# **Manufacturing Agreement**

This agreement is made between

Koncept Kompagniet Aps (KK), Støberivej 4, DK 4600 Køge, Denmark

And

Name : Address: Email: Phone: Contact:

The purpose of this agreement ist o outline the general condition for the purchase and production of goods manufactured and sold by the supplier to KK.

# 1. Products:

The Seller shall manufacture and package products for KK. The products shall meet the production Specification, which will be submitted for each order.

After confirmation of KK's orders, any changes must be agreed to by KK, before they are done.

# 2. Delivery and Approvals:

Dates of delivery will be submitted for each order.

After confirmation of KK's orders, any changes must be agreed to by KK.

## 3. Test and approval samples:

Test requirements will be specified for each order, and must be performed according to these requirements. Mass production and delivery must not take place, before approvals of the required tests are received.

After confirmation of KK's orders, any changes must be agreed to by KK, before they are done.

# 4. **Production Disruption Claims:**

If the Seller is unable to perform the production as agreed, because any reason whatsoever, the Seller will corporate with the Buyer, how to resolve the actual case. Extra costs for resolving production problems will be born by the supplier unless otherwise agreed. If the solution is to arrange transfer of the production to a qualified contractor, this is at the expense of the Seller.

# 5. Packaging:

Packaging will be specified for each order.

Material: Double layered cardboard boxes, worthy of transportation by sea and air Cost: All packaging materials shall be provided by and at the cost of the Seller Information: Seller shall provide the dimensions and weight of all packages as soon as they are available.

After confirmation of KK's orders, any changes must be agreed to by KK, before they are done.

# 6. Documentation – Shipment of goods:

Commercial terms:

EXW - The Seller shall make the Product available at the Manufacturing Facilities for pick-up by the shipping agent nominated by the Buyer at the agreed date for completed production. The Buyer is responsible for transportation and insurance from the Manufacturing Facilities. The Buyer is responsible for export customs clearance in China

FOB - The Seller shall hand over the Product to the shipping agent nominated by the Buyer, and carry all costs and risk of loss until such time the Product is safely loaded on board a ship or aircraft. The Seller is responsible for export customs clearance in China. The Seller must obtain transportation insurance for the part of the transportation until the Product is safely loaded on board the ship or aircraft.

Seller shall provide following documents to Buyer and the appointed shipping agent:

- Commercial Invoice
- Packing List
- GSP China Form A, 1 original + 2 copies
- Invoice for test cost
- Test report original document
- Inspection report
- Tech file for toy orders

## 7. Export licence:

Seller is responsible for obtaining a valid export license for the Product. In case the Seller appoints and Export Agent, the Seller will inform the Buyer of this appointment and be responsible for any coordination and cost associated with using the Export Agent.

#### 8. Insurance: ???????

## 9. Ethical considerations:

KK and KK's customer have specific requirements to regarding Child labour, Freedom of Employment, Health and Safety etc.

KK will inform the supplier about these demands, and the supplier must be live up to these demands. Including Audits visits from KK or its customers. If the supplier cannot not meet the requirement, KK will agreed a plan with the supplier how to resolve this. Any costs to resolve is born by the Supplier.

## **10.** Ownership of artwork /Moulds –Proprietary Information:

Seller expressly agrees that all designs, rights and technical documentation owned by the Buyer shall at all time remain the sole property of the Buyer. The Seller shall not use or transfer any Proprietary Information of the Buyer for any purpose except accomplishing the production objectives of this Agreement. The Seller shall protect all the Buyer's Proprietary Information with the same care as which it protects its own confidential or proprietary information.

## 11. Subcontractors:

No other production facility shall be used without advance written approval of the Buyer. If the Buyer agrees to subcontract, any and all subcontractors shall be bound

by the terms of this Agreement.

## **12.** Warranties of Seller:

The Seller warrants that the Products shall be free from all defects and shall meet all written specifications and drawings set forth by the Buyer.

## 13. Confidentiality:

The terms of this agreement including without limitation all annexes, manuals and individual Purchase Orders mentioned or referred to herein are commercially sensitive and confidential between the Buyer and the Seller. Except for the circumstances foreseen and provided for herein, as well as in all situations required by national law, neither party may disclose the contents hereof to any party outside the agreement without the prior written permission of the other party.

## **14.** Dispute / Claims resolution:

In the event of a dispute arising from this Agreement or the operation thereof, the Buyer and the Seller agree in the first instance to attempt to settle any differences using methods of Alternative Dispute Resolution and/or mediation.

Evt retssag føres hvor ?????

## 15. Termination:

The following are fundamental breaches of this Agreement and the Buyer is entitled to give notice of termination of this Agreement on the occurrence of any of them:

- If the Seller is in breach of any of its obligations under this Agreement and in the case of a breach capable to correct such breach within 30 (thirty) days of being requested in writing by the Buyer to do so;
- If the Seller goes into liquidation either compulsorily or voluntary (except for the purpose of and immediately followed by a reconstruction)
- In the event seller cannot resolve a breach, the Buyer shall be entitled to withhold all or part of any payment due to the Seller until such breach is solved, but the Buyer shall not be entitled to withhold a sum greater than the value of
- the

individual breach in question.

- Termination or expiry of this Agreement for whatever cause shall not put an end to the obligation of confidence imposed on the parties under paragraph 13 and the provisions of paragraph 13 shall survive the expiry or termination of this Agreement howsoever caused.

Date:

Place:

Signed on behalf of Seller

Signed on behalf of Koncept Kompagniet Aps