

Contract Partners

Party A: xxxxx company

Party B: Elements China

Technical Requirements:

1. If Party B is supposed to provide product specification, the specification can be issued with the confirmation of Party A.
2. Or based on international standards or industry standards and signed and approved by both parties.
(Note: All technical requirements should be signed and approved by both parties, and saved as annex of quality agreement)
annex of agreement include:
Product Specification (No.)
Inspection Specification (No.)
Others(No.)

Quality Guarantee

1. Party B is amenable to establish quality management system according to national standers ISO9000-2008 to ensure the rejected product shall not be delivered to the party A.
2. Party B allowed Party A use the audit means to inspect whether the quality management meets the requirements of Party A. The audit can proceeding on a system, a processing or a product.
3. Party A has authority to audit Party B without notification at any time. Part B cannot deny.

Definition of Quality Issues and Quality Standards of Product

1. Party B should guarantee the product delivered meet the technical requirements which is signed and approved by both parties.
2. For quality standards and technical requirements of ordering product, both two parties shall confirm the following specifications before manufacturing or delivering. When technology and quality requirement has changes, both two parties should confirm.
3. Specifications and samples provided by Party A.

Samples provided by Party B, specifications and samples provided by Party A.

4. Party B is responsible for properly package of delivering product; the package shall guarantee the product undamaged during transportation and properly transfer process of Party A. Or Party A has authority to determine the product the rejected product and claim from Party B according to the relevant provisions.

Quality Problems Handling

1. Party B can response quickly once received quality abnormality from Party A, and meets the requirements of screening and replacing from Party A.
2. Party A should inform Party B timely once Party A deny the delivery acceptance of Part B, and Party B should inspect, analyze and process the quality abnormality within two workdays and inform the Party A literally.
3. For the rejected products that occurred in the delivery acceptance and delivered to customer, Party A has authority to minus the cost of rejected products from the payment to Party B. If it is advance payment, Party A has authority to require repayment.
4. During the period of Party A keeping rejected products, the total or partial loss, damage and deterioration of rejected products that can be attributed to the party B's cause, the Party B should bear the loss.

General Matters

1. This agreement is valid for the duration of the relationship between the two parties until new version of quality agreement come into effect.
2. For any doubt or agreement related to unspecified issues in agreement, both parties should settle them by negotiation. In case no settlement can be reached between the two parties, the case under dispute shall be submitted to the third arbitration party or follow the judicial approach.

This agreement will have two identical copies with each party holds one copy.

Party A:
Date:

Party B:
Date: