

Terms & Conditions

(No 7/9/2020)

Customer Terms of Sale

This policy covers our Terms of Sales agreement, sample policy and our product claims and replacement policy. We encourage all our customers to read and understand our policy. Please contact us if you have any questions.

Mondoro Payment Terms

Our normal payment terms are:

- Deposit 30 – 50% to secure the order and start production. Our production dates are counted from the date we receive the deposit.
- Full payment to release the container.
- Or Mondoro also accepts a transferable, Irrevocable Letter of Credit.

Please note the following considerations:

- Those companies NOT approved for credit by our insurer will be required to make a full payment of the balance due (after the required deposit) for the goods/invoice before shipment.
- Customers whose credit ratings change, or if the credit company advises they will no longer insure them or if they consider them to be a credit risk, will immediately be given new payment terms to reflect this change. Mondoro will immediately inform customers, by writing, of this change.
- All customers must agree to return a signed and dated copy the Sales Contract as additional confirmation of the order. Failure to do so, could result in our not starting the order.

Method of Payment

Telegraphic Bank Transfer to our account in Hong Kong. If there is any change of the bank account from what we have given, customers should immediately call Mondoro to ask and confirm this bank account change. Mondoro will not change their bank account without first informing our customer's of the change.

Sales

All sales are final. Goods are not returnable. When an order is confirmed then it cannot be canceled or changed.

Breach

Failure by the customer to pay for the goods after production will result in a breach of this contract. Mondoro reserves the right to make claims against the customer for all damages and losses suffered, whether financial or otherwise resulting from this breach of contract.

This breach is considered an *Abandonment of Goods* and will dissolve any and all non-compete Agreements or any other agreements Mondoro may have signed with the customer—thus permitting Mondoro to dispose of the goods and use the designs or products in any manner.

Retention of Title: Title to goods shall remain vested in Mondoro and shall not pass to the buyer until the purchase price for goods has been paid in full and funds are actually received by Mondoro.

Past Due Payments: For any unpaid balances which are over one week past the agreed due date, Mondoro will charge a 3% accrued interest per week on the overdue balance. No new or additional orders will be accepted by Mondoro until all interest and balance, including penalties are paid in full. Interest amounts will be added to customer payment statements. Claims paid to a credit agency will include the full interest amount.

Any customers who wish to extend their due date for the payment, must receive permission from Mondoro. The signed ordered serves as a payment agreement.

Labels and Attachments

Any labels or attachments requested or supplied by the customer, must be confirmed before the order is placed. If Mondoro agrees to supply these labels/attachments, Mondoro must be given complete and clear information and specifications before goods are priced so as to include the cost of providing the labels/attachments.

Shipping Requirements

If stated on the sales contracts, the goods will FOB. Mondoro produces goods on an FOB basis. If needed, customers should advise Mondoro of the nominated Freight Forwarder's name. Mondoro will bear all transportation costs as normally provided for an FOB terms of sale.

If stated as X works or CIF then we will ship as per those agreed shipment terms.

Shipments and Quantity Considerations:

- **Order Minimum Quantities**—Mondoro price sheets carefully list the minimum quantity for each item. Please carefully check this to ensure that your order reaches this minimum for each item you order. Our prices are dependent on minimum quantities, but of course they are advisory. Smaller orders will result in per item price increases.
- **FCL Shipments**—Mondoro encourages customers to ship Full Container Loads (FCL) from the port as listed on the price sheet. Prices are usually based on Full Container Load shipments unless otherwise indicated. Generally speaking, Mondoro will accept any container size for a shipment, but customers wanting to ship less than a standard 40' container should check with the Mondoro at the time of placing an order.
- **LCL and Air Shipments**—Customers who require shipping Less Container Loads (LCL) or air shipments will be required to pay a 5- 10% handling surcharge on the shipment based on the overall shipment dollar value. This charge is required by us to cover our additional costs to handle all Less Container Load shipments (LCL) or Air Shipments, no matter the amount of the CBMs. Our LCL charge does not include normal additional charges by the shippers such as transportation, consolidation, or other fees which are to be borne by the consignee.
- **Transportation and Consolidation Charges**—Prices are based on the FOB port as listed on the price sheet and was based on known or assumed information made available to us by the customer. Any changes in these terms may require additional expenses we were not able to anticipate. Until the transportation or consolidation is completed, Mondoro can only estimate the price. A confirmed price will be given once the consolidation and transportation has been completed.
- **Fumigation and Other Charges**—in some circumstances, products may be required to have fumigation or other certification in order to be shipped to their destination. Customers will be required to pay for these charges. Fumigation may be economical only with sufficient quantity. Fumigating small quantities can be a problem and we may not be able to fumigate a few items.

Port of discharge

Goods will be delivered to the port of discharge as listed on the Sales Contract. Mondoro must be informed in writing of any changes at least 1 month before the shipment is to leave.

Product Information

Mondoro will produce products as per the Confirmation Samples unless the customer informs us in writing of any required changes or adjustments.

For items that have changes or adjustments prior to manufacture, Mondoro must have complete and clear product information before processing the order. Orders placed with us that have incomplete or unclear specifications cannot be given a confirmed price or an estimated shipping date. Changes made after production begins may result in delay and additional charges.

Sample Development Terms and Conditions

At Mondoro we are always happy to produce and develop samples. We understand that sample development is very important to both of our businesses. To ensure that this goes smoothly we have a policy that will benefit both of us when properly followed.

The Sample Development Terms and Conditions are:

- Samples or color chips, at customer's request, will be billed to the customer's FedEx, UPS, or other delivery service's account.
- For sample invoices totaling over 250 USD, a 50% deposit is required before samples will be started. The remaining 50% of total invoice must be paid in full before samples will be shipped.
- Sample invoices totaling under 250 USD do not require a deposit, but 100% payment of invoice is still due before samples will be shipped by air or will be payable with the container payment.
- Prices quoted before samples have been made are approximate. Confirmed prices will be stated once samples are complete. The invoice will be adjusted accordingly.
- Customer are responsible for all freight charges. Prices do not include freight. The Customer is responsible for shipment, taxes, duties, transportation fees, and all relevant charges to ship the sample to the final destination.
- Customer is responsible for any mold fees or other fees which may be incurred during the sample process. Even if a customer pays for a mold fee, it does not mean the mold is owned outright, as many factories only charge for part of the mold cost. If a customer wants the mold returned there maybe additional mold charges.
- Some molds will not last any longer than 6 months. Molds where there are no orders or not used after this period the factory or Mondoro can dispose of those molds as required.
- **Breach:** If goods are not paid in full within thirty (30) days of completion/shipment this could result in cessation of further work, and all other agreements will be dissolved and the customer will be considered in breach of contract. Mondoro will become owner of the samples or goods and may dispose or sell the items as they choose.
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Product Claims and Replacement Policy

At Mondoro we work hard to ensure that there are no quality problems or issues with any products that we produce. Sometimes unexpected things can occur so we need to have in place a policy so that everyone is aware of what must be done and accomplished.

Eligibility for Replacement

To verify a claim, Mondoro Company Limited requires the following information:

- Photos are required for all products in question along with details clearly stating the reason for the claim. Photos must include at least 50% of the products in question to properly verify the damage. Customers may send photographs via e-mail or any other means.

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- Copies or photos of all Mondoro production codes are required. These codes provide us with essential information such as the production run. Here is an example of our codes:
 - 08M12Y
 - Include any additional relevant information to verify this claim, such as code number, shipment date, invoice, etc.
 - For large claims where over 15% of the goods need replacement, Mondoro may require to see actual samples of the product to verify the problem. The product manager will specify the number of pieces we will need to examine to process the claim. Since Mondoro sells on FOB terms, Mondoro will not pay for the shipping, courier charges, or other charges for the returned products. These defective product samples will need to be shipped back to Mondoro's Asia offices for processing.
 - Only claims that are over 5% of the total quantity produced will be considered for repayment. Customers should include in their price a small rejection rate in case unforeseen problems occur. Mondoro will not be responsible for any claims not meeting this requirement, including freight and other miscellaneous costs.
 - Customer or shipping agent's improper handling or improper storage of goods, goods arriving wet due to a faulty container, or other various shipment problems such as mishandling of properly packed goods are not the responsibility of Mondoro Company Limited. The customer is responsible for inspecting goods upon receipt from the shipper.
 - We encourage our customers to purchase goods in reshipable packing and to have goods pass an ISTA test for the level of handling that is required. Goods packed any other manner will be at the customer's risk. Customers should avoid goods packed as bulk, non reshipable, semi-reshipable or reshipable that does not meet a standard drop test. Customers who insist to price and ship the in packing that is inferior and we clearly state is inferior will be responsible for any shipment damage to the lack of packing.

Guarantee Period and Claims Timeline

Mondoro's normal guarantee period of our products is 6 months from the date of shipment. This should give the customers plenty of time to check the quality and the goods.

Mondoro requires that the customer inspect the goods immediately and if problems are found to file a claim within sixty (60) days from the shipment date, or approximately one month from the receipt of goods. It is the customer's responsibility to understand this policy and inspect the goods promptly.

In the event that any portion of the product is defective, it is the customer's responsibility to contact Mondoro, document the problem, and initiate the claims process. Claims must be resolved within sixty (60) days of the date when the customer initiates the claims process. Mondoro's guarantee period cannot extend past 6 months from the date of shipment, nor can claims with Mondoro continue to be disputed for more than sixty (60) days after the claim was made. Claims made after the guarantee period will not be considered for replacement or credit.

Mondoro has one month to verify all claims.