



## SALES CONDITIONS AND QUALITY PROTOCOL

### 1. Order confirmation

Orders are to be considered as booked only upon issue of order confirmation by the supplier, reporting the agreed delivery date, within 10 calendar days from the date of receipt of the order.

### 2. Standard piece

Sales to garment makers are "as per sample", considering as reference sample length or sample piece. The garment maker will carry out on this sample cutting, seaming and ironing tests so as to verify its compliance with the requirements for the intended use. The same sample will be used as reference for the subsequent deliveries as far as appearance, handle, color and results of cutting, seaming and ironing tests are concerned. Possible deviations from said standard must be agreed between garment maker and supplier.

In lack of a fabric data sheet, the sample piece can be considered a reference only in case it did not undergo additional treatment. Garment makers are supposed to inform the supplier in case of matches of fabrics, designs and colors.

### 3. Fabric data sheet

The fabric data sheet (see form in attachment) will be provided together with each item, for which a garment maker may request a sample in order to prepare a collection book and/or standard piece, and it will include the following fields:

- item's special features;
- composition of final fabric (fiber, according to D.L. 194/99 and yarn counts);
- weight per square and linear meter;
- total width (selvedges included);
- working width except selvedges, stenter pin holes or indelible marks of finishing machines or, in case of fabrics without selvedges, the width measured between the two edges by deducting 1 cm on each side - unless otherwise agreed upon special requests of the garment maker;
- dimensional stability - steaming and washing;
- seam slippage, pilling, tensile strength, resistance to abrasion are to be reported only when explicitly requested.

Garment makers are entitled to verify the fabric data sheet and to possibly evaluate whether a given article suits their requirements.

On request, additional elements other than those listed in the fabric data sheet can be included at a premium that will cover the cost of further analysis and inspections.

In case a claim is raised any verification analysis must be carried out by SINAL approved laboratories. SINAL stands in Italy for National Laboratory Validation System.

### 4. Piece length

Each single piece is supplied in a standard length as detailed by the fabric data sheet. A +/- 10% variation on length is still acceptable.

### 5. Tolerance on quantity

Permissible variation on quantities within orders for each quality / shade / color are listed below:

- up to 1,000 meter: +/- 5%
- between 1,050 and 5,000 m: +/- 2% (with min. quantity 50 m)
- over 5,000 meters: +/- 1% (with min. quantity 100 m)

Garment makers will accept a +/- 1% tolerance between the quantity being billed and the actual quantity on woven items. This tolerance will be extended to - 2% for warp stretch fabric. Different quantities are subject to agreement between the parties.

### 6. Fabric width

The width of fabric will be as per the fabric data sheet and will be copied on order confirmations.

Width measurement will be carried out prior to any additional treatment if not differently agreed between the garment maker and the supplier.

In case the usable width is narrower than the declared one, the garment maker is entitled to reject the piece or to keep it with a 4% discount plus the total per cent difference between the found width and the declared one.

e.g.

a) declared usable width as stated in the

Purchase Order: 150 cm

b) actual workable width: 147 cm

c) difference: 3 cm, thus 2%

d) discount 4% + 2% = 6%

In case a garment maker figures out a worse damage, both parties may agree a higher discount.

### 7. Weight of fabric

Weight per square meter refers to the finished product with a -4+6% tolerance on the value given by the fabric data sheet. It is worthily to remark anyway that this parameter does not apply to some special products, such as stretch fabric and so on. For such products the supplier will define some special tolerances on the fabric data sheet.

### 8. Skew (weft not perpendicular to warp) and bowing (warp way sinuosity)

Both non-conformities may present different extents, in relation to the actual defect of fabric.

The following tolerances can be applied, if not differently specified by the fabric data sheet.

*Weft skew:*

- fabrics with visible weft, including printed fabrics: 2%;

- fabrics with invisible weft: 3%;

*Sinuosity:*

- fabric with visible weft, including printed fabrics: 1%

- fabric with invisible weft: 2%.

*Stretched, loose or sinuous selvedges are not acceptable.*

### 9. Measurement of repeats

Fabrics with repeat designs may be supplied with a +/- 2% tolerance on the size of the repeat itself, unless differently stated on the fabric data sheet. Measurements will be carried out as follows:

*Materials:*

- a flat table, at least the size of the sample being examined.

- a Line meter

*How to do the test*

Measure the length of not less than 10 patterns. If patterns are smaller than 10 cm, one meter of fabric is the minimum test length.

At least 5 measurements must be taken along the piece, in fault-free areas.

*Results*

Readings must be crosschecked with values listed on the contract. If no specification is made in the wording of the contract, the sample piece must be regarded as a standard.

The largest difference, because of smaller or bigger repeats, will be determined.

### 10. Dimensional stability

Standard tolerances of dimensional stability cannot be defined because of the variability of texture, yarn, patterns and typology of fabric. It is therefore recommended to refer to dimensional stability on each single product's fabric data sheet.

Supplier will undertake to stick on fabric data sheet values. If garment makers do accept dimensional stability as it is shown on the card, each piece must respect the given tolerance values, that are reported on the data sheet. In case of a discrepancy the garment maker and the supplier will reach an agreement on the most

appropriate corrective action that might bring stability back within the agreed limits. Whenever the supplier deems it impossible to improve stability, the garment maker is entitled to reject the fabric or to keep it anyway, with a discount.

Quality claims are ruled according to:

- DIN 53894 in acclimatized conditions for men fabrics

- the testing procedure hereafter for women fabrics: 15 sec. steaming from upper plate only + 10 sec. vacuum; values reading; re-position fabric; 15 sec. ironing + 10 sec. vacuum on the very same sample; values reading.

### 11. Repeatability of colors and tolerances.

Colors evaluation is carried out by trained personnel only by means of visual control of the piece under D 65 light.

The garment maker is supposed to declare the final application of fabric, in case of composé and mix and match.

Repeatability of sample book colors, based on lab tests and small scale printings, cannot be guaranteed on a mass production scale, namely if compared with cylinder or hand-machine screen printing productions. Suppliers will endeavor to keep the color of pieces being produced as close as possible to one of these references:

- 1) color cards as made available by garment makers. Digital codes and colors must be approved and cards must be signed and returned to garment maker. In case a color is not available in the color sample book of the suppliers, these are supposed to submit a lab-dip sample to the garment maker for approval; if possible, in sight of the possible effects of finishing operations;
- 2) color cards as made available by the supplier.
- 3) swatch samples.

The difference in color between reference sample and production items, even with the latter delivered in different lots, shall not exceed the spectrophotometric limits reported in the table below.

Plain color fabrics (piece or yarn dyed) without any special finishing operation (e.g. grinding etc.)  
Specifications CMC (2:1) - D65

Fibers	ΔE
Wool	0.8
Silk	1.0
Cotton/ Rayon/Acetate	1.2
Synthetic and blends	1.2

Suppliers will mark the original lot on each single piece label, bearing in mind that a single piece, unless differently stipulated, cannot be called a lot. It is agreed anyway that assembly of each garment will be made solely of parts to be cut away from the same piece.

In case of mattress cut the maker up will make sure to keep a strict segregation amongst pieces. In case a garment maker clearly specifies that fabrics made of different fibers or having different weights will be matched together in composé garment and /or whenever mix and matches are planned, a supplier will endeavor to maximize color matching of each of group of articles, possibly submitting them to garment maker for final approval.





**12. Color variation on center to selvedge and head to tail, unevenness, halos**

Evenness evaluation is carried out by trained personnel only by means of visual control of the piece, and of its related composed strip, under D 65 light.

As center to selvedge shall be understood:

- a) the shade difference between the center and the two selvages;
- b) the shade difference between the two selvages;
- c) the decreasing (degradé) difference between the two selvages.

Differences in color must be measured by a spectrum-photometer by using the CMC (2:1) D-65 formula and on each piece dyed or yarn dyed fabric they should not exceed a  $\Delta E = 0,5$ .

For fabric that has been subjected to further finishing treatment, like grinding, or has been open-width dyed, garment makers will refer to the values in the fabric data sheet.

In case of fabrics showing wider center to selvages (not recoverable), that may be cut yet to narrower widths or different markers, the parties will agree upon a related allowance or increase of fabric consumption.

As heads and tails shall be understood the difference in color between the beginning and the end of the out of the strip. Such difference, measured with spectrophotometer, formula CMC (2:1) - D65, shall not exceed  $\Delta E = 0.6$  for all fabrics. Readings are carried out center-to-center on the head and tail composed strips.

Unevenness and halos may be hardly detected on wool fabrics by visual inspection, hence they are to be considered as hidden defects.

**13. Color fastness**

Fabric data sheet values and the provisions of UNI EN ISO 105 standard will identify the color fastness to: light, perspiration, dry cleaning with perchloroethylene, washing, rubbing, ironing, spotting water and water.

**14. Fabric defects**

We consider visible or evident defects all of those imperfections than can be eye-spotted on fabrics at the time of delivery and may cause prejudice to the finished garment

On the other hand we have hidden or concealed defects whereas instrumental analysis is required in order to detect them. This includes defect gaining physical evidence during or after a standard production process.

**15. Discounts /allowances**

Defects are marked as follows:

- 'minor defect': green seal
- "medium defect": yellow seal
- "major defect": red seal
- "constant defect": blue seal

Unless otherwise settled, reference is made to the definitions below:

- "minor defect": any defect not exceeding 5 cm, both warp and weft wise;
- "medium defect": any defect between 5 and 60 cm, both warp and weft wise.
- "major defect": any defect over 60 cm weft wise;
- "constant defect": any defect over 60 cm warp wise.

Unless otherwise settled, the respective allowances are listed below:

- 'minor defect': 15 cm
- "medium defect": 30 cm
- "major defect": 60 cm
- "constant defect": defect's length

The garment maker may accept pieces with maximum 8 defects, basis 50 m, not exceeding though an overall allowance rate of 8%.

For men wear fabrics the garment maker may accept pieces with maximum 6 defects, basis 50 m, not exceeding though an overall allowance rate of 5%.

Beyond the limits mentioned above, the garment maker is entitled to accept pieces upon discount.

**16. Claims**

In case of visible defects, the supplier's liability is limited to the goods in "as delivered" conditions and prior to any further treatment, such as steaming or decatizing, unless otherwise stipulated between parties.

Any claim on visible defect must be raised and notified to the supplier in writing within 10 working days from the date of delivery. Claims can be announced on the phone and an agreement can be found on liabilities whenever it is decided that processing on the lot being claimed can be continued.

As far as hidden defects are concerned, claims must be raised and notified to supplier within eight working days from the date of their detection and/or eight working days from the date a claim has first been notified by the end garment maker(s). Goods under claim must be kept 10 calendar days at supplier's disposal, so to enable the supplier himself to carry out any inspection or analysis he deems necessary. Goods must be safeguarded and stored in good practice conditions.

**17. Return of goods**

Any return of defective pieces must be authorized by supplier in written or by telephone within 10 calendar days from the date of claim, after grounds of claim have been duly ascertained, if the supplier requires verification. If the supplier fails to ascertain the origin of a claim, goods can be automatically returned.

Returns for claims are forwarded at supplier's charge.

All pieces, when returned, must be duly rolled open-width on a cardboard tube, they must be properly wrapped, right side inside. In case of pile fabrics, rolling must not be done counter pile. Pieces returned for defects detected during garment makers' inspections must show the conventional defect seals (or other marks) described above.

Unless otherwise stipulated, pieces that can be re-processed must be re-delivered to garment makers within 10 calendar days from their receipt by the supplier.

**18. Delivery terms and conditions**

As delivery date shall be considered the date agreed between the parties and reported on the order confirmation, ex works, with a dead-line of 15 calendar days, beyond which the parties will decide for a further postponement or for different counter-measures.

Force majeure cases, where events beyond the supplier's control or responsibility result in late deliveries (strikes, severe weather or unforeseen damages, etc.) will not be eligible for order cancellations or refunds, if suppliers promptly notify garment makers of the problems occurred and agree a new delivery date.

All pieces, when delivered, must be duly rolled open-width on a cardboard tube, they must be properly wrapped, face inside. In case of pile fabrics, rolling must not be done counter pile.

**19. Order cancellation**

A garment maker may ask to cancel orders or programs for loom-state fabrics. Suppliers will evaluate such request on the basis of their process schedule or possible alternative

destination for such materials. In case of an exclusive design, garment makers will be asked to refund tooling costs (screens and rollers for printing, cardboards or computerized programs for jacquard patterns and so on).

**20. Payment terms**

Payment terms are agreed between parties on each order and will be recalled upon order confirmation.

Payments will always be transferred to the supplier's headquarters if not differently stipulated. Overdue payments will waive any right to special discounts. When a garment maker fails to meet a payment obligation, and if not otherwise agreed, suppliers are entitled to stop manufacturing and delivering orders until the full settlement of dues. An official call for solicitors is not needed in order to start such an action.

Disputes arising from claims not settled upon mutual agreement will be ruled by the provisions of the relevant trade regulation.

**21. Price validity**

Suppliers are supposed to quote prices to garment makers by the time they choose one or more items (either it is a trial lot or regular production), including minimum ordering quantities on each item or alternative of same. By the time a garment maker places an order for samples, suppliers will fix a price for the whole season.

**22. Disputes**

Should any dispute arise as to the obligations as set forth in this contract, parties will try to reach a friendly agreement as required by the Arbitration Court of Milan. In case no deal is made, parties will appoint an independent umpire or will file the case with the Arbitration Court in Milan.

Umpires will make a decision as per the existing regulation and the common practice, as requires by the Arbitration Court in Milan.

**23. Effectiveness of this Quality Protocol**

The supplier shall make reference to this specification on the order confirmation.

.....  
(stamp and signature)

"In compliance with and by effect of articles 1341 and 1342 of the Italian Civil Code, I declare that I have read and expressly and specifically approve all the clauses indicated above, in particular those marked by numbers: 14 (Textile Defects), 15 (Reductions), 16 (Complaints), 17 (Returned Goods), 18 (Terms and Methods of Delivery), 19 (Cancellations), 20 (Payment Conditions), 22. (Disputes)".

.....  
(stamp and signature)

