



General Terms and Conditions for Suppliers

- 1 General
 - 1.1 The present General Terms and Conditions for the suppliers shall apply exclusively to all goods and services identified in the present Contract agreement or Purchase Order (PO) issued by Longtech Plastic and Metal Works.
 - 1.2 Terms and Conditions of the suppliers conflicting with our general terms and conditions shall only be recognized insofar as we expressly agreed to them in writing.
 - 1.3 Acceptance or payment of goods and services from the supplier does not constitute agreement even if the acceptance or payment is made with the knowledge of conflicting or additional terms and conditional of contract of the Supplier.
- 2 Contract
 - 2.1 Purchase order, contract as well as modifications and supplements thereto must be placed and made in writing.
 - 2.2 Oral agreement of any kind must be confirmed in writing to become effective.
 - 2.3 All goods and/or services agreement is concluded only after the Supplier's written confirmation of the PO or by delivery of the goods and/or services.
 - 2.4 We are entitled to cancel the order if the Supplier does not accept the order within two weeks of receipt of PO.
 - 2.5 Deliveries deviating from our Contracts and order are only admissible if written approval is given.
- 3 Delivery
 - 3.1 Agreed periods and dates are binding. Punctual compliance with the delivery periods and delivery dates is determined by the date of receipt of the Goods by us. Unless DAP or DDP is agreed (Incoterms 2010), the Supplier shall make the Goods available in good time, taking account of the time for loading and shipment to be agreed with the forwarder.
 - 3.2 If the Supplier is responsible for set-up or installation and unless otherwise agreed, the Supplier shall bear all the necessary incidental costs such as travel expenses, provision of tools and daily allowances.
 - 3.3 The Supplier shall be fully liable for extra cost and all damages and losses due to the late delivery if the agreed delivery deadlines are not met. If the Supplier anticipates difficulties with respect to production, the supply of precursor material, compliance with the delivery period or similar circumstances that could interfere with Supplier's ability to deliver punctually or to deliver the agreed quality, the Supplier must immediately notify our purchasing department.
 - 3.4 The unconditional acceptance of a delayed delivery or service does not constitute a waiver of claims to which we are entitled due to the delayed delivery or service; this applies pending full payment of the amounts owed by us for the delivery or service in question.
 - 3.5 Partial deliveries are inadmissible unless we expressly agreed to them.
 - 3.6 The values established by us during the incoming goods inspection shall determine the quantities, weights and measurements subject to the reservation of different values being proved.
 - 3.7 Together with delivery we shall receive simple rights of use, unrestricted in terms of time and territory, to use software belonging to the scope of delivery. Our permissible use encompasses, in particular, duplication, loading and running the software. It also encompasses sublicensing, renting and every other form of passing the software on to companies affiliated to us.
 - 3.8 We also have the right to use such software, including the software documentation, with the agreed performance characteristics and to the extent necessary for the use of the product in accordance with the agreement. We also have the right to make a reasonable number of backup copies.
- 4 Force Majeure
 - 4.1 Acts of God, operational disturbances without fault, unrest, governmental measures and other unavoidable events discharge us from our obligation to take punctual delivery for the duration of such event. During such events and for a two week period thereafter we are entitled – notwithstanding our other rights – to withdraw from the Contract in whole or in part, provided that such events are not of inconsiderable duration and our requirements are considerably reduced as the Goods have to be procured elsewhere as a result thereof.
- 5 Pricing and Transfer of Risk
 - 5.1 Unless otherwise agreed, the prices are "Delivered at Place" (DAP Incoterms 2010) including packaging. The Supplier bears all risks of loss or of damage to the Goods until the Goods are received by us or by our representative at the location to which the Goods are to be delivered in accordance with the Contract.
- 6 Correspondence and Invoices
 - 6.1 All documents must refer to the PO number. The Supplier must send invoices as per instruction on the PO.
- 7 Payment terms
 - 7.1 Unless otherwise agreed, the standard payment term is 30 days upon receipt of invoice.
- 8 Notification of Defects
 - 8.1 Examination of goods is conducted by us at incoming goods only to determine whether this is any obvious damage, in particular, transport damage and discrepancies in terms of the identity or quantity of the delivery, except as otherwise agreed in writing prior.
 - 8.2 We will notify supplier of any defects found immediately after the discovery.
- 9 Guarantee
 - 9.1 In addition to any rights granted by law in case of defective goods, the goods are guaranteed against both material and/or constructive defects for at least one year following the date of goods receipt by us.
- 10 Claims on Defects
 - 10.1 We have the right to select the type of supplementary performance. The supplier may refuse the type of supplementary performance we selected if it is only possible at disproportionate expense.
 - 10.2 In the event that the supplier does not commence rectifying the defect immediately after our request to remedy it, in urgent cases, especially to ward off acute danger or to prevent greater damage, we are entitled to undertake such rectification ourselves or to have it undertaken by a third party at the expense of the supplier.
 - 10.3 In case of defects of title, the supplier shall also hold us harmless from any third party claims possibly existing, unless the supplier is not accountable for the defect of title.
 - 10.4 If the supplier performs its obligation to effect supplementary performance by Supplying a substitute product, the statute of limitations of the goods delivered in substitution shall start to run anew after delivery thereof unless, when effecting the supplementary performance, the supplier explicitly and appropriately made the reservation that the substitute delivery was effected purely as good will, to avoid disputes or in the interests of continuation of the delivery relationship.
 - 10.5 Should we incur expenses as a result of the defective delivery of the Product, in particular transport, carriage, labor costs, assembly and disassembly costs, costs of material or costs of incoming goods control exceeding the normal scope of the control, such costs shall be borne by the supplier.
 - 10.6 The supplier is accountable for the fault of its sub-suppliers as it is for its own fault.



- 11 Rights of Termination
- 11.1 In addition to the statutory rights of rescission, we have the right to terminate the contract with immediate effect if
- A. the supplier has stopped supplying its customers;
 - B. there is or threatens to be a fundamental deterioration to the financial circumstances of the supplier and as a result of this, the performance of a supply obligation to us is in jeopardy;
 - C. the supplier meets the criteria for insolvency or over-indebtedness; or
 - D. the supplier stops making its payments.
- 11.2 We also have the right to withdraw from or terminate the contract if the supplier files an application for insolvency or comparable debt settlement proceedings to be initiated with respect to its assets.
- 11.3 If the supplier's delay delivery lasts more than 2 weeks, we have the right to withdraw from or terminate the related contracts and orders.
- 11.4 If the supplier's Goods deviate from our Contracts and orders and the supplier fails to rectify the deviation within appropriate period as we required, we have the right to withdraw from or terminate the related contracts and orders.
- 11.5 If we withdraw from or terminate the contract by virtue of the foregoing contractual rescission rights or respective termination rights, then the supplier must compensate us for the loss or damage incurred as a result, unless the supplier was not responsible for the rights arising to withdraw from or terminate the contract.
- 11.6 Statutory rights and claims shall not be limited by the regulations included in this Section.
- 12 Confidentiality
- 12.1 All information provided to the Supplier, in connection with the Agreement and/or PO, including but not limited to, any information with respect to the Company's operations, is confidential and the Supplier must not disclose such information to any third party without obtaining the prior written consent from us.
- 13 Export Control
- 13.1 The Supplier shall comply with all applicable economic sanctions and export controls. The Supplier is responsible for obtaining export licenses and authorizations required by applicable laws and regulations for supplying goods and services to us.
- 13.2 The supplier shall inform us without undue delay of any changes to the license requirements applying to the goods supplied to us, as a result of technical changes, changes to the law or governmental determinations.goods
- 14 Compliance
- 14.1 The supplier undertakes, within the framework of its business relationship with us, not to offer or grant, promote or accept any advantages, neither in its business dealings nor when dealing with governmental officials, which are in breach of applicable anti-corruption regulations.
- 14.2 The Supplier shall respect human rights by adopting and maintaining standard labor practices and working conditions that comply with all applicable local legislations and international conventions. The Supplier is expected to follow the spirit and intent of the following requirements to ensure respect for human rights:
- A. Slavery, servitude and using forced or compulsory labor in all its forms are prohibited;
 - B. Human trafficking and exploitation are prohibited;
 - C. Child labor is prohibited. The Supplier must comply with the applicable national minimum age of employment;
 - D. The Supplier shall provide fair treatment and equal opportunities in terms of recruitment, compensation, access to training, promotion, termination or retirement for all employees;
 - E. Workers must not be subject to any physical, verbal, sexual or psychological harassment of abuse;
 - F. The Supplier shall ensure that working hours and remunerations comply with applicable local legislation;
 - G. The Supplier shall grant their employees the right to association and collective bargaining.
- 14.3 The Supplier shall ensure safe and healthy working conditions for their employees, suppliers and visitors. The Supplier shall have in place policies and management systems that ensure environmental, health, and safety hazards and risks identified and assessed, and either eliminated or appropriately managed. The Supplier shall also seek to optimize the use of resources, materials and utilities and minimize waste, wastewater and air emissions.
- 15 Miscellaneous
- 15.1 The contractual relationships shall be governed exclusively by the published laws and regulations of Hong Kong. If Hong Kong laws and regulations do not address a particular matter relating to the Contract, reference shall be made to general international commercial practice recognized in Hong Kong.
- 15.2 Any dispute, controversy or claim arising out of or relating to these Terms and Conditions of Purchase shall be submitted to Hong Kong International Arbitration Centre for arbitration which shall be conducted in accordance with its arbitration rules in effect at the time of applying for arbitration. The arbitration proceeding shall occur in Hong Kong. The arbitral award shall be final and binding upon the parties, and any party may apply to a court of competent jurisdiction for enforcement of such award.