



1. PRE-ORDER TERMS

1.1 What these terms cover. These pre-order terms ("**Pre-Order Terms**") are the terms and conditions on which you (the "**Donor**") place and we may accept an offer by you ("**Pre-Order**") to back Kniterate's project to bring the Kniterate digital knitting machine to the market (the "**Project**"), and to receive your digital knitting machine (the "**Product**") from us when the Project is completed. Please read these Pre-Order Terms carefully before submitting your Pre-Order. These Pre-Order Terms tell you who we are, how we will accept your Pre-Order, what happens if we are not able to manufacture and/or deliver the Product (i.e., if the Project is not successful), how and when the Product will be delivered to you, how you and we may change or end the contract, and what to do if there is a problem. By submitting your Pre-Order, you agree to be legally bound by these Pre-Order Terms.

2. DONATION-BASED CROWDFUNDING

2.1 Crowdfunding. You acknowledge and agree that you are helping Kniterate bring the Product to the market for the first time, not buying something that already exists within the market. You therefore agree that, **by placing a Pre-Order, you are donating to the funding of the Project, not buying a finished Product.** If the Project is successful, you will receive your Product. If the Project is not successful, you will not receive your Product, and may not receive all of your money back (see section 9 for information regarding refunds)

2.2 Risk. AS A DONOR, YOU ACCEPT THAT YOUR PRE-ORDER CARRIES A DEGREE OF RISK. WE CANNOT GUARANTEE THAT DONORS WILL RECEIVE A PRODUCT OR A FULL REFUND IN ALL CIRCUMSTANCES. THERE MAY BE CHANGES OR DELAYS, WE MAY BE UNABLE TO FINISH THE PROJECT, AND WE MAY BE UNABLE TO DELIVER YOUR PRODUCT ON TIME OR AT ALL. YOU ARE SOLELY RESPONSIBLE FOR RESEARCHING KNITERATE, AND ASKING ANY QUESTIONS NECESSARY TO ASSESS THESE RISKS. IF YOU DECIDE TO PLACE A PRE-ORDER, YOU DO SO IN FULL KNOWLEDGE AND ACCEPTANCE OF THESE RISKS. **IF YOU ARE NOT HAPPY TO ACCEPT THESE RISKS, PLEASE DO NOT PLACE A PRE-ORDER**

3. INFORMATION ABOUT US AND HOW TO CONTACT US

3.1 Who we are. We are Kniterate Limited, a company registered in England. Our company registration number is 9806728 and our registered office is at 45 Vyner Street (Ground Floor), London, E2 9DQ ("**Kniterate**", "**we**", "**us**"). Kniterate's registered VAT number is GB271735104.

3.2 How to contact us. You can contact us by writing to us at info@kniterate.com.

3.3 How we may contact you. We will contact you using the email address you provide when submitting your Pre-Order. Please make sure this email address is valid. When we use the words "writing" or "written" in these Pre-Order Terms, this includes email.

4. OUR CONTRACT WITH YOU

4.1 Eligibility. You must be at least 18 years old to place a Pre-Order. By placing a Pre-Order, you represent and warrant to us that you are at least 18 years old. If you are placing a Pre-Order on behalf of a company or other organisation, you represent and warrant that you have the authority to bind that organisation to these Pre-Order Terms and you agree to be bound by these Pre-Order Terms on behalf of that organisation.

4.2 How we will accept your Pre-Order. By submitting your Pre-Order, you are donating to the manufacturing and development of the Product pursuant to section 2.2. We may reject your Pre-Order and refuse your Donation (as defined below in section 6.1) for the reasons described in section 4.3. Upon acceptance of your Pre-Order, an email confirmation will be sent to confirm the Pre-Order and the contract will enter into force.

4.3 If we cannot accept your Pre-Order. If we are unable to accept your Pre-Order, we will inform you of this in writing and your Donation will be refunded in accordance with section 9. This might be because of unexpected limits on our resources which we could not reasonably plan for, because we have identified an error in the Product, or in circumstances where we have exceeded the number of Pre-Orders we are able to accept at any given stage of the Project, or if we become aware that the Project is not going to be completed for any reason. If you have any questions, comments, or concerns regarding Kniterate's Pre-Order acceptance policy, or if you believe that your Pre-Order was rejected in error, please contact Kniterate at sales@kniterate.com.

4.4 Your Pre-Order number. We will assign an order number to your Pre-Order and send this to you when we accept your Pre-Order. It will help us if you can tell us the Pre-Order number whenever you contact us about your Pre-Order.

5. THE PROJECT

5.1 Backing the Project. By placing a Pre-Order, you are agreeing to become a Donor to the Project, and will make a financial Donation to the costs of completing the Project. Your Donation (defined in section 6.1) will either be the full Purchase Price or a percentage of the final Purchase Price (as defined in section 6.1). Your Donation will vary depending on the stage that the Project has reached when you place your Pre-Order, and this will be displayed to you on Kniterate's website at the time you place your Pre-Order.

5.2 Use of Your Donation. A portion of your Donation will be used to fund the development and manufacture of the Product. If the Project is successful, you will receive your Product. If the Project is not successful, section 5.3 and section 9.1 will apply.

5.3 What happens if the Project is not completed. If we are unable to complete the Project, we will:

- (a) post an update on our website explaining the work that has been done to date, how Donations have been applied, and what is preventing us from finishing the Project as planned;
- (b) propose a means of completing the Project in an alternate form ("**Revised Project**"), explaining to you how your Donation would be used to complete the Revised Project, and
- (c) offer you the option to apply your Donation to the Revised Project or to receive refund in accordance with section 9.1.

If the number of Donors electing to apply their Donation to the Revised Project is insufficient (in our reasonable opinion) to complete the Revised Project successfully, we may elect not to proceed with the Revised Project, in which case, section 9.1 will apply.

5.4 What happens if the Project is completed. If your Pre-Order was accepted, your Donation was paid, and the Project is completed, you will receive your Product. If you did not pay the full Purchase Price at the time your Donation was paid, you will be contacted and asked to pay the Balance of the Purchase Price, as described in section 6.1, and provided the Balance is paid in full and on time, you will receive the Product on or around the Estimated Shipping Date.

6. PRICE AND PAYMENT

6.1 Purchase Price. The total purchase price for the Product is displayed on our website, including VAT and other relevant sales tax (the "**Purchase Price**"). You agree to pay all or part of the Purchase Price as your Donation to the Project (your "Donation"). Your Donation will vary depending on the stage that the Project has reached when you place your Pre-Order, and this will be displayed to you on Kniterate's website at the time you place your Pre-Order. The balance of the Purchase Price (being the Purchase Price less your Donation) (the "**Balance**") will be payable before the Estimated Shipping Date, together with shipping costs. We will notify you as and when the Balance is due, and you will have 14 days in which to make your payment.

6.2 Payment. You will pay your Donation and the Balance by direct bank transfer or by online card payment. Payment will be made in your local currency.

7. THE PRODUCT

7.1 Product may vary. We expect to manufacture the Product according to the specification described on our website (<http://www.kniterate.com/>). However, as the Product is still in development, the specification for the Product may change prior to shipping. Any significant changes to the Product specification following the date on which you place your Pre-Order will be notified to you, and you will be offered any opportunity to cancel your Pre-Order in

accordance with section 9.1 if the revised Product no longer suits your requirements. We will have no obligation to notify you, and you will have no right to a refund, if the changes are not significant – this will include, for example, changes to colours and the physical appearance of the Product. A significant change would include changes to the purpose or function of the Product only. The images of the Product on our website are for illustrative purposes only, and without affecting anything said in the previous sentence, while we have made every effort to display the colours accurately, we cannot guarantee that the display of the colours on your computer or mobile device accurately represents the final colour of the Product when shipped. Your Product may vary slightly from those images, and the design of the Product may vary from the examples shown in images on our website.

7.2 Use of the Product. You represent that you intend to use the Product, and are not placing your Pre-Order with an intent to resell it. Once the Product has been delivered to you, you agree to use the Product in strict accordance with the user instructions, terms of use and other documentation supplied with the Product ("**Instructions**").

7.3 Intellectual Property. You agree that Kniterate and its licensors own all intellectual property rights in and to the Product, all of which rights are hereby reserved to Kniterate. By agreeing placing your Pre-Order, you will not acquire any intellectual property rights in or to the Product or any part of the Product. Your use of the Product will be subject to the terms and conditions of use and other additional licence terms and restrictions that may be provided to you when we deliver the Product.

8. SHIPPING AND DELIVERY

8.1 Shipping Dates. The Product is still in development, and therefore the shipping date for the Product may be some considerable time after the date of your Pre-Order. Assuming that the Project is completed successfully, we expect the Product to be ready to ship on or after 31 August 2018 ("**Estimated Shipping Date**"), but we will confirm this to you at least one month beforehand. You acknowledge that this, and any other shipping date notified to you, is an estimate only, and the actual shipping date will depend on a variety of factors including manufacturing schedule, the date of your Pre-Order, and the date on which your Pre-Order is accepted by Kniterate. We will inform you if the Estimated Shipping Date, or any revised shipping date subsequently communicated to you, is likely to be delayed by 3 months or more ("**Revised Shipping Date**"). This may happen for various reasons, for example, if we need to deal with technical problems or make minor technical changes, if we need to update the Product to reflect changes in relevant laws and regulatory requirements, or if we need to make changes to the Product as notified by us to you.

8.2 Where we will ship. The Product will be available to customers in the United States, Canada and member states of the European Union only. We expect to add other territories in the future, but for the time being, if you live outside of these territories, please do not place a Pre-Order as we will be unable to deliver any Product to you or offer any support.

- 8.3 Delivery costs.** You will be responsible for shipping costs. These costs will be notified to you in advance, either prior to shipping or when we request payment of any Balance, and will be added to your Balance.
- 8.4 We are not responsible for delays outside our control.** If we are unable to complete the Project or deliver your Product due to an event outside our control then we will contact you as soon as possible to let you know and we will take steps to minimise the effect of the delay. Provided we do this, we will not be liable for these delays. If the delay continues for longer than 8 weeks (except for where the delay relates to the Estimated Shipping Date in section 8.1), you may cancel your Pre-Order in accordance with section 9.1.
- 8.5 If you are not at home when the Product is delivered.** If no one is available at your address to take delivery of the Product, we will arrange to leave you a note informing you of how to collect the Product or rearrange delivery. We may charge you for the costs associated with having to rearrange delivery.
- 8.6 If you do not rearrange delivery.** If, after a failed delivery to you, you do not rearrange delivery or collect the Product from a delivery depot, we will contact you for further instructions and may charge you for storage costs and any further delivery costs. If, despite our reasonable efforts, we are unable to contact you or rearrange delivery or collection within a period of 30 days, we may end the contract in accordance with section 10.1 below.
- 8.7 When you own the Product.** You own the Product from the time Kniterate delivers the Product to the address you gave us. You are responsible for any loss or damage to the Product once received.
- 8.8 What will happen if you do not give us the information we require.** We will need certain information from you at the time you place your Pre-Order to enable us to supply the Product to you, for example your name, email address, and billing information. You agree that all such information you provide to us must be accurate, and you shall ensure that such information is kept current. Kniterate shall have no liability for any failure to provide you with the Product where you have provided inaccurate or incomplete information, or information which later becomes outdated. You can update your information at any time prior to the Estimated Shipping Date by sending an email to sales@kniterate.com.

9. YOUR RIGHTS TO A REFUND

- 9.1 Refunds before delivery of the Product.** You may cancel your Pre-Order and request a refund at any point prior to delivery of the Product in any of the following circumstances:
- (a) We notify you pursuant to section 5.3 that the Project will not be completed and you elect not to apply your Donation to a Revised Project; or
 - (b) we notify you of a significant change to the Product specification pursuant to section 7.1, and the new specification no longer suits your requirements; or

- (c) we notify you that the Product will not be available to ship within 12 months of the first Revised Shipping Date; or
- (d) we notify you that we are unable to complete the Project or deliver your Product due to an event outside our control, as set out in section 8.4; or
- (e) we notify you that we have transferred this contract to another organisation under section 12.3; or
- (f) we notify you pursuant to section 12.2 of our intention to make a material change to these Pre-Order Terms, and such change is to your material disadvantage.

In order to claim a refund in any of these situations, you must contact us at sales@kniterate.com within 14 days after receiving any of the notification described in (a) to (f) above explaining your reasons for cancelling your Pre-Order. In the case of a refund requested under (f), we will refund you in full. In the case of a refund requested under any of (a) to (f) we will endeavour to refund you in full, but you acknowledge that your Donation and the Donations received from other Donors (together, the "**Total Donations**") will be used in part to fund the Project, and therefore a full refund may not be possible. In these circumstances, we will refund you on a pro-rata basis calculated according to the proportion of Total Donations remaining at the date on which you request your refund. **YOU ACKNOWLEDGE AND AGREE THAT, DUE TO THE CROWDFUNDING NATURE OF THE PROJECT, YOU MAY NOT RECEIVE A FULL REFUND IF YOU CANCEL YOUR PRE-ORDER PRIOR TO DELIVERY, AND THAT AS A DONOR TO THE PROJECT, YOU ACCEPT THIS RISK.**

9.2 Refunds after delivery of the Product. Your right to end the contract after you have received the Product will depend on whether there is anything wrong with the Product and when you decide to end the contract:

- (a) **If the Product is faulty or misdescribed.** If the Product is not as described or if faulty when delivered to you, you may have a legal right to get the Product repaired or replaced, or to get your money back. If you wish to exercise your legal rights to reject the Product you must either return it to us or allow us to collect it from you. We will pay the costs of postage or collection. Please email us at info@kniterate.com for help on how to return the Product;
- (b) **If you have changed your mind about the Product.** You have a legal right to change your mind within 14 days after taking delivery of the Product. In these circumstances, subject to section 9.4(a) you will receive a full refund of the Purchase Price but you will have to pay costs of returning the Product to us.
- (c) **If you are unhappy with any of the terms of use applicable the Product.** In these circumstances, you should exercise rights pursuant to section 9.2(b).

9.3 How we will refund you. Any refunds of Donations in accordance with these Pre-Order Terms will be made by the method you used to pay the Donation.

9.4 Deductions from refunds if you are exercising your right to change your mind. If you are exercising your right under section 9.2(b) or (c):

(a) we may reduce your refund of the Purchase Price (excluding delivery costs) to reflect any reduction in the value of the Product, if this has been caused by your handling of the Product in a way which is inconsistent with the Instructions. If we refund you the Purchase Price before we are able to inspect the Product and later discover that you have handled it in an unacceptable way, you must pay us an appropriate amount.

(b) the maximum refund for delivery costs will be the costs of delivery by the least expensive delivery method we offered at the time the Product was delivered to you. For example, if we offered to deliver the Product to you within 3-5 days at one cost but you chose to have the Product delivered within 24 hours at a higher cost, then we will only refund what you would have paid for the cheaper delivery option.

9.5 When your refund will be processed. We will make any refund due to you as soon as possible. If you are exercising your right to change your mind under section 9.2(b) or (c), then your refund will be made within 14 days from the date on which we receive the Product back from you. In all other cases any refund you are entitled to in accordance with section 9.1 will be made within 14 days of your telling us you would like a refund.

10. OUR RIGHTS TO END THE CONTRACT

10.1 When we may end the contract. We can end the contract by notice in writing to you if:

(a) you are in breach of any of the provisions of these Pre-Order Terms; or

(b) you do not make any payment when it is due, and you still do not make payment within 10 days of us reminding you payment is due; or

(c) you do not, within 30 days of us asking for it, provide us with information that is necessary for us to provide the Product; or

(d) you do not, within 30 days of the first attempt to make delivery, allow us to deliver the Product to you; or

(e) we are unable to complete the Project or otherwise are no longer able to provide the Product.

10.2 If we end the contract in accordance with sections 10.1(a) and (b), you will not be entitled to any refund. If we end the contract in accordance with sections 10.1(c)-(e), you will be entitled to a refund in accordance with section 9.1.

11. OUR RESPONSIBILITY FOR LOSS OR DAMAGE SUFFERED BY YOU

11.1 Our liability to you if the Project is not completed. AS A DONOR, YOU ACKNOWLEDGE AND AGREE THAT THE PROJECT MAY NOT BE COMPLETED ON TIME OR AT ALL. IN THE EVENT THE PROJECT IS NOT COMPLETED, YOU AGREE THAT KNITERATE'S MAXIMUM LIABILITY TO YOU SHALL BE TO OFFER THE REFUND SET OUT IN SECTION 9.1.

11.2 We are responsible to you for foreseeable loss and damage caused by us. If we fail to comply with these Pre-Order Terms and you suffer loss or damage as a result, unless section 11.4 applies to you, we will be responsible for that loss or damage if that loss or damage is a foreseeable result of our breaking this contract or our failing to use reasonable care and skill. We will not be responsible for any loss or damage that is not foreseeable. Loss or damage is foreseeable if it is obvious that it will happen or if, at the time the contract was made, both we and you knew it might happen.

11.3 We do not exclude or limit in any way our liability to you where it would be unlawful to do so. This includes liability for death or personal injury caused by our negligence or the negligence of our employees, agents, or subcontractors; for fraud or fraudulent misrepresentation; and for defective products under the Consumer Protection Act 1987.

11.4 We are not liable for business losses. If you use the Product for any commercial or business purpose we will have no liability to you for any loss of profit, loss of business, business interruption, or loss of business opportunity.

11.5 Limitation of Liability. Subject to sections 11.1 and 11.3, Kniterate's total liability to you under or in connection with the Product and these Pre-Order Terms shall not exceed the Purchase Price.

11.6 Indemnity. You alone are responsible for the manner in which you use the Product, and you must always use the Product in accordance with the Instructions. If we suffer any claim, damage, loss or expense ("**Losses**") as a result of your misuse of the Product, you shall indemnify us against those Losses. Misuse of the Product would include: (a) use or alleged use otherwise than in accordance with the Instructions; (b) your breach these Pre-Order Terms, or any applicable law or regulation; (c) your use of the Product in a way that infringes any third party right, including any intellectual property right; or (d) any matter arising from a dispute or issue between you and any third party.

12. OTHER IMPORTANT TERMS

12.1 Privacy. Where you provide information to us in connection with your Pre-Order, we will only use that information in accordance with the Kniterate Privacy Policy (<http://www.kniterate.com/privacy-policy/>). In particular, we will not use that information

except as necessary to fulfil your order, as expressly set forth in these Pre-Order Terms or as set forth in the Kniterate Privacy Policy (<http://www.kniterate.com/privacy-policy/>).

- 12.2 Modification of these Pre-Order Terms.** We reserve the right, at our discretion, to change these Pre-Order Terms at any time. If a change to these Pre-Order Terms materially modifies your rights or obligations, we will notify you in advance in writing. Once notified, you will have 14 days in which to elect to accept the modified Pre-Order Terms, in which case your Pre-Order remains valid and subject to the modified Pre-Order Terms, or to cancel your Pre-Order and claim a refund under section 9.1(vi) above. Material modifications are effective upon your acceptance or deemed acceptance of the modified Pre-Order Terms. Immaterial modifications such as changes to our contact details or the method we may use to contact you in relation to your Pre-Order are effective upon publication. Disputes arising under these Pre-Order Terms will be resolved in accordance with the version of these Pre-Order Terms that was in effect with respect to your Pre-Order at the time the dispute arose.
- 12.3 We may transfer our rights and obligations under these Pre-Order Terms to another organisation.** We will contact you to let you know if we plan to do this. If you are unhappy with the transfer you may cancel your Pre-Order and claim a refund under section 9.1.
- 12.4 You may not transfer your rights** or your obligations under these terms to another person unless we agree to this in writing.
- 12.5 This contract is between you and us.** No other person shall have any rights to enforce any of its terms.
- 12.6 Each of the paragraphs of these terms operates separately.** If any court or relevant authority decides that any of them are unlawful, the remaining paragraphs will remain in full force and effect.
- 12.7 Entire Agreement.** These Pre-Order Terms represent the entire agreement governing your Pre-Order of the Product, and any prior agreements have no force or effect.
- 12.8 Waiver.** If we do not insist immediately that you do anything you are required to do under these Pre-Order Terms, or if we delay in taking steps against you in respect of your breaking this contract, that will not mean that you do not have to do those things and it will not prevent us taking steps against you at a later date. For example, if you miss a payment and we do not chase you but we continue to provide the Product, we can still require you to make the payment at a later date.
- 12.9 Governing Law.** These Pre-Order Terms are governed by English law. You can bring legal proceedings with respect to these Pre-Order Terms or the Product in the English courts, and if you are a consumer, you may also have a right to bring proceedings in the country in which you live.