GENERAL TERMS & CONDITIONS OF SALES

This Agreement is entered into by and between NIL Textile, s.r.o., with its registered office at Sokolská třída 1374/28, 70200 Ostrava, hereinafter referred to as the "Seller," and the purchaser, hereinafter referred to as the "Buyer." This Agreement sets forth the terms and conditions under which the Seller agrees to sell and the Buyer agrees to purchase the goods specified in the order confirmed by both parties via email or official order form. By confirming the order, Buyer accepts the General Terms and Conditions presented in this document.

1. **Colour variations of fabrics and garments**

* The Buyer acknowledges that there may be a color variations between fabric structures used in one garment (e.g. rib and body fabric).
* Seller is not responsible for slight variations in colour due to different material structures or production batches and such differences shall not be considered defects.

1. **Quality tolerance**

* Garment measurement may vary by up to 1 cm and the Buyer agrees to accept such variations.
* Loose threads up to 2 cm may occur in the production process, and such occurrences shall not be considered defects.
* The shrinkage of fabric up to 6 % for fabric washed at 40 ° C (flat drying method) according to the standard "Determination of dimensional changes after washing and drying" (PN-EN ISO 5077 standard) is in tolerance and considered to be an industry standard.
* Such shrinkage shall not be considered defect. Buyer shall request information about specific fabric shrinkage from the Seller.
* The requested gsm of fabric can differ by 8 % and the Buyer agrees to accept such variations.

1. **Quantity tolerance**

* The quantity delivered may vary by +- 5 %, and the Buyer agrees to accept such variations and payment for extra quantites with final invoice. In case less products or metres of fabric are delivered, respective quantity and associated costs will be deducted from the final invoice.

1. **Project details agreement**

* All project details must be agreed upon at the pre-production meeting or latest before the start of the production is confirmed. Subsequent changes may not be accepted unless mutually agreed upon in writing.
* Average lead time is set to 2-3 months from advance invoice payment and from all project details handed over fully to the Seller. Estimated production timeline and shipping date of the bulk production can only be confirmed after the full handover from the Buyer.

1. **Decorations, trims and sampling**

* The Buyer acknowledges there may be color variations between desired colour of prints, embroideries, trims or other components.
* Seller is not responsible for slight variations in colour and such differences shall not be considered defects.
* The Buyer acknowledges the data for all decorations must be final and confirmed before sampling or bulk production printing. The buyer can only adjust the position of the decoration based on the sample delivered. In case dedicated slot for bulk production printing or embroidery is missed as a result of other types of changes requested (e.g. new print designs, size of print adjustments etc.) last point of point 7 applies.

1. **Development services and liability**

* Buyer can order a service of pattern development from Seller. Seller is following the exact brief of the Buyer (e.g. techpack measurements).
* Buyer is responsible for the outcome of the development in terms of fit, pattern quality and construction compliance with selected fabric.
* Buyer can order a custom fabric construction, composition or gsm. Such order is considered to be a custom development and the customer accepts to take financial or other responsibility for the outcome.
* In case the Buyer delivers their pattern, techpack or other technical specification of garment/s to the Seller, such specification remains in a sole ownership of the Buyer and shall not be shared, distributed or used in a production for third parties. The same applies to the patterns, techpacks or other technical specifications of garment/s that are custom developed by the Seller for the Buyer and that the Buyer paid for.
* The client is obliged to inspect the goods received within five (5) business days from the delivery date and raise any objections or claims for defects. No claims or objections will be considered after this period.

1. **Extra costs**

* Buyer acknowledges all price quotations delivered by Seller prior to the order are indicative and extra costs may occur (e.g. required trims are more expensive than indicated).
* In case extra costs occur, Seller is obligated to inform the Buyer and such costs must be confirmed by Buyer before they are applied.
* The Buyer acknowledges all price quotations delivered by Seller are EXW, Incoterms 2010.
* Buyer acknowledges the Seller is booking a dedicated production slots for the Buyer. In case the production slot is not used because delay caused by the Buyer, Buyer is obligated compensate the Seller by 100 EUR for every hour of unused capacities.

1. **Payment terms**

* The payment timeline specified in the agreement is only valid for the agreed timeline.
* In the event of any delay caused by the Buyer, the payment timeline shall be revised to accomodate the impact on the Seller’s cash flow.

1. **Force majeure**

* Neither party shall be liable for any failure or delay in performance due to circumstances beyond its reasonable control, including but not limited to acts of God, war, terrorism, labor disputes, or governmental actions.

1. **Governing law**

* This Agreement shall be governed by and construed in accordance with the laws of the Czech Republic.

1. **Dispute resolution**

* Any disputes arising out of or in connection with this Agreement shall be resolved through negotiation in good faith. If the parties are unable to reach a resolution, the dispute shall be submitted to arbitration in accordance with the rules of the Czech Arbitration Court.

1. **Entire agreement**

This Agreement constitutes the entire understanding between the parties and supersedes all prior negotiations, understandings, and agreements, whether oral or written, relating to the subject matter hereof.