buyer provides clear graphic design**, showing the colour layout in particular zones with a number reference to the producer's colour chart and position of their logo/s. The manufacturer will assess the proposal according to his production capacities and may suggest modifications. Any possible modifications must be approved by the buyer in writing.
- **The manufacturer's colour chart is not based on Pantone colour chart.**
- Each order must **have invoicing details, contact telephone number and delivery address.**
- All documents provided by the buyer in writing, the graphic design of the packaging and other information of a similar nature, are considered to be the buyer's know-how and are his/her property.
- The buyer must supply all the information/data for the production in written form with maximum accuracy. If this is not provided, the purchaser is considered to be fully accepting the technical or graphic solutions delivered by the manufacturer.
- The buyer confirms that he/she has the right to use the supplied logos, logotype or phrases and agrees with their use on the product or product packaging and takes full responsibility for their use.
- If the buyer does not provide the manufacturer with accurate production information/data in writing, the technical layout of the product, the specification of the material composition, the specification of the manufacturing machine and other instructions, it is considered that the technical solution of the delivered products and the related know-how is the property of the manufacturer.
- All packing materials must be supplied within 14 days of ordering. Not complying will result in automatic postponing of the production and date of shipment.

Sample production

- A **single sample** of socks or seamless apparel may be produced **for a fee**.
- The sample is produced in size M unless arranged otherwise in advance. The buyer receives one sample and one is kept by the producer for future references.
- The fee **for one sample** is €40 for socks and €80 for seamless. Sample production of other products shall be priced individually.
- If the buyer requires further changes, a **new sample** will be produced for a full fee plus shipping charges.
- The fee for the **first sample** shall be deducted from the final price when the buyer places an order based on that specific sample.
- Fees for all subsequent samples are **non-deductible**.
- If the buyer applies further comments after the production of a previously approved product has been started, it is considered to be a new order and the buyer is obliged to collect and pay for the already produced goods.
- The manufacturer is not responsible for the text content and appearance of the packaging that has been supplied by the buyer or agreed by the buyer for production with collaborating printing company, including any stickers, tags and other components.

Production characteristics and the disclaimer

- The colour displayed on the monitor of your computer or other display device may differ from the actual yarn colour.
- **The manufacturer's colour chart is NOT based on Pantone colour chart.**
- Finished goods are the products of knitting and other processes. Using multiple colour yarns on a sock it may result in a change of the final colour shade.
- The use of black or white underlying yarn may slightly change the shade of the colour / colours on the cover yarns
- Delivered products have the usual properties of knitted goods (elasticity, pilling, shrinkage, fade in wash, etc.)
- **The quantity of delivered goods may be within a tolerance of + - 10% of the quantity in the order according to the nature of the manufacturing process of the particular product.**
- The choice of specific technical and material solution affects the product's properties in a significant way and therefore the buyer confirms that he/she is aware of the characteristics and attributes of the solution chosen by him/her in particular in the context with the intended use of the product.
- Shall the buyer not able to fully assess the suitability of the goods ordered by him/her for the intended purpose of use or is unable to predict the product's performance when in use, based on his/her own knowledge or the test of the provided sample, he/she may request this information in writing from the manufacturer who will subsequently provide the information to the buyer. However, if the buyer does not do so, it is understood that his/her understanding of the nature of the ordered products and their aspects is sufficient.

Purchase price and payment terms

- The purchase price is negotiated in writing by an agreement between the buyer and the manufacturer. The price is set per production unit (a pair or a piece) excluding VAT, EXW Třebíč and packaging.
- The price offer is valid for one month.
- Shall the buyer require packing other than a plastic band with a sticker marking the size, it is necessary to determine the type and method of packing in writing in advance in order to calculate the final price.
- Any changes in the packing or shipment requirements shall be reflected in the price of the final invoice.
- The price is updated for each order.
- The price of the packaging is paid by the buyer, or he/she can supply the packaging to the manufacturer at his own expense.
- The shipping costs are covered by the buyer.
- The invoice for the goods is issued on the day of dispatch. The price of **the first sample** or any deposits received in advance shall be deducted from the final invoice.
- Shall the manufacturer not receive his payment after the due date, he is entitled to 0,1% of the default interest per day
- The ownership of the goods passes from the manufacturer on to the buyer on the date of full payment of the issued invoices.
- If a sample of the product is made before the start of production, the buyer is obliged to pay the fee for **each sample**. That is €40,- for socks, or €80,- for seamless products. For any other production, the cost of samples shall be determined individually based on the type of the product. This fee shall be deducted from the final invoice **only if an order is placed based on this sample production**.
- The basic payment terms are determined by the following table:

| Order volume without VAT in EUR | Advance payment | Payment when shipping | Additional payment in 14 days | Additional payment in 28 days |
|---------------------------------|------------------------------------|-----------------------|-------------------------------|-------------------------------|
| less than 2000,- | | 100% | | |
| 2.000,- - 4.000,- | 70% | 30% | | |
| 4.000,- - 10.000,- | 60% | | 40% | |
| over 10.000,- | 60% | | | 40% |
| annual turnover over 20.000,- | individually determined conditions | | | |

Other conditions

- The date of shipment is determined by the manufacturer according to the current production capacities. If the customer has specific delivery time requirements, he/she is obliged to give all the relevant information to the manufacturer in writing as soon as possible, but at the latest when placing an order.
- The manufacturer reserves the right to change the date of shipment in case of unexpected circumstances that are beyond his control which shall prevent him from shipping on the arranged date.
- The manufacturer guarantees the quality of the delivery of goods in I. class quality. In the case of an agreement on the supply of goods in II. class quality, the price charged will be 50% of the price in I.class quality, while the other conditions will remain unchanged except for the scope of the guarantee for the delivered goods.
- The stock numbers of the labels, if delivered by the buyer, is monitored by the buyer according to the total volume of orders.
- The warranty is provided in accordance with the principles of appropriate storage and handling of the goods by the buyer, especially the conditions of humidity, exposure, etc.

These terms and conditions, or their part, may be changed only in written form. These Business Terms apply from 1.2. 2020. In the event of a later update, the most recent version of the Terms and Conditions will enter into effect on the date of their publication. In the event of disagreement with the update, the buyer has the right to express his / her position in writing within 14 days of the publication of the update and to determine individual business terms following negotiations with the manufacturer. If the buyer does not express his/her disapproval of the update within 14 days of receiving them, it is deemed that the buyer agrees with the update. The current version of the Business Terms and Conditions is published on the website www.pumax.cz.