# **Purchase Order Contract**

[YOUR COMPANY NAME HERE], known as “First Party”, agrees to enter into this Purchasing Contract with [FACTORY NAME HERE] known as “Second Party”.

*This agreement is based on the following provisions:*

## **Production**

The Second Party agrees to produce the following goods:

[Insert all information about the product specification here leaving no details out, including all of the product materials and features you have discussed previously for your quote. Also, include any specific packaging or labeling requirements for the product.]

- [Order quantity / Number of items]

- [Packaging Details]

- [Insert Product Details]

- [Insert Product Details]

- [Insert Product Details]

- [Insert Product Details]

- [Insert Product Details]

*SEE APPENDIX 1 FOR IMAGES*

## **Total Cost**

The Second Party agrees to the costs of:

* [VARIANT 1: NUMBER OF UNITS AND TOTAL COST]
* [VARIANT 2: NUMBER OF UNITS AND TOTAL COST]

For XXX units FOB [INSERT CITY] the total cost will be: $XXX

If production time exceeds the agreed upon production time (XX days) – the First Party requires advanced notification of at least 3 days in order to respond appropriately. If production is delayed by more than 7 days without agreed upon conditions, the First Party reserves the right to enforce a 5% discount on the order for every 7 days that production is delayed.

If there are any flaws discovered during production that do not meet the agreed upon specifications, the Second Party agrees to discount products, fix flaws, or replace the units. The course of action if flaws arise is to be determined at the sole discretion of the First Party. The First Party will make every effort to find an agreeable solution to maintain a quality relationship with the Second Party and expects the same in good faith.

## **Inspection**

The First Party reserves the right to a 3rd party inspection. The Second Party agrees to an Internal Inspection required by the First Party. The points of Inspection required are:

- Picture of raw materials

- Pictures of [product] as they are being manufactured

- Pictures of [product details]

- Picture of labels [insert label description]

- Picture of the first Master Carton loaded with units – with box lid open and a picture from each side

- Picture of the full shipment with all Master Cartons

If the production fails a third party inspection, the Second Party agrees to pay for a second inspection before shipping the goods.

The Second Party also agrees to send all of the above photos to the First Party as frequent updates of the status of production.

## **Photography Sample**

The Second Party agrees to send a sample by air to the First Parties photographer.

## **Shipping**

As agreed upon previously, it is expected that the Second Party delivers the items to [INSERT ADDRESS HERE]. The Second Party agrees to provide the First Party with tracking information as soon as it becomes available. The First Party reserves the right to ship part or all of the production via air shipping, the First Party will notify the Second Party of the details associated with this in a timely manner. The prices shall not exceed the following:

XX cartons, express (2 - 4 days) – $XXX [EDIT AS REQUIRED]

XX cartons, air cargo / ocean freight (XX days) – $XXX [EDIT AS REQUIRED]

The Second Party also agrees to print Master Carton Labeling in accordance with the list below:

- [PRODUCT NAME]

- [PRODUCT DIMENSION]

- Case Quantity: XX

- Made in China

- Gross Weight: (please use actual weight in kg)

- Box Dimensions: (please use actual dimensions in cm)

## **Confidential Information**

By doing business with the First Party, the Second Party agrees to keep any and all information related to their business relationship confidential from other potential customers. The Second Party is not allowed to use any artwork, design, or images from work done with the First Party to market similar products to other potential customers. This includes use on Alibaba.com, private conversations through email, Skype, or other messaging applications, Globalsourcing.com, Amazon.com, and any other method of communication. The Second Party agrees not to disclose any agreed upon pricing related to our agreement with other potential customers in any form.

## **Payment**

30% ($XXX) due immediately, 70% ($XXX) due at shipment. Air shipping fee’s ($XXX) will be paid with final payment if shipped through the Second Party air courier after the goods are ready at shipment.

[FACTORY NAME AND ADDRESS HERE]

### **BENEFICIARY'S Payment Information:**

BANK:

BANK ADDRESS:

ACCOUNT NO.:

SWIFT CODE:

BANK CODE:

BRANCH CODE:

Or, Alibaba Trade Assurance

This agreement is entered into on [DATE] by [YOUR COMPANY NAME] and [SUPPLIER NAME]

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(Your Name, Title, Company Name) (Date)

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

(Authorized Signee, Role within Company, Company Name) (Date)

# Appendix

[Use an appendix for any additional documents or images attached to illustrate the agreement terms. Reference in the main body as, Appendix 1, Appendix 2, etc.]

## Appendix 1