



General Conditions Agreement for Chinese Factories

The General Conditions Agreement is an umbrella agreement that applied to all purchase orders (purchase agreements / PI) contracted between the Buyer and the Seller throughout the term of the agreement. It should be prepared by an attorney.

- A. Specific to your product (not a template)**
- B. The wording should be in Chinese (with English for convenience)**
- C. Signed by Seller's company stamp**
- D. Signed by Buyer's signature**

Sections to include:

1. Identify the companies by name (in Chinese)
2. Identify the product(s)
3. Seller agrees that the quality, specifications, and materials will be as agreed upon
4. Seller will not make unilateral changes to quality, specifications, and materials
5. Buyer entitled to full refund if not delivered within 4 weeks of agreed date
6. Buyer is entitled to (fee TBD) for every day late, up to the 4 weeks
7. Buyer is entitled to 3rd Party inspection.
8. Seller will accommodate 3rd Party inspection
9. If inspection fails Seller will reimburse Buyer the cost of second inspection
10. Defective products will be destroyed
11. Subcontracting not allowed without Buyer permission
12. Remedies (specified)
13. Required testing will be conducted if needed and Buyer informed of results
14. Terms (length of time) of agreement