

## Terms and Conditions

1. By accepting this PO, Vendor represents and warrants to Buyer that the Goods furnished hereunder: (a) are (i) free from defects in materials, workmanship, (ii) of the quality, quantity, size, description, color and dimensions specified in Product Development Sheet and Purchase Order, (iii) affixed with all required labels and other printed materials, which are true and correct in all respects; (iv) can be resold without restriction and no labels attached thereto need to be removed or attached prior to resale; (v) in strict accordance with Buyer's specifications, descriptions and approved samples or prototypes; (b) are in compliance with normal retailing standards with respect to first quality, (c) are delivered to International Greetings USA free from any security interest or other lien or encumbrance of any person and Buyer shall have good title thereto; (e) do not and will not infringe on any foreign or domestic patent, trademark, trade name, copyright or other similar intellectual property interest of any person, arising out of or relating to the sale or use of such Goods; (d) are new and unused; (e) comply with all applicable foreign, and U.S. federal, state and local laws, ordinances, orders, standards, rules, regulations, including all country of origin requirements established by the U.S. Customs Service; and (f) were manufactured in accordance with U.S. and local labor laws and that no Goods were produced using child, forced, indentured or convict labor contrary to local and/or U.S. legal requirements
2. Goods are to be manufactured and supplied to International Greetings USA. Artwork, specifications, descriptions, drawings, blueprints, samples, models, designs and patterns provided are the exclusive property of International Greetings USA and can not be reproduced or shown, in whole or part, by any party without the express written consent of International Greetings USA. Vendor also acknowledges and agrees that, in the event of a breach of this Section, monetary damages may not be an adequate remedy and that Buyer shall be entitled to such other remedies as may be available in law or equity.
3. All goods must comply with samples and specifications approved by International Greetings USA. International Greetings will only accept exact quantities as ordered per item for each purchase order issued to vendor. No overages or shortages are permitted. Failure to comply will result in penalties issued against the supplier.
4. Strict adherence to promised ship date is required. Failure to ship as agreed may result in an automatic deduction from payment due. This does not in any way remove the right of International Greetings USA to refuse late shipments in their entirety. The following penalties will be applicable:

5%	-	1-15	calendar days late
10%	-	15-20	calendar days late
20%	-	21+	calendar days late
5. Quantity variance is not allowed unless approved by Buyers in advance. For IG shipped orders, supplier is responsible for shipping shortage by air to designated address within 14 days after being notified. Supplier is to bear the shipment cost. A processing fee of \$125 will apply. For customer shipped orders, supplier is fully responsible for any customer chargeback caused by quantity variance. An extra processing fee of \$125 will apply.
6. A proforma invoice will be submitted to the authorized purchasing agent for International Greetings USA within 48 hours of vendor's receipt of the purchase order. The proforma invoice must include, but is not limited to the PO Number, Item Number, Description, Quantity Ordered, Approved Price per Item, Contract Terms, Payment Terms, Shipment Date, Port of Loading, Mode of Transport and Destination.
7. Payment Terms are as previously agreed, all processing fees from the issuing bank, and the advising bank will be paid by the Vendor.
8. International Greetings USA reserves the right to cancel any product which is more than 15 calendar days late. International Greetings USA reserves the right to issue charge backs for any costs incurred by International Greetings USA caused by failure of the vendor to deliver as contracted. International Greetings USA may require vendor to pre-pay air freight or any other means of express transport to the original destination or an alternative destination of International Greetings USA's choosing for any late goods International Greetings USA has agreed to accept.
9. Vendor is responsible for initial costs pertaining to product testing when testing is required. Vendor is also responsible for re-testing costs if any product requires re-testing due to failure of vendor to produce products as specified by International Greetings USA.
10. International Greetings USA shall have the right to inspect Vendor, and Vendor's supplier's facilities, warehouses and manufacturing plants. Vendor shall provide International Greetings USA all information relating to the origin and location of manufacture of Goods, including compliance with all workplace laws. Vendor further agrees to: (i) keep books and records (including without limitation all original documents) regarding the site of manufacture, inspection reports, material content and any agency relationships with respect to such Goods; (ii) maintain such books and records for a minimum of 5 years after the sale of goods; and (iii) make such records available to Buyer for inspection, immediately upon Buyer's request.
11. Vendor shall clearly indicate Vendor's name, PO number, and number of cartons, including style, style number, description and quantity of contents contained therein, on the outside of each carton and on each bill of lading. Unless otherwise stated in the purchase order, all Goods shall be packed according to carton marking instructions provided by International Greetings USA. Supplier shall confirm all dimensions and weights of each carton, to include inner carton and outer carton to the authorized purchasing agent of International Greetings USA. No cartons may exceed 18kgs in weight. Vendor will obtain written approval from the authorized purchasing agent of International Greetings USA on carton marking proofs for each carton before proceeding to mass marking of cartons. Monetary penalties will be charged for non-compliance.
12. Vendor is responsible for any and all product re-inspection costs if any product requires re-inspection due to failure of vendor to produce products as specified by International Greetings USA. Inspection cancellation made two days or less before inspection will result in late booking and cancellation charges of US\$ 200.00, US\$200 per inspector/day, and travel and hotel costs (if necessary).

No Inspection will be allowed without the most recent Product Data Sheet and Signed Approved Sample from Merchandising team.  
80% of the goods must be packed and completed prior to inspection.