*Your logo or company name*

# PURCHASE ORDER

| PO number | PO date | PO revision | Page |
|---|---|---|---|
| Buyer (company name, address, contact) | | Seller (factory's registered legal name and address, as on its business license) | |
| Ship to (consignee) | | Seller's contact (name, phone, email) | |

| Line | Buyer part number | Description (materials, color, finish) | Drawing number and revision | Quantity | Unit | Unit price | Line total |
|---|---|---|---|---|---|---|---|
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | **Total quantity** | | | | |
| Price includes (for example packing, tooling charge recovered per unit) | | | | Subtotal | | | |
| | | | | Tooling or other charges | | | |
| | | | | **Order total** | | | |

| Currency | Incoterm, named place and edition | Allowed over or under shipment | Country of origin of the finished goods |
|---|---|---|---|

## Specification

| Golden sample (label and approval date) | Bill of materials (document number and revision) |
|---|---|
| Packaging and carton spec (document number and revision) | Compliance standards the product must meet |

## Quality

| Inspection and AQL plan (who inspects, stage, standard, AQL levels) | Who books the inspection | What a failed inspection triggers |
|---|---|---|
| Test reports required before shipment, and the lab | | |

## Delivery

| Ship date | Ship date means (ready at the factory, left the factory, or loaded on the vessel) | How late buyer approvals move the ship date |
|---|---|---|
| Late penalty (amount or percent per week late) | Penalty cap | Buyer may cancel and recover the deposit after (date) |

| PO number | PO date | | Page |
|---|---|---|---|
| | | | |

## Payment

| Milestone | Released when (the event or document) | Percent of order total | Amount |
|---|---|---|---|
| | | | |
| | | | |
| | | | |
| | **Total** | | |

| Seller's bank account (account name, bank, account number, SWIFT code) |
|---|
| |
| Bank details. A change to the bank details above is valid only after the buyer confirms it by phone, using a number already on file. |

## Terms

| |
|---|
| Changes. This order can be changed only by a numbered change order signed by both parties. Each change order states what changes, the effect on the price and the new ship date. |
| Materials and subcontracting. The seller needs the buyer's written approval before it substitutes a material or a component supplier, or moves any production to another facility. |
| Designs and tooling. The buyer's drawings, designs and specifications belong to the buyer. The seller may not make or sell the product, or close copies of it, for anyone else. Molds and tooling the buyer paid for are held under the tooling agreement named below. |
| Origin. On request, the seller declares the country of origin of the finished goods and of each component. The seller tells the buyer before it changes a sub-supplier or the country where any work is done. |
| Proforma invoice. The seller's proforma invoice must show this PO number. If the proforma invoice and this PO differ, this PO governs. |

| | | |
|---|---|---|
| NNN agreement (date) | Tooling agreement (reference and date) | |
| Claim window (days after arrival to report defects) | Remedy for defects (replacement, credit or refund) | |
| Language (and which version governs) | Governing law | Court or arbitration venue |
| If a US duty rate changes before entry (DDP orders only) | Other terms and attached documents | |

## Acceptance

| This order becomes a contract when the seller signs and stamps it. By signing, the seller accepts every term of this order. | | |
|---|---|---|
| Buyer's signature, name, title and date | Seller's signature, name, title and date | Seller's company chop (stamp) |
| | | |

# How to fill in the purchase order

The buyer fills in this purchase order and sends it to the factory. It becomes the contract for the order once the factory signs and stamps it, so get it back signed before you pay a deposit.

Point to your other documents by number and revision instead of repeating them: the drawing, the bill of materials, the golden sample and the packaging spec.

The printed clauses are plain-language starting points, not legal advice. Have a lawyer who knows the factory's country review the PO before a large order.

| Field | What to write |
|---|---|
| **Your logo or company name** | The buyer issues the purchase order, so your logo or company name goes here. |
| **PO number** | Your own number for this order. The factory puts it on the proforma invoice, the commercial invoice and the cartons. |
| **PO date** | The date you issue the PO. |
| **PO revision** | Start at 0. Raise it by one each time a signed change order changes the PO. |
| **Page** | Number every page, for example 1 of 2. |
| **Buyer (company name, address, contact)** | Your company as buyer: legal name, address and the contact for this order. |
| **Seller** | The factory's registered legal name and address, exactly as on its business license. |
| **Ship to (consignee)** | Where the goods are delivered, if not the buyer's address. |
| **Seller's contact (name, phone, email)** | The person at the factory who handles this order. |
| **Order lines** | |
| **Line** | Number the lines 1, 2, 3 and so on. |
| **Buyer part number** | Your part number or SKU for each item. |
| **Description** | A plain description with materials, color references and finish. |
| **Drawing number and revision** | The drawing the factory must build to, by number and revision, for example drawing 1042 rev C. Never write latest drawing. |
| **Quantity** | The order quantity for this SKU. |
| **Unit** | The unit the quantity is counted in, for example pcs. |
| **Unit price** | The agreed price of one unit in the PO currency. |
| **Line total** | Calculated: quantity x unit price. |
| **Total quantity** | Calculated: the sum of the quantity column. |
| **Price includes** | What the unit price covers, such as packing and any tooling charge recovered per unit. |
| **Subtotal** | Calculated: the sum of the line totals. |
| **Tooling or other charges** | Any one-time charge on this order, such as tooling paid to the factory. |
| **Order total** | Calculated: subtotal plus tooling or other charges. |
| **Price and terms** | |
| **Currency** | The currency of every price on this PO, for example USD. |
| **Incoterm, named place and edition** | For example FOB Shenzhen, Incoterms 2020. The term decides where your cost and risk begin. |
| **Allowed over or under shipment** | How far over or under the order quantity the factory may ship, for example plus or minus 2%, and how overs and shortfalls are priced. |
| **Country of origin of the finished goods** | The country where the goods will be made. The factory must tell you before that changes. |
| **Specification** | |
| **Golden sample (label and approval date)** | The approved pre-production sample, by its label and approval date. Production must match it. |
| **Bill of materials (document number and revision)** | Fill in when the factory buys components for you, and attach the BOM. |
| **Packaging and carton spec (document number and revision)** | The document that sets the inner pack, master carton, carton marks, barcodes and country of origin marking. |
| **Compliance standards the product must meet** | The US standards that apply to the product. |
| **Quality** | |
| **Inspection and AQL plan** | Who inspects, at what stage, to which standard and AQL levels, for example a pre-shipment inspection at AQL 2.5 major and 4.0 minor. |
| **Who books the inspection** | Usually the buyer books it, and the inspection firm sends the report straight to the buyer. |

| Field | What to write |
|---|---|
| **What a failed inspection triggers** | For example the factory reworks the lot and pays for the re-inspection. |
| **Test reports required before shipment, and the lab** | The test reports you need before the goods ship, from a lab you approve. |
| **Delivery** | |
| **Ship date** | The agreed ship date. |
| **Ship date means** | Pick one meaning: goods ready at the factory, goods have left the factory, or goods loaded on the vessel. Tie it to the Incoterm. |
| **How late buyer approvals move the ship date** | For example each day the buyer is late approving the pre-production sample moves the ship date by one day. |
| **Late penalty** | A set amount or a percent of the order value for each week late. |
| **Penalty cap** | The most the penalty can reach, for example 5% of the order value. |
| **Buyer may cancel and recover the deposit after** | The date after which you may cancel the order and get the deposit back. |
| **Payment** | |
| **Milestone** | The name of each payment, for example Deposit and Balance. |
| **Released when** | The event you can check that releases the payment, for example the stamped PO, or a passing inspection report sent to you by the inspection firm. |
| **Percent of order total** | The share of the order total paid at this milestone. The percents should add up to 100%. |
| **Amount** | Calculated: order total x percent. |
| **Total** | Calculated: the percents and the amounts added up. |
| **Seller's bank account** | The account in the factory's registered company name: account name, bank, account number and SWIFT code. |
| **Bank details clause** | Fixed wording. A change of bank details counts only after you confirm it by phone. |
| **Terms** | |
| **Changes clause** | Fixed wording. A change is valid only as a numbered change order signed by both sides. |
| **Materials and subcontracting clause** | Fixed wording. The factory needs your written approval before it swaps a material or a supplier or moves production. |
| **Designs and tooling clause** | Fixed wording. Your designs stay yours, and molds you paid for are held under the tooling agreement. |
| **Origin clause** | Fixed wording. The factory declares origin on request and warns you before a sub-supplier or a country changes. |
| **Proforma invoice clause** | Fixed wording. The proforma invoice must show the PO number, and the PO governs if the two differ. |
| **NNN agreement (date)** | The date of the signed NNN agreement, so the PO and the NNN read as one set of terms. Write None if there is none. |
| **Tooling agreement (reference and date)** | The agreement that covers molds and tooling you paid for. Write None if there is none. |
| **Claim window** | The number of days after arrival you have to report defects, for example 30 days. |
| **Remedy for defects** | What the factory owes for defective goods: replacement, credit or refund. |
| **Language** | The languages of the PO and which version governs. |
| **Governing law** | The law that applies to the PO. |
| **Court or arbitration venue** | Where a dispute is heard. Pick a court or arbitration body where the factory and its assets are. |
| **If a US duty rate changes before entry** | On a DDP order, say whether the price stays fixed or how a duty change is shared. |
| **Other terms and attached documents** | List the drawings, BOM, packaging spec and any other document that forms part of this PO. |
| **Acceptance** | |
| **Acceptance statement** | Fixed wording. Get the PO back signed and stamped before any money moves. |
| **Buyer's signature, name, title and date** | The person who signs for the buyer, with the date. |
| **Seller's signature, name, title and date** | The person who signs for the factory, with the date. |
| **Seller's company chop** | The factory's official company stamp, next to the signature. |