# Fashion or FMCG design and make up agreement

[ABC Limited]

AND

[DEF Limited]

Dated: [Date]

### Contents

- 1. Definitions
- 2. Interpretation
- 3. Entire agreement
- 4. Client's warranties
- 5. Manufacturer's warranties
- 6. Scope of work
- 7. Representative liaison and Design reviews
- 8. Product design testing
- 9. Product testing and quality assurance
- 10. Setup costs
- 11. Payment for Product development
- 12. Design price and payment
- 13. Production price
- 14. Payment
- 15. Production specification and material coverage
- 16. Delivery
- 17. Transportation
- 18. Taxes
- 19. Visitors
- 20. On-site audits
- 21. Defective Product returned
- 22. Manufacturer's manufacturing warranty
- 23. Use of sub-contractors
- 24. Confidential Information
- 25. "Work made for hire"
- 26. Designs already made
- 27. New Designs
- 28. Protection of Licensed Material
- 29. Duration and termination
- 30. Change of Control
- 31. Publicity / Announcements
- 32. Assignment
- 33. Indemnities
- 34. Damages not adequate
- 35. Uncontrollable events
- 36. Miscellaneous matters

Schedule 1 Detailed Specification and phases

Schedule 2 Standards

Schedule 3 List of setup tools and equipment

Schedule 4 Press release

Inis	agreement is dated: [date]	
It is r	made between:	
regist	_	red in England and Wales under company whose registered ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ [ ■ ■ ■
and		
numb		in England and Wales under company registration stered ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■
Back	ground:	
A.	•	d trader in fashion products. The Manufacturer is a
B.		er have agreed that production of [Super Sheila by the Client shall be undertaken by the
It is r	now agreed as follows:	
1.	Definitions	
	In this agreement, the follo	wing words shall have the following meanings, ■ ■ ■ ■ ■ :
	"Confidential Information"	means all information about a party, including any information which may give a commercially competitive advantage to
		information about employees, their performance and ■■■■■■■■■■,
		data or information relating to suppliers, product plans, marketing strategies, finance, performance, operations, customer

	information about the Intellectual Property, the Know-how and all • • • • • • • • • • • • • • • • • •
	information created or arising from this agreement;
	information owned by a third party and in respect of which a party ••••••••••••••••••••••••••••••••••••
	information, comment or implication published on
	It does not include information that is reasonably necessary to disclose to a customer or other person in the usual course of
"Control"	(including all derived terms), means, with respect to the relationship between two or more corporate bodies, the possession, directly or indirectly, of the power to direct the affairs or management of a corporate body, whether through the ownership of voting securities, as trustee or executor, by contract or otherwise, including, without limitation,
"Design"	means a combination of cut, style, colour, shape, textile fabric,
"Incoterm"	means latest version of pre-defined commercial rules of international trade published by • • • • • 2020 .
"Intellectual Property"	means and includes:
	intellectual property of every sort, whether or not registered or registrable in any country, including

Designs, unregistered marks, copyrights, software, domain names, discoveries, Know-how, creations and moral rights, together with all rights which are derived **E E E E E E E E E E E E E** "Know-how" means scientific or technical information, and other procedures and ways of working and "Licensed Material" means the Designs and other Intellectual Property which are now or may in future be, licensed expressly or by  $\blacksquare \blacksquare \blacksquare \blacksquare$ ,  $\blacksquare \blacksquare \blacksquare \blacksquare \blacksquare \blacksquare$ "Product" means [the "Super Sheila" garment range] or any "Detailed Specification" means the detailed specification set out **= = = =**  $\blacksquare$   $\blacksquare$   $\blacksquare$  1.

2. Interpretation

"Standards"

2.1. A reference to a person includes a human individual, a corporate entity and any organisation

- 2.3. A reference to a person includes reference to that person's successors, legal representatives, permitted assigns and any person to whom rights and obligations are transferred or pass as a

	,,
2.4.	A reference to a paragraph or schedule is to a paragraph or schedule to this agreement unless the context <b>* * * * * * * * * * * * * * * * * * *</b>
2.5.	The headings to the paragraphs and schedules to this agreement are inserted for convenience
2.6.	Any agreement by a party not to do or omit to do something includes
2.0.	an obligation not to allow some
2.7.	A reference to the knowledge, information, belief or awareness of any person shall be deemed to include the knowledge, information, ■ ■ ■
2.8.	The words "without limitation" shall be deemed to follow any use of the words " ■ ■ ■ " ■ ■ ■ " ■ ■ ■ " ■ ■ ■ .
2.9.	All money sums mentioned in this agreement are calculated net of VAT, which
2.10.	This agreement is made only in the English language. If there is any conflict in meaning between the English language version of this agreement and any version or
	=
Enti	ire agreement
3.1.	This agreement contains the entire agreement between the parties and supersedes all
3.2.	Conditions, warranties or other terms implied by statute or common law in any country, are excluded • • • • • • • • • • • • • • • • • •
3.3.	Each party acknowledges that, in entering into this agreement, it does not rely on any representation, warranty, information ■ ■ ■ ■ ■ ■ ■

3.4.	As an exception to the last previous sub paragraph, the parties do rely
	[Enter list of other docs and dates • • • • • • • • • • • • • ].
Clie	ent's warranties
The (	Client warrants that:
4.1.	it is either the owner of the entire right, title and interest in and to the Licensed Material or it has been granted a licence to those rights and that any such
	•••••;
4.2.	use of the Licensed Material by the Manufacturer does not infringe ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■
4.3.	it has power to enter into this agreement [and has obtained $\blacksquare$
4.4.	it is not insolvent and knows of no circumstance which would entitle any creditor to appoint a receiver or to petition for winding
4.5.	it has taken out a policy of insurance against product liability in a ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■
Mar	nufacturer 's warranties
The I	Manufacturer warrants that:
5.1.	it is registered with [UK Fashion and Textile Association (UKFT) or professional organisation if any] and is certified to ICS [61.020, 61.040, 61.060]and agrees that loss of certification for a   [28]
5.2.	it is not aware of anything within its reasonable control which might or will adversely affect

4.

	5.4.	it is not a party to any other
	5.5.	it has taken out a policy •••••£ [•••••].
6.	Sco	pe of work
	The N	Manufacturer shall:
	6.1.	complete the Design of the Product.
	6.2.	complete the testing $\blacksquare$
	6.3.	complete the
	6.4.	on receipt of a purchase order,
	6.5.	use every effort to complete • • • • • • • • • • • • • • • • • •
7.	Rep	resentative liaison and Design reviews
	7.1.	With effect from today each party will nominate a representative who will be authorised
	7.2.	[Periodically / once each month], the Manufacturer shall call a Design

it has the necessary experience, all necessary  $\blacksquare$   $\blacksquare$   $\blacksquare$   $\blacksquare$   $\blacksquare$   $\blacksquare$   $\blacksquare$   $\blacksquare$   $\blacksquare$  ,

5.3.

7.		ne representative of a party at a Design review meeting shall be a erson with ••••••••••••••••••••••••••••••••••••
7.		ther party may change the authorised • • • • • • • • • • • • • • • • • • •
7.		the Client fails to attend a Design review meeting after notice of
7.		o far as the Client suggests changes
7.	.7. Af	ter each change to any part of the Design or ■ ■ ■ ■ , ■ ■ ■ ■ ■ ■ ■
8. P	:	ct design testing
	Produ 1. So	
8.	2. AI	ct design testing of far as any Standard requires third
8.	rodu 1. So 1. Al ce	ct design testing  of far as any Standard requires third   of the

9.	<b>Product</b>	testing	and c	ιuality	assurance
----	----------------	---------	-------	---------	-----------

FIU	auct testing and quanty assurance
9.1.	The Client shall be responsible for obtaining whatever regulatory and
9.2.	The Manufacturer shall assist the Client
9.3.	If at any stage of design or production, a • • • • • • • • • • • • • • • • • •
9.4.	After receiving such a notice, the Manufacturer will ■ ■ ■ [ 30 ] ■ ■
Setu	ıp costs
10.1.	The costs of tools and equipment required
10.2.	The Client has approved the list and
10.3.	The Client shall buy,
OR	
10.4.	The Manufacturer

## 11. Payment for Product development

10.

The Client shall pay the Manufacturer as follows:

	11.2.	at acceptance by the <b>ERRES E E E E E E E E E E</b>
	11.3.	after receiving certificate of compliance with [ $\blacksquare$ $\blacksquare$ $\blacksquare$ $\blacksquare$ $\blacksquare$ $\blacksquare$ 9001 / $\blacksquare$
	A pay	ment by the Client does not imply
	•••	
12.	Des	ign price and payment
	12.1.	Wherever a payment obligation is specified in •••••, •••
	12.2.	For designing, development and testing, the Client shall pay the $\blacksquare \blacksquare \blacksquare$
		1,
	12.3.	For all work before commencement of commercial production, the   I I I I I I I I I I I I I I I I I I
	12.4.	In calculating the cost of materials:
		12.4.1 cost shall include all
		12.4.2 cost shall be • • • • • • • • • • • • • • • • • •
		12.4.3 materials shall include bought-in raw materials plus whatever spare • • • • , • • • • • • • • • • • • • •
	12.5.	In calculating the cost of labour:
		12.5.1 all production cost shall be included;
		12.5.2 the design team ••••••••••••••••••••••••••••••••••••

13. Production price 13.1. When the Client has accepted the completion of the Design and orders the Product in a **= = = = = = = = = = [ 100 ]**, **= = = = = =** ............ .................. For the first [ 1000 ] ■ ■ ■ £[====] For the next [ 5000 ] ■ ■ ■ ■ £[===] For each additional unit £ [number] 13.4. If the Client requires delivery to some place other than [■■■], ■■■ ............ ■ ■ ]. 14. Payment All payments set out in this agreement shall be made ■ ■ ■ ■ ■ ■ ■ [........].... ................................ 15. Production specification and materials coverage 15.1. The materials specification as finally recorded .............................. ................... ------

12.5.3 a fixed sum of £  $\begin{bmatrix} \blacksquare \blacksquare \blacksquare \blacksquare \end{bmatrix} \equiv \blacksquare \blacksquare$ 

..... ........................

	15.3.	The Manufacturer shall from time to time obtain arms length, market prices for [scrap / trimmings / • • • • / • • • ] • • • • • • • • • •
16.	Deli	very
	16.1.	Deliveries will be made by the
	16.2.	If the Manufacturer is not able to deliver the Product within [30] = = = = = = = = = = = = = = = = = = =
	16.3.	If Products have been damaged in transit, the
	16.4.	If the Manufacturer agrees with the Client to deliver on a particular day or at a particular time, the Manufacturer
		••••••].
	16.5.	Time for delivery specified on the order,
17.	Trar	nsportation
	[Ther	e are many ways and alternative deals possible. ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■
	<b>■ ■ ■</b> <i>].</i>	

17.1.	The foll	lowing Incoterms
	17.1.1	EXW [named • • • • , • • • • • • • • ] • • • • ® 2020 .
	17.1.2	FCA [named • • • • , • • • • • • • • • • • ] • • • •
	17.1.3	CPT [named • • • • , • • • • • • • • • • ] • • • •
	17.1.4	CIP [named • • • • , • • • • • • • • • • ] • • • •
	17.1.5	DPU [named = = = , = = = = = = = ] = = = ® 2020 .
	17.1.6	DAP [named • • • • , • • • • • • • • • ] • • • • ® 2020 .
	17.1.7	DDP [named = = = , = = = = = = = ] = = = ® 2020 .
	17.1.8	FAS [named • • • • , • • • • • • • • • ] • • • • ® 2020
	17.1.9	FOB [named • • • • , • • • • • • • • • ] • • • • ® 2020 .
	17.1.10	OCFR [named = = = , = = = = = = ] = = = ® 2020
	17.1.11	CIF [named • • • • , • • • • • • • • • • ] • • • •
17.2.		ts, obligations,
17.3.	Unless	otherwise agreed in this agreement so

## 18. Taxes

18.1.	This paragraph relates to all sales, transfer and other taxes or customs import duty ("Tax") imposed on
18.2.	Insofar as any Tax is recoverable or can •••••, ••••
18.3.	Tax shall be stated separately on the Manufacturers invoices, collected
18.4.	The Manufacturer will indemnify the Client against the   I I I I I I I I I I I I I I I I I I
18.5.	Wherever any sum is chargeable by the Manufacturer to the Client for services based on
18.6.	In any case where the Client is prohibited by law from making a payment to the Manufacturer without first withholding tax from that ••, ••, •••••••••••••••••••••••••••••

## 19. Visitors

	,
	other people whom
19.1.	The Manufacturer agrees to host visits by customers of the Client or

19.2.	There shall be no more than [one] visit • • • • • • • • • • • • • • • • • • •
19.3.	The Client undertakes to inform every visitor of
19.4.	The Client must make
On s	site audits
20.1.	On notice of at least [seven] days, the Client, its partners, financial supporters and its customers' representatives may attend at the
20.2.	On notice of at least [seven] days, the Client and/or any professional advisor, may attend at   , , , , , , , , , , , , , , , , , ,
	••••••••••
OR	
20.3.	The parties agree that within [number] days after the end of each period of [six] months, based on the financial year of the

AND

	20.4.	The auditor shall be instructed not to disclose to
	20.5.	The provisions of this paragraph apply equally to any sub-
	20.6.	If any discrepancy is found in •••••, ••••••.
21.	Defe	ective Product returned
	These	e provisions apply in the
	21.1.	The Manufacturer will repair
		21.1.1 the defect is reported to <b>***********************************</b>
		21.1.2 the Product is returned • • • • • • • • • • • • • • • • • • •
		21.1.3 the defect results only from faulty manufacture;
	21.2.	The Manufacturer will refund the
	21.3.	If the Manufacturer repairs or replaces a Product, the Client   , , , , , , , , , , , , , , , , , ,
22.	Man	ufacturer's manufacturing warranty
	22.1.	The Manufacturer warrants that for period of [24] months from date of

	22.2.	Non-warranty service pricing shall be negotiated
	22.3.	If either party shall become aware of
23.	Use	of sub-contractors
	The M	/lanufacturer shall not sub- = = = = = = = = = = = = = = = = = = =
	OR	
		//anufacturer may perform any or ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■
	23.1.	The Manufacturer first obtains the written consent of the Client to
	OR	
	23.2.	The Manufacturer must first obtain the written consent of
		;
	23.3.	The Client may decline to accept a
		;
	23.4.	The Manufacturer
	23.5.	The Manufacturer indemnifies the Client fully against any
	23.6.	So far as work under this

## 24. Confidential Information

24.1.	The parties are aware that, as a result of this agreement, they will each have access to and be entrusted with Confidential Information of the other. All Confidential
	2444
	24.1.2
	24.1.3
	24.1.4 = = = =].
	24.1.5
	24.1.6
24.2	This paragraph does not apply to disclosure:
24.2.	24.2.1

	24.2.2		• • •							-	• •	-	•	•		•	•	•		•		
	24.2.3		•••																			
	24.2.4		•••																			
	24.2.5		•••																			
	24.2.6		:																	•	•	-
	24.2.7	•••	 	• • •				• <b>•</b> •	• •			•	•					•		•	•	
	24.2.8									<b>=</b> 1		•	• •	•		•	•	<b>=</b> 1		•		-
	24.2.9					•••			•••				•	-			•			•	•	•
24.3.																						
24.4.			• • •			 					• •	•	•	•	•	-	-	<b>=</b> 1		-		
24.5.			• • •	•	•	, <b>=</b>	• • • •	• •	• •	• •	•	• •	•	•		•		•	•	• •	-	

							 		••			••		
24.6.							 							
					• • •		 							
	■ ■ (						 						 	
							 ■ ■ )						 ••	
				_ •										
"Wo	ork r	nac	le fo	or hi	ire"									
Optio	n 1													
25.1.							 	-					 	
		• • •		• • •	• • •		 		••	••			 	
					••.									
25.2.		• • •					 • • • • • •		••	••	••	••		
		- <b></b>		- <b></b>		. <b></b> .	 - <b>-</b> -						 	. <b></b> .

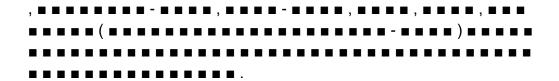
25.4.

### **Option 2**

**25**.

25.5.

	25.6.	
	25.7.	
	25.8.	
	25.9.	
26	_	
26.	Des	gns already made
<b>2</b> 0.		gns aiready made
<b>20.</b>	26.1.	
<b>20.</b>	26.1. 26.2.	
<b>20.</b>	<ul><li>26.1.</li><li>26.2.</li><li>26.3.</li></ul>	



# 27. New Designs

•••																						
27.1.	••																					
								Í									ŕ					
	27.	1.1				<b>.</b>				•					ı <b>=</b>		<b>.</b>					
			••										- 1		•		<b>=</b> 1	•		,		
	27.	1.2				<b>.</b>				•					ı <b>=</b>		<b>.</b>					
			••														<b>=</b> 1	•				-
				I <b>I</b>					•			•			Ι;							
	27.1	1.3																				
									•				- 1	•			<b>=</b> 1	•			•	
					,																	
27.2.																						
	••																					
				-		- 1	-		•	•	•	•		•		<b>=</b> !	- 1	•	<b>=</b> 1	•	•	
27.3.	•••																					
	••		•																			
	••											•										
	::																					
o <del>-</del> 4															_							
27.4.	•																					

### 28. Protection of Licensed Material

28.1. The Manufacturer agrees that it will: 28.2. ................................ ................................... 28.3. .............................. ..................... 28.4. ................................... ........... 28.5. ................................... 28.6. .................................... ............. . . . . . . . . . . . . . . . . . . 28.7. ............ ------. , . . . . . . . . . . . . . . . 28.8.1 denigrate the Client; .........................

### 29. Duration and termination

This agreement may be terminated:

29.1. by mutual agreement on an agreed date.

29.2. 29.3. 29.4. ............ ................................... ------................. 29.4.1 ............................... ............................. ------30 -----...... ........... ------............................... ............................... .............................. .............................. .............................. ----------:

### 30. Change of Control

30.2.

31. F	Publicity	/ Announcements
-------	-----------	-----------------

31.1. Neither party shall:

31.2.1 make any public announcement; or

31.2.2 disclose any information; or

31.2.3

## 32. Assignment

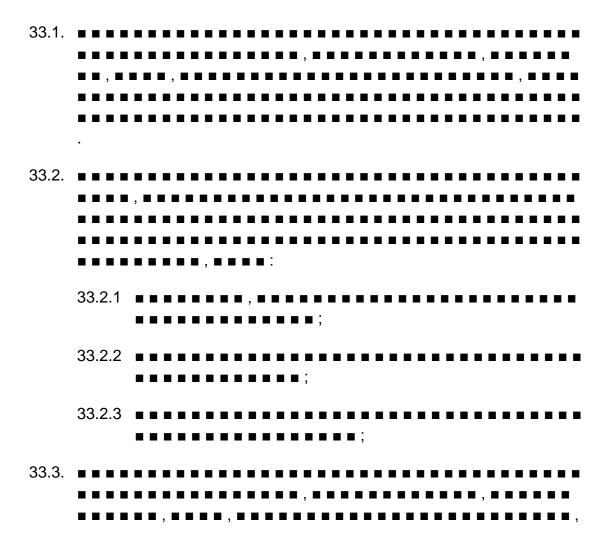
32.1.

OR

32.2.

	:	_
32 2 1	[[]	
02.2.1		
	]	-
32.2.2		
·	;/	_
32.2.3		
	■■■; ■■■/■■■	
32.2.4		

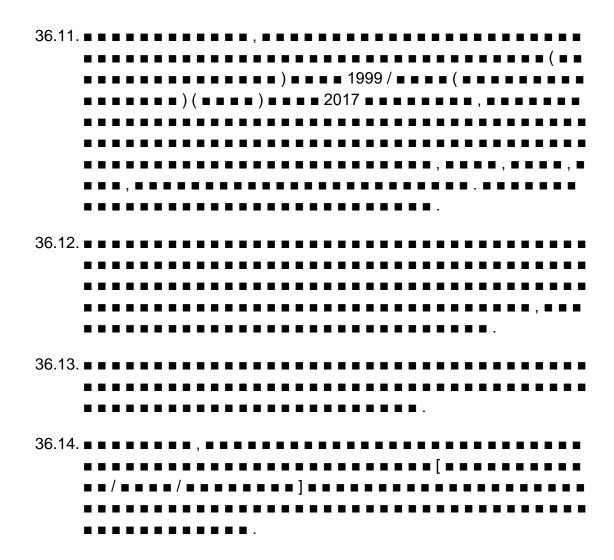
### 33. Indemnities



	••••
	33.4.
	,,
	,,;;
	33.5.
	,
34.	Damages not adequate
	.,
	•••••
35.	Uncontrollable events
	35.1.
	,,,
	AND/OR

35.2.		ı
		4
	,[	
OR		
35.3.		
	,	
	,	
35.4.		
35.5.		
	. • • • • • • • • • • ];	
35.6.		•
05.7		
35.7.		
	,[, 30]	
	•]•••••	
35.8		
55.6.		•
		•
Mis	ellaneous matters	
36.1.		I
	,,	
36.2.		ı
		•

36.3.	•	 														
36.4.																
36.5.		 														
36.6.	•••													 •	• •	
36.7.		 	• , •			•••		• •	••	 		• •		• •		• •
36.8.	• • •													 •	• •	••
36.9.			72	2		,							24			
36.10.					, <b>.</b>		••	•••	••	••	 	• •	-		•	••



**Signed by** / on behalf of the named Parties by their representatives who personally accept liability for the proper authorisation by their respective employer or principal to enter into this agreement

For, and on behalf of [ABC Ltd]

print name

For, and on behalf of [DEF Ltd]

print name

# **Schedule 1: Detailed Specification and phases**

## **Schedule 2 Standards**

# **Schedule 3 List of setup tools and equipment**

## **Schedule 4 Press release**

# **Explanatory notes:**

### Fashion or FMCG design and make up agreement

## **General notes**

5.

**Document review service** 

1.	We have used the terms "Client" and "Manufacturer" throughout the document. It is for reference only. The best way to deal with this is to start by using find / • • • • • • • • • • • • • • • • • •
2.	Like all lawyers, we draw documents to suit the party which normally buys that document and presents it to the other side either as a done-deal or with a view to allowing amendments. For example, our commercial leases are drawn to protect the interest of the landlord. Nonetheless, you would not want to buy the document drawn in terms which protect you so strongly that
	,
	This document has been drawn to protect both parties. However, you may see that a few provisions specifically favour the client. Nevertheless, we have included provisions to protect the manufacturer too.
3.	This contract could be used by the manufacturer or the client, as an aide memoire for negotiations or
	It is entirely a matter of your choice as to whatever provisions you leave in the agreement or edit, or delete. We have provided guidance in paragraph specific notes.
4.	Recognition of our copyright in this document
	We assert our copyright in this document. When you downloaded it, you agreed to our terms and conditions, which set out in full how it may and may not be used. Without amending those terms, we remind you that you may not distribute it further or republish it in any way without permission from Net ■ ■
	Once you have edited the document for final use, you may remove the   .

	If you would like our legal team to check your edited version, we •••••••••••••••••••••••••••••••••••
	Please contact our support team at <a href="mailto:support@netlawman.co.uk">support@netlawman.co.uk</a> for further information.
Par	agraph specific notes
Notes	numbering refers to paragraph numbers.
1.	Definitions
	You should first decide on the contents of the document, then return to check what definitions are needed and whether they really   THE STATE OF THE
	Please read the general notes sent along with ■ ■ ■ ■ ■ ■ ■ .
	Here we have provided a very full menu of items to cover in "Confidential Information". Depending on your business, ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■
	If your counter-party is in the UK, you may decide to remove or abbreviate the lists in "Intellectual Property". We have included them, first to make sure your counter-party is under no illusions about IP, and second because some ■ ■
	There is no copyright in know-how.
	The definition relating to the subject matter of the agreement requires particular care on your part. We have used the term "Product". This is a generic term. The document would read
	We have referred to "Design". Check this definition carefully and edit as ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■
	We have not included a specific, extensive licence by the client to the manufacturer, but as a matter of law, the client will license its IP • • • • • • • • • • • • • • • • • •
	By all means use the find/replace function in your word processor to change them. If you do change a defined term, make sure it

Remember too, that when a word or phrase is defined, the defined meaning capitalised, takes precedence over the

### 2. Interpretation

Leave these items in place unless there is a good reason to edit or remove. Each of these items has been carefully considered in the context of this agreement and has been included for a purpose.

#### 3. Entire agreement

This paragraph prevents a party from later saying he was relying on some other document or website or what was said. If other documents are to be relied on, let them be listed

#### 4. Client's warranties

#### 5. Manufacturer 's warranties

This paragraph covers a certification and qualifications and a number of points which may be very important to your counter party, the client. It is not enough to see them in the agreement. You should also

### 6. Scope of work

This paragraph is concerned with the basics of what each side is expected to do and not do. It is intended to be a summary,

#### 7. Representative liaison and design reviews

By all means edit as you require.

#### 8. Product Design testing

We have provided a simple and logical system for testing to a standard and payment on reaching it. It is a framework of practical business provisions, to

	ensure that the product quality is adequate and meets the specification. This avoids the
9.	Product testing and quality assurance
	A framework of practical business provisions. To have a proper inspection regarding manufacturing and production with proper quality ••••••••••••••••••••••••••••••••••••
10.	Setup costs
	A framework of practical business provisions. Edit
11.	Payment for Product development
	Product development is usually paid for based either on cost plus uplift or fee for reaching milestones. We have provided later for payment based on cost plus uplift. You can also copy and paste that here as an alternative. This text provides for very simple
12.	Design price and payment
	A framework of practical business provisions. Edit
13.	Production price
	A framework of practical business provisions. Whatever cost that will incur
14.	Payment
	Self explanatory provision. By
15.	Production specification and materials coverage
	Replace our words by those better suited to •••••••••••••••••••••••••••••••••••
16.	Delivery
	Delivery of the product will be made once the product design is finalised and has gone through the

## 17. Transportation

This and the following paragraph are relevant only to •••••. ••••
We have left the mode of transport open. We strongly advise that you use an Incoterm because delivery, risks and costs are considered critical points in a sale contract cross the border. Parties to a contract are often unaware that there are different trading practices in their respective countries, for example FOB for an American
http://www.ukcustomssolutions.co.uk/incoterms/
https://iccwbo.org/resources-for-business/incoterms-rules/incoterms-2020/
https://www.gov.uk/guidance/international-trade-paperwork-the-basics#export-documentation
Incoterms are not legally binding, unless they are incorporated into an agreement by express reference to the specific Incoterm. We have worded Incoterms in this paragraph prescribed by the International
•••
Below is a basic summary ••••••••••••••••••••••••••••••••••••
The seven rules defined by Incoterms 2020 for $\blacksquare \blacksquare \blacksquare$
<b>EXW</b> – Ex Works
The seller makes the goods available at a named place of delivery. This can either be the seller's premises or any other place. This term places the maximum obligation on the buyer and minimum obligations on the seller. EXW is often used when making an initial quotation for the sale of goods without any costs included. The buyer pays all transportation costs and also bears the risks for bringing the goods to their final
,

FCA – Free Carrier
The seller hands over the goods, cleared for export, into the disposal of the first carrier (named by the buyer) at the named place. The carrier can be anyone i.e. buyer, seller or third party. The passing of risk depends on the where the goods are delivered. If the goods are delivered at seller's ••••  •••••••••••••••••••••••••••••••
•••••••••••
CPT - Carriage Paid To
The seller pays for the carriage and delivers the goods to the buyer by handing them
CIP – Carriage and Insurance Paid to
The seller pays for carriage and insurance to the named destination point, ■
••••••
DAP – Delivered at Place
The seller pays for carriage to the named place, except for costs related to import clearance,
DPU - Delivered at Place Unloaded
The seller pays for carriage, except for costs related to import clearance, and assumes all risks

**DDP** – Delivered Duty Paid

The seller is responsible for delivering the goods to the named place. The seller must pay all costs in bringing the goods • • • • • • • • • • • • • • •
Rules for Sea and Inland Waterway Transport
The four rules defined by Incoterms 2020 for international ••••••••••••••••••••••••••••••••••••
FAS – Free Alongside Ship
The seller is responsible for delivering goods to the buyer by placing the goods alongside the ship at the named port.
FOB – Free on Board
The seller is responsible for loading the goods on board the vessel nominated by the buyer. The seller must
CFR – Cost and Freight
The seller must deliver the goods to the buyer and pay the costs and freight to bring the goods to the port of destination . ■ ■ ■ , ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■
CIF – Cost, Insurance and Freight
CIF is exactly the same as CFR except that the seller must pay for the insurance cover against
•••••
Taxes
This paragraph is relevant only to export orders. A basis of taxation can change at the whim of a government. Because you can never know exactly what tax may be charged nor how it will be collected,

	A framework of practical business provisions. Customers or suppliers will be allowed for a visit during the production and manufacturing process. ■ ■ ■
20.	On site audits
	See last note. The same applies.
	Edit as you require. We have provided alternatives of visits
21.	Defective Product returned
	We have provided a sound arrangement
22.	Manufacturer's manufacturing warranty
	A framework of practical business provisions. The last sub-paragraph refers
23.	Use of sub-contractors
	A framework of practical business provisions.
24.	Confidential Information
	We have given you a very full
25.	"Work made for hire"
	There is a fundamental principle of law that I own whatever original work I create. This

**Visitors** 

	This concept is inconvenient for you when you pay someone specifically to write code, draft maps or produce products. Different countries have taken different approaches to the subject. In the USA, I can
	1976 ,
	An important point of contract law also appears in this paragraph.
	We have provided • • • • • • • • • • • • • • • • • •
	If = = = = = = = = = = = = = = = = = = =
26.	Designs already made
	This and •••••••••••••••••••••••••••••••••••
	Depending the value and extent of the designs
27.	New Designs
	At the start, both sides know what will happen. In fact things
	·

	If you fail to protect your IP, someone will steal it. They may just steal it at the edges, or they may ••••••••••••••••••••••••••••••••••
29.	Duration and termination
	It really does not matter how you want to end
	Leave the insolvency provisions. As
30.	Change of Control
	This draconian provision helps both parties to avoid the transfer
31.	Publicity / Announcements
	We advise that publicity • • • • • • • • • • • • • • • • • • •
32.	Assignment
	Give careful thought to this. Consider the circumstances on both sides which may  , , , , , , , , , , , , , , , , , , ,

**Protection of Licensed Material** 

28.

Indemnities

	These mutual indemnities are reasonable. However,
	••••
34.	Damages not adequate
0 11	In a contract dispute, the Court will usually look for a
35.	Uncontrollable events
	Often referred to as "force majeure". We advise that you • • • • • • • • • •
36.	Miscellaneous matters
	A number of special points. We have identified each of these as important to
	These are just ••••••••••••••••••••••••••••••••••••
	Rights of Third Parties Act
	Dispute resolution
	There are many ways to settle a dispute. But an action in court is the least desirable because it takes a long

Sched	lule 1 Detailed specification and phases
	The schedules may be "typed in" or be contained in some document ■ ■ ■ ■ .
Sched	lule 2 Standards
	These could be international engineering standards, or specification of cloth to be used,
Sched	lule 3 List of setup tools and equipment
	This should
Sched	lule 4 Press release
	We have no comment.

# **Ends of notes**