LFL STANDARD VENDOR TERMS AND CONDITIONS

Unless expressly agreed by LF Logistics, the supply of any services and/or products to LF Logistics by its suppliers or vendors are subject to these Standard Vendor Terms and Conditions. Unless otherwise agreed in the Agreement, these Standard Vendor Terms and Conditions shall prevail in the event of a conflict between these Standard Vendor Terms and Conditions and the Agreement. LF Logistics reserves a right to amend these Standard Vendor Terms and Conditions from time to time without prior notice.

1 Services to be performed and/or Products to be provided

1.1 The Vendor must provide the Services and/or Products to LF in accordance with and as specified in the Agreement.

1.2 If the Agreement specify a timeline for delivery of all or part of a particular Service and/or Products, the Vendor must comply with that timeline and time shall be of the essence.

2 Conditions as to quality of Services and/or Products

2.1 The Services and/or Products must be performed and/or provided in accordance with the Agreement.

2.2 If the Vendor provided LFL with a demonstration of the Services or a sample of the Products before LFL entered into the Agreement, the Services and/or Products must correspond in nature and quality with the Services demonstrated and/or the sample of the Products provided.

2.3 If the Vendor showed LFL a result achieved by the Services and/or Products before LFL entered into the Agreement, the Services and/or Products must be at least of the same quality as the Services and/or Products that achieved that result.

2.4 The Services must be performed by appropriately qualified and trained personnel.

2.5 The Services and/or Products must be rendered with due care and skill, in a professional workmanlike manner and in accordance with generally recognised commercial practices and standards in the Vendor's industry.

2.6 The Services and/or Products must be fit for the purposes for which this type of Services and/or Products are commonly procured and for any other purposes which LFL informs the Vendor.

3 Reports

3.1 The Vendor must provide to LFL at LFL’s request progress reports on the performance of the Services and/or supply of the Products. A progress report must be detailed enough to allow LFL to ascertain whether the Services and/or Products are in conformity with the Agreement.

3.2 LFL may undertake any tests, and may require the Vendor to conduct any tests (at no extra cost or charge to LFL), which LFL reasonably considers as being necessary in order to determine whether the Services and/or Products are in compliance with local laws and requirements. The Vendor shall cooperate with and provide any assistance reasonably requested by LFL, in relation to the carrying out of such tests. Any reports provided by the Vendor regarding the results of any tests, shall be sufficiently detailed enough in order to enable LFL to verify the outcome of the tests. The Vendor shall provide any further information or documents as may be requested by LFL from time to time regarding any tests.

3.3 The Parties agree that the Vendor’s obligations and liability to LFL under the terms of the Agreement shall not be affected or reduced in any way, by virtue of any inspection, testing, approval or acceptance given by LFL or any consultation by or with LFL, in relation to any of the Services and/or Products.

4 Provision of the Services and/or Products

4.1 During the Term, the Vendor must (at no additional cost or charge to LFL) do the following things and ensure that its employees, agents and authorised sub-contractors do the same:

(a) use its best efforts not to interfere with any of LFL's activities, or the activities of any other person, on LFL’s premises, in the provision of the Services and/or Products, except with the express prior permission of LFL;

(b) comply with:

(i) all applicable laws, regulations, licenses, permits; and

(ii) all safety, health and environmental guidelines, rules and procedures provided to the Vendor by LFL;

(iii) all directions and orders given by LFL’s representatives;

(iv) (if access to LFL’s premises is required in order to supply the Services and/or Products) any instructions given by LFL (verbally or in writing) and all safety and security procedures and policies provided by LFL;

(c) obtain and maintain all licences, permits, authorisations and consents required under applicable law or regulations, or required by any government or regulatory authority, in order to enter into the Agreement, perform the Services and/or provide the Products;

(d) ensure that LFL’s premises are left secure, clean, orderly and fit for immediate use; and

(e) provide the Services to the reasonable satisfaction of LFL and in any event in compliance with the Service Levels and use all reasonable endeavours to exceed the Service Levels.

5 Quality of the Products and Delivery

5.1 The Vendor shall ensure that the Products delivered:

(a) are of the suitable quality for the purpose required by LFL or made known to the Vendor at the time the Agreement is signed/ the orders are placed;

(b) in accordance with any and all specifications set out in the Agreement;

(c) are in compliance with the local regulations and/or standards of the markets in which they are sold and to which they are delivered; and

(d) must be packed and packaged to ensure their safe delivery in accordance with good commercial practice.

5.2 Time of delivery is of the essence under the Agreement.

5.3 Vendor shall not deliver Products ahead of schedule without written authorization of LFL.

5.4 Title and risk of the Products shall pass to LFL only upon written acceptance of the Products in accordance with clause 9.

5.5 LFL shall have been entitled to reject the Products in case of a late delivery.

6 Fees

6.1 LF agrees to pay the Vendor the Fees for the Services and/or Products as specified in the Agreement, and shall not be responsible or liable to pay any other fees, charges, costs or expenses.

6.2 Unless the Agreement provide otherwise, the Fees are inclusive of:

(a) all costs incurred by the Vendor in performing the Services and/or providing the Products; and

(b) the cost of any items used or supplied in conjunction with the Services and/or Products.

6.3 LFL shall only pay for the Products actually delivered in accordance with the Agreement. In no event shall the total amount to be paid to Vendor exceed the total amount stated in the agreed upon Fees.

7 Invoicing and payment

7.1 All invoices submitted by the Vendor must include:

(a) all relevant records to enable LFL to calculate and/or verify the amount of the invoice;

(b) specify the document number of the Agreement;

(c) Service performed/ Product(s) delivered;

(d) quantity and per unit price of Product(s); and

(e) be sent to the address, and marked for the attention of the person, specified in the Agreement.

7.2 LFL will pay all invoices rendered to LFL by the Vendor within 30 days of receipt of that invoice, save that:

(a) LFL shall not be obligated to pay any invoice that it disputes ("Disputed Invoice") subject to clause 7.3;

(b) LFL may suspend payment of any invoice amount (with no liability), where the Vendor is in material breach of the Agreement, until such material breach has been rectified by the Vendor to the reasonable satisfaction of LFL; and/or

(c) LFL shall not be obligated to pay any invoice that is not in compliance with clauses 7.1, 7.2 or 7.3.

7.3 With regard to any Disputed Invoice, LFL shall:

(a) pay the undisputed part of the relevant invoice (if any);
be entitled to suspend and/or withhold payment of the disputed amount until either:

(i) the Parties resolve the issue and mutually agree in writing that the disputed amount should be paid by LFL, in which case LFL shall pay the relevant amount within thirty (30) days of such agreement; or

(ii) the Disputed Invoice is cancelled by the Vendor and a new invoice is issued, which reflects the correct and undisputed amount owed by LFL in which case LFL shall pay the new invoice within thirty (30) days of LFL's receipt of that invoice.

7.4 No interest will be payable by LFL in respect of any invoice rendered to LFL by the Vendor which remains due and unpaid.

7.5 LFL may set-off any payment due to the Vendor under the Agreement against any amount that the Vendor owes to LFL.

7.6 Unless otherwise specified, any money payable under the Agreement is to be paid in the currency specified in the Agreement.

7.7 If the Agreement involves the supply of Services on a time and material basis LFL has the right to conduct an audit of the basis of the Vendor's charges using the Vendor's records. This right continues for 12 months following the termination or expiry of the Agreement. The Vendor shall keep accurate and up-to-date books and records concerning the Fees and the Services during the Term and for no less than 12 months thereafter, or such longer period as may be required by applicable law.

7.8 All Fees and any other amount payable by LFL to the Vendor under the Agreement, shall be subject to this clause 7.

8 Variation of Services and/or Products

8.1 LFL may vary the Services and/or Products (in whole or in part) at any time upon 7 days’ written notice to the Vendor (“Change Request”).

8.2 When the Vendor receives a Change Request, then the following procedure shall apply:

(a) Unless another period of time is specified by LFL in writing, the Vendor must provide written notice to LFL within 14 days of the date of the Change Request, which either: (i) informs LFL that the Change Request cannot be carried out by the Vendor, and the reasons why; or (ii) confirms that the Vendor can carry out the Change Request and sets out any adjustment to the Fee, which is required as a result of any decrease in, or any unanticipated increase in, costs or expenses that will be incurred by the Vendor due to the variation requested in the Change Request (“Change Quotation”);

(b) The Vendor agrees that its Change Quotation must be consistent with the pricing principles, rates and prices agreed by the Parties in the Agreement, and it shall use its reasonable efforts to mitigate any additional costs to LFL;

(c) After receiving a Change Quotation, LFL may either: (i) confirm in writing to the Vendor that it wishes to proceed with the Change Request based on the relevant Change Quotation, and the Vendor shall vary the Services and/or Products accordingly; or (ii) reject the Change Quotation and withdraw the Change Request, by notice in writing to the Vendor.

(d) No variation to the Services and/or Products shall be carried out by the Vendor unless and until it receives a confirmation from LFL in accordance with clause 8.2(c)(i) above.

8.3 The Vendor's Change Quotation must:

(a) set out all costs incurred to date in relation to the Agreement;

(b) set out all costs and cost savings that result from the variation to the Services and/or Products; and

(c) not specify an adjusted Fee that includes any amount for loss of profits, unperformed work or consequential loss or damage.

8.4 LFL has the right to audit the adjusted Fee specified in the Change Quotation.

8.5 If LFL agrees with the adjusted Fee in the Vendor’s Change Quotation, as evidenced in writing, then the adjusted Fee will apply to the Agreement.

9 Inspection of Products

9.1 All Products are subject to inspection and acceptance by LFL. All Products shall not be deemed accepted unless written notice of acceptance is provided by LFL to the Vendor.

9.2 Failure by LFL to inspect and accept or rejects the Products shall not relieve Vendor from its warranty responsibility.

9.3 If LFL rejects the Products, LFL may at its discretion:-

(a) return such rejected Products and receive a full refund of any payments made;

(b) repair of such Products at the cost of Vendor; or

(c) demand the Vendor to replace such Products within 7 days and the Vendor shall replace such Products.

9.4 Any Products repaired or replaced shall also be subject to Clause 12.

10 Termination and suspension of the Agreement

10.1 Subject to this clause 10, the Agreement commences on the date of signing and will continue for the Term.

10.2 LFL may terminate the Agreement during the Term for no cause by giving the Vendor 7 days’ notice and without any requirement to pay compensation except for Services satisfactorily performed on or before the date of termination and/or for any Products accepted by LFL in accordance with clause 9.

10.3 LFL may immediately terminate the Agreement by notice in writing to the Vendor if:

(a) the Vendor materially breaches any of its obligations under the Agreement;

(b) the Vendor breaches any warranty, representation or undertaking under the Agreement;

(c) the Vendor fails to meet any Service Level two or more times in any 6 consecutive month period; or

(d) the Vendor becomes subject to an Insolvency Event.

10.4 Upon termination of the Agreement, no payment will be made on account of (i) any Services which are not provided to the reasonable satisfaction of LFL and/or do not reach the Service Levels; and/or (ii) any Products delivered but not accepted by LFL.

10.5 Any expiration or termination of the Agreement does not affect:

(a) any rights of the Parties which may have accrued before the date of termination; and

(b) any rights and obligations of the Parties under the Agreement (including without limitation clauses 10.5, 10.6, 14, 15 and 21) which by their nature survive termination of the Agreement.

10.6 Upon termination or expiry of the Agreement, the Vendor will:

(a) take such action as necessary or as LFL directs, for the transfer, protection and preservation of the property of LFL (and any additional cost or charge to LFL);

(b) use all reasonable endeavours to minimise the cost of termination to LFL (at no additional cost or charge to LFL);

(c) upon request by LFL, provide such incidental services (on the same terms as the Agreement) as are reasonably necessary for LFL to arrange for another person to provide services similar to the Services (at no additional cost or charge to LFL, save where LFL has terminated the Agreement for convenience pursuant to clause 10.2 whereby LFL shall reimburse the Vendor for any reasonable and properly incurred costs in respect of such incidental services, in accordance with clause 7);

(d) reimburse LFL on a pro-rata basis for any Fees paid in advance for any Services and/or Products not yet supplied or accepted; and

(e) immediately return to LFL or erase (at LFL's sole option) all Personal Data provided by or collected on behalf of LFL and all LFL Confidential Information, LFL Materials and other property or materials belonging to LFL in its (or its sub-contractor’s) possession, power or control, and promptly confirm in writing to LFL its compliance with this sub-clause(s).

10.7 LFL may suspend the Agreement or any part of the Agreement by giving the Vendor notice of suspension. During the period of suspension, neither party will be required to perform its obligations under the Agreement.

10.8 When the Vendor receives a notice of suspension from LFL, the Vendor must suspend the Agreement, or the specified part of the Agreement, until such time as LFL directs that the Agreement is no longer suspended. At such time, the Vendor must promptly recommence the performance of the Vendor’s obligations under the Agreement.
10.9 Where the suspension of the Agreement is not a result of any default or action on the Vendor’s part, or on the part of the Vendor’s employees, agents, contractors and/or sub-contractors, or is not as a result of any event that is beyond the reasonable control of LFL (including acts of God, industrial disputes, war, floods, typhoon, earthquakes, fire, etc.), LFL will reimburse the Vendor for the agreed additional costs the Vendor incurred as a direct consequence of the suspension.

11 Independent contractor

Both Parties acknowledge that the Vendor is an independent contractor of LFL and not LFL's agent or employee.

12 Warranties

12.1 The Vendor warrants that:

(a) it has the right to sell the Products and the Products shall not infringe on the Intellectual Property Rights of any third party, are of suitable quality for the purpose required by LFL, fit for sale, for consumption and for the purpose for which it shall be purchased, free from all liens, charges and encumbrances of any kind, and satisfy all relevant requirements under the applicable laws, including without limitation any implied undertakings or warranties concerning the Products;

(b) during the Warranty Period, the Services and/or Products and the results of the Services and/or Products will be in conformity with the Agreement, of high quality and workmanship and otherwise satisfactory;

(c) for any Services and/or Products that involve the Vendor providing, or having access to any of LFL’s, software, hardware or other information technology systems, each Service shall be free of (and the Vendor shall not upload or allow to be uploaded onto LFL’s, software, hardware or other information technology systems at any time during or after the Term) any time bomb, viruses, trap doors, back doors or other code which destroys, erases, damages or otherwise disrupts the normal operation of the Service or other programs, hardware or systems utilized by LFL, or allows for unauthorised access to the Services and/or Products or other programs, hardware or systems utilized by LFL;

12.2 If, during the Warranty Period, LFL finds any of the Services and/or Products, their results, to be Defective Services and/or Defective Products, LFL may, at its option:

(a) immediately terminate the Agreement in relation to the Defective Services and/or Defective Products by notifying the Vendor, in which case the Vendor must refund to LFL any Fees paid by LFL in respect of the Defective Service and/or Defective Products (notwithstanding any other provision of the Agreement); or

(b) require the Vendor to re-perform or rectify the deficiency in the Defective Services identified by LFL; or

(c) take such steps as it deems necessary to itself rectify the deficiency in the Defective Services; or

(d) require the Vendor to exchange the Defective Products for non-defective ones.

12.3 At LFL’s option and request, the Vendor agrees to:

(a) promptly re-perform or rectify to LFL’s reasonable satisfaction any Defective Services and/or Defective Products, at Vendor’s own cost and expense, and within the time line stipulated by LFL; or

(b) reimburse LFL for any expenses LFL incurs in making good any Defective Services and/or Defective Products, in relation to any Defective Services and/or Defective Products discovered by LFL during the Warranty Period.

12.4 Any Defective Services and/or Defective Products that are re-performed or made good by the Vendor under this clause will be subject to the same warranty as the original Services and/or Products, from the date of re-performance or the date on which the Defective Services and/or Defective Products were made good.

12.5 The exercise of remedies provided in this clause do not exclude any other remedies provided under the Agreement or by law.

13 Insurance

13.1 The Vendor must take out and maintain during the period of the Agreement:

(a) comprehensive insurance policies to cover all sums which the Vendor may become legally liable to pay as compensation consequent upon:

(i) death of, or bodily injury (including disease or illness) to, any person; and

(ii) loss of, or damage to, property,

arising out of or in connection with the Agreement. The limit of liability provided by this policy must be not less than US$5 million, and such policy must include a cross liability clause;

(b) insurance in respect of all claims and liabilities arising, whether at common law or under statute relating to workers compensation or employer’s liability, from any accident or injury to any person employed by the Vendor in connection with the Agreement and the Vendor must ensure that all sub-contractors are similarly insured in respect of their employees. This insurance must be in compliance with the laws of the relevant jurisdiction in which the Services are to be carried out or the Products are supplied;

(c) a policy of insurance against any and all liability, loss and damage of any kind whatsoever (including consequential losses) directly or indirectly from the use, non-use, failure, breakage or any other act, omission or matter arising in respect of the plant, equipment, tools, appliances or other property owned, rented or hired by the Vendor and used in relation to the Agreement;

(d) professional indemnity insurance with a cumulative maximum aggregate value of not less than US$10 million for each calendar year in respect of the Vendor’s performance of the Agreement; and

(e) other insurances required by law or reasonably required by LFL.

13.2 The Vendor must notify LFL immediately of any cancellation of a relevant insurance policy and of any change to the policy which affects LFL’s interests.

13.3 If any event occurs which may give rise to a claim involving LFL under any policy of insurance to be taken out under this clause then the Vendor must:

(a) notify LFL within 14 days of that event; and

(b) ensure that LFL is kept fully informed of any subsequent actions and developments concerning the relevant claim.

13.4 At LFL’s request, the Vendor must produce evidence that the Vendor is maintaining the insurances required by this clause.

13.5 LFL has the right to take out and maintain any policy of insurance required by this clause if the Vendor fails to do so.

13.6 The Vendor must reimburse LFL for any expenses LFL incurs in taking out and maintaining any policy of insurance under clause 13.

14 Liability and Indemnities

14.1 If the Vendor enters LFL’s premises, the Vendor does so at the Vendor’s own risk. The Vendor must ensure that its employees and authorised sub-contractors are also aware that they enter LFL’s premises at their own risk.

14.2 The Vendor hereby indemnifies and must keep indemnified on demand LFL and each of its Affiliates from and against any Loss, arising directly or indirectly as a result of or in connection with:

(a) a breach of the Agreement (including without limitation any warranty) by the Vendor;

(b) any claim of product liability in any way relating to the Services performed and/or Products delivered under the Agreement

(c) any personal injury (including illness or death of any person) or damage to any property caused or contributed to by the Vendor or its employees, agents or contractors;

(d) any act or omission committed by the Vendor, its employees, agents, contractors or sub-contractors in connection with the Agreement;

(e) any claim made against LFL by any of the Vendor’s employees, agents, contractors and/or sub-contractors in respect of any relevant legislation concerning income tax, workers compensation, annual leave, long service leave, superannuation or any applicable award, determination or agreement of a competent industrial or employment tribunal;

(f) breach by the Vendor of an applicable law in connection with the performance of the Services and/or supply of the Products, including any Privacy Law;

(g) loss or damage to any plant, equipment, tools, appliances or other property owned, rented or hired by LFL;
(h) any claim, action or suit by a third party against LFL alleging that the Services and/or Products or the results of the Services and/or Products infringes the Intellectual Property Rights of that third party;
(i) any infringement of the LFL Materials or of any other Intellectual Property Rights of LFL or any third party by:
   (i) the Vendor, its employees, agents, contractors or sub-contractors;
   (ii) by any third party, which infringement is occasioned by the negligence or at the direction of the Vendor; and
(j) any breach by the Vendor (or its employees, agents, contractors or sub-contractors) of clauses 15 or 16, except to the extent that any liability, loss or damage is solely and directly caused by the gross negligence of LFL.

14.3 Each indemnity in the Agreement is a continuing obligation separate and independent from the Vendor’s other obligations and survives termination of the Agreement.

14.4 It is not necessary for LFL to incur an expense or make a payment before enforcing a right of indemnity conferred by the Agreement.

14.5 To the extent permitted by law, LFL will not be liable in any circumstances for any indirect, economic, special or consequential loss or damage, or in any event for any loss of revenue, loss of production or loss of profit.

14.6 The Vendor acknowledges and agrees that in respect of all claims relating to or arising from the Agreement, the Services and/or Products (whether arising under contract, tort or otherwise), LFL’s maximum aggregate liability shall be the total amount of Fees payable by LFL under the Agreement.

15 Confidential Information

15.1 The Vendor must not use any LFL Confidential Information for its own purposes or for the benefit of any third party, or disclose to any person any LFL Confidential Information or the terms of the Agreement, subject to clause 15.2. The Vendor must adopt and implement sufficient safeguarding and security procedures (no less stringent than those measures adopted by the Vendor to protect its own confidential information) to prevent unauthorized use or disclosure of the Information.

15.2 Until the expiry or termination of the Agreement, the Vendor shall have the right to:
   (a) disclose the LFL Confidential Information to its employees (and any sub-contractor authorised by LFL pursuant to clause 19.3), only in so far as is necessary in order for the Vendor to perform the Services and/or provide the Products in accordance with the Agreement, and subject to such employees (and sub-contractors, if applicable) being subject to a confidentiality obligation no less restrictive than this clause 15;
   (b) use the LFL Confidential Information strictly as is necessary in order to perform the Services and/or provide the Products in accordance with the Agreement.

15.3 Nothing in the Agreement prohibits disclosure of information which:
   (a) is generally available to the public (other than as a result of any disclosure by (or any disclosure authorised or permitted by) the Vendor); or
   (b) is required to be disclosed by law or any government or governmental body, authority or agency having authority over the Vendor.

15.4 The obligations under clause 15 shall survive termination of the Agreement.

15.5 Neither Party shall publicise (including by issuing any announcements, press statements or press releases), or include in any promotional or marketing materials, or otherwise disclose to the public, any information relating to or about the Agreement or the Services / Products provided (including the fact that LFL is a customer or client of the Vendor, unless it obtains the other Party’s prior written consent.

16 Privacy

16.1 In:
   (a) the use and disclosure (to LFL or to any other individual or entity) of any Personal Data;
   (b) the collection from any individual or entity (including LFL) of Personal Data; and
   (c) the storage, retention, transfer, processing and provision of access and correction rights in relation to any Personal Data,

("Privacy Activities"), the Vendor must comply with all Privacy Laws applicable to the Privacy Activities, including any Privacy Laws by which LFL are bound and of which LFL notifies the Vendor.

16.2 In the event that Vendor processes Personal Data (including holding, storing, copying, using, transmitting, receiving, retrieving, or carrying out any operation on such data) on behalf of LFL, then Vendor shall (and shall procure its employees and sub-contractors shall) during the Term and following expiry or termination of the Agreement:
   (a) treat the Personal Data as LFL Confidential Information in accordance with clause 15.1, save that the Vendor’s rights under clause 15.2 shall be subject to its compliance with the rest of this clause 16.2, and clause 15.3 shall not apply to any Personal Data;
   (b) act only on instructions from LFL regarding the processing of the Personal Data;
   (c) keep all Personal Data segregated from any other data held by LFL, its contractors or sub-contractors;
   (d) not transfer or process any Personal Data provided by LFL outside of the relevant country it was initially obtained or received by Vendor, without LFL’s prior written consent or the prior written consent of the relevant individual to which the Personal Data in question relates;
   (e) only process, use, access, hold and store the Personal Data for the purposes in which it was disclosed or provided to Vendor, and within the parameters of the consent given by the individual to which the Personal Data relates, and not to otherwise disclose or misuse any Personal Data;
   (f) not transfer or disclose (whether free of charge or in return for gain) any Personal Data to any third party, unless it has obtained the prior written consent of either LFL or the individual to which the Personal Data relates, and shall keep LFL informed of such transfers;
   (g) use its best endeavours to implement reasonably appropriate technical and organisational security measures against unauthorised or unlawful use, processing, access, storage, transfer or disclosure of Personal Data, and against accidental or unauthorised loss, disclosure, access, destruction or damage to such Personal Data;
   (h) use reasonable security programs and procedures for the purpose of ensuring that only its authorised employees and sub-contractors have access to the Personal Data on a strictly need-to-know basis, and those authorised employees and sub-contractors will respect and maintain all due confidentiality in the Personal Data;
   (i) not retain the Personal Data for longer than is necessary for the fulfilment of the purpose in which it was disclosed or transferred to Vendor (including any directly related purpose);
   (j) immediately allow LFL to access the Personal Data held by it at any time, upon LFL’s request;
   (k) immediately return, destroy or erase, as directed by LFL in writing, any Personal Data stored or held by it (in whatever format), and promptly confirm in writing to LFL its compliance with such a request; and
   (l) provide individuals with rights of access to and correction of their personal data held by it, and promptly comply with any such requests of access and/or correction to their personal data, in accordance with applicable Privacy Laws.

16.3 The Vendor undertakes to:
   (a) advise LFL immediately of any breach of any of the obligations set out in clauses 16.1 and 16.2; and
   (b) take all commercially reasonable steps to remedy that breach as soon as is practicable and to advise LFL as soon as the Vendor has done so.

17 Taxes

17.1 Except as expressly stated otherwise, any amount that may be payable under the Agreement is inclusive of Taxes.

18 Force Majeure

18.1 LFL shall not have any liability for delays of failures to perform due to strikes, fires, government restrictions or other such circumstances reasonably beyond the control of the Parties.

19 Assignment and Sub-contracting

19.1 Subject to clause 19.2, neither Party may assign its rights and/or obligations under the Agreement without the prior written consent of the other Party (such consent not to be unreasonably withheld).
19.2 LFL may, with prior notice to the Vendor, assign or novate any or all of LFL’s obligations and rights under the Agreement to any Affiliate of LFL.

19.3 The Vendor may not sub-contract its obligations under the Agreement unless LFL consents to such arrangement. Sub-contracting does not relieve the Vendor from any of its obligations under the Agreement and the Vendor will be liable for the acts, omissions, defaults and negligence of its sub-contractors.

20 Entire Agreement

20.1 The Agreement (including these Standard Vendor Terms and Conditions) contains or incorporates by reference the entire agreement and understanding between the Parties on everything connected with the subject matter of the Agreement. Except as may be specifically provided in the Agreement, any terms and conditions contained in, or relating to, any other documents, including any of the Vendor’s documents, in respect of the Services / Products are excluded.

21 Intellectual Property Rights

21.1 The Parties agree that as between them:

(a) LFL shall remain the owner of all rights, title and interests (including all Intellectual Property Rights) that subsist in the LFL Materials; and

(b) Vendor shall remain the owner of all rights, title and interests (including all Intellectual Property Rights) that subsist in the Vendor Materials.

21.2 All Intellectual Property Rights discovered or created in the course of or in connection with the supply of the Services / Products shall vest in LFL upon their creation. The Vendor hereby assigns to LFL all such Intellectual Property Rights, with full title guarantee.

21.3 The Vendor grants to LFL a perpetual, irrevocable, worldwide, royalty-free, non-exclusive licence (including a right to grant sublicenses, assign and modify) to use or exploit all Vendor Materials owned by the Vendor, or that the Vendor has the right to sublicense, to the extent necessary or desirable for LFL to fully enjoy, utilise and exploit the benefits of the Services and/or Products. This licence will survive termination or expiration of the Agreement.

21.4 The Vendor warrants that the supply of the Services and/or Products and anything the Vendor does in providing LFL with any Services and/or Products does not and will not infringe the Intellectual Property Rights of any third party and Vendor indemnifies LFL against any Loss arising from any allegation of infringement.

21.5 The Vendor must not reproduce any of the LFL or its Affiliates’ trade marks, service marks, trade names, business names, logos or any other Intellectual Property Rights owned by LFL except with LFL’s prior written approval (which may be withheld at LFL’s sole discretion).

21.6 Vendor grants to LFL a perpetual, irrevocable, worldwide, royalty-free, non-exclusive licence (and the right to sublicense) Third Party IP. Vendor shall notify LFL of, and shall obtain LFL’s prior written consent for, all Third Party IP to be embedded, incorporated or otherwise provided as part of the Services and/or Products that are necessary for LFL to fully use and benefit from the Services and/or Products. Vendor must inform LFL of all license restrictions associated with the use of the Third Party IP prior to obtaining LFL’s prior consent. Vendor shall be responsible, at no additional cost to LFL, to obtain the license rights with respect to the Third Party Intellectual Property which are necessary for the purposes of this clause 21.6.

22 Dispute Resolution

22.1 If a dispute arises between the Parties in connection with the Agreement then either Party can provide the other Party with a written notice of the dispute (“Dispute Notice”). The Dispute Notice shall contain particulars of the dispute. The Parties must use reasonable endeavours to settle the dispute as soon as practicable.

22.2 If the Parties do not resolve the dispute within 10 Business Days after the date of the Dispute Notice, each Party must refer the dispute to a senior manager having authority to resolve the dispute. In the event that the senior managers fail to settle such dispute within 20 Business Days of the date of the Dispute Notice (or such longer period as the Parties may mutually agree in writing), then either Party may initiate arbitration proceedings in respect of such Dispute, pursuant to clause 22.4 below.

22.3 The Parties must procure their senior managers to use all reasonable endeavours to settle the dispute.

22.4 Subject to clauses 22.1 and 22.2, any dispute, controversy, difference or claim arising out of or relating to the Agreement, including the existence, validity, interpretation, performance, breach or termination thereof or any dispute regarding non-contractual obligations arising out of or relating to it shall be referred to and finally resolved by arbitration in Hong Kong, administered by the Hong Kong International Arbitration Centre ("HKIAC") under the HKIAC Administered Arbitration Rules in force when the Notice of Arbitration is submitted. The number of arbitrators shall be one (1).

22.5 The agreement, and any dispute or claim arising out of or in connection with its subject matter or formation, shall be governed by the laws of Hong Kong SAR.

22.6 Notwithstanding clauses 22.1, 22.2 and 22.4, either Party may seek remedies before any court of competent jurisdiction, at any time, for the purposes of obtaining interim or interlocutory relief in relation to any breach of the Agreement.

23 Corporate Responsibility

23.1 The Vendor warrants and undertakes at all times during the Term, that it shall (and shall procure that each of its subcontractors and Vendors shall):

(a) only employ workers who meet the minimum applicable legal age requirement or are at least 15 years of age, whichever is greater, and shall comply with all other applicable child labour laws;

(b) not utilise any prison or forced labour;

(c) adhere to and be in compliance with all LFL and/or its customers’ codes of conduct, business compliance practices, and corporate social responsibility requirements set forth by LFL, all applicable laws, rules and regulations, including, but not limited to, applicable child labour laws and regulations, and all customs laws and regulations, as they may be amended from time to time.

24 Miscellaneous

24.1 Any of LFL’s rights under the Agreement can only be waived by LFL in writing.

24.2 An amendment or variation to the Agreement is not effective unless it is in writing and signed by both Parties.

24.3 LFL may exercise a right, remedy or power in any way LFL consider appropriate.

24.4 If LFL does not exercise a right, remedy or power at any time this does not mean that LFL cannot exercise it later.

24.5 To the extent of any inconsistency between the rest of the Agreement and these Standard Vendor Terms and Conditions, these Standard Vendor Terms and Conditions, the rest of the Agreement prevail to the extent of any such inconsistency.

24.6 The rights, powers and remedies provided in these terms are in addition to any rights, powers and remedies provided by law.

24.7 If anything in the Agreement is unenforceable, illegal or void then it is severed and the rest of this agreement remains in force.

24.8 Each Affiliate of LFL shall be entitled to enforce against the Vendor any terms of the Agreement which refer to, purport to grant a right to, or which are said to be for the benefit of the Affiliates of LFL including clause 14.2, even if they are not a Party to the Agreement. Save for the foregoing, a person who is not a Party has no right to enforce or to enjoy the benefit of any term of the Agreement. The rights of the Parties to terminate, rescind or agree any variation, waiver or settlement under the Agreement are not subject to the consent of any other person.

25 Interpretation

25.1 In the Agreement and these Standard Vendor Terms and Conditions unless the contrary intention appears:

(a) a reference to the Agreement or another instrument includes any variation or replacement of either of them;

(b) a reference to the Agreement shall include these Standard Vendor Terms and Conditions;

(c) the singular includes the plural and vice versa;

(d) the word “person” includes a firm, a body corporate, an unincorporated association or an authority;

(e) a reference to a person includes a reference to the person’s executors, administrators, successors, substitutes (including, but not limited to, persons taking by novation) and assigns;

(f) if a period of time is specified and dates from a given day or the day of an act or event, it is to be calculated inclusive of that day;
25.2 Headings are inserted for convenience and do not affect interpretation of the Agreement.

26 Definitions

In the Agreement unless the contrary intention appears:

Affiliate means, with respect to a company, corporation, entity or person (the "first organisation"), a company, corporation, entity or person which controls, is controlled by, or is under common control with the first organisation, control being defined as either:

(a) a direct or indirect ownership (economic or voting) interest of 25% or more; or
(b) the right to control the management of the relevant entity, or the right to appoint or remove a majority of the board of directors or its supervisory or management board or such other body in which the management of the relevant entity is vested, as the case may be;

Agreement means any document and/or undertaking (regardless of whether they are given verbally, in writing or otherwise) which is capable of binding LFL and the Vendor in relation to the provision of the Services and/or the Products, such document include without limitation, the VSA, pricing quotations, written / verbal instructions, requests for proposals, purchase orders, letters of intent and etc and otherwise as the case may be;

Agreement Specifics means the Agreement Specifics section of the VSA.

Business Day means a day on which trading banks are open for business in the country where LFL's office is located, excluding Saturday, Sunday or a public holiday.

Change Quotation has the meaning given in clause 8.2(a)

Change Request has the meaning given in clause 8.1.

Defective Services means Services or the results of any Services which are not in conformity with the Agreement, are of inferior quality or workmanship or are otherwise unsatisfactory.

Defective Products means Products which are not suitable for the purpose required by LFL, are not in conformity with the Agreement, are dangerous or harmful for normal use, are inherently dangerous due to defective design, assembly or manufacture or otherwise unsatisfactory.

Disputed Invoice has the meaning given in clause 7.2.

Fee means the amount of fees or the price or rates payable by LFL to the Vendor for the Services and/or Products as specified in the Agreement.

Insolvency Event means, in relation to an entity:

(a) the entity entering into or resolving to enter into any arrangement, composition or compromise with or assignment for the benefit of its creditors or any class of them in any relevant jurisdiction;
(b) the entity being unable to pay its debts when they are due or being deemed under any statutory provision of any relevant jurisdiction to be insolvent or bankrupt;
(c) a liquidator or provisional liquidator being appointed to the entity or a receiver, receiver and manager, trustee or similar official being appointed over any of the assets or undertakings of the entity, the adoption of a plan relating to the liquidation or dissolution of the entity, or an event analogous with any such event occurring in any relevant jurisdiction; or
(d) an application or order being made or a resolution being passed for bankruptcy, winding up or dissolution of the entity;

Intellectual Property Rights means all copyright, patents, utility innovations, trade marks and service marks, or rights in databases, inventions or trade secrets, know-how, geographical indications, topographies, trade and business names, domain names, registered designs, design rights, database rights, rights protecting trade secrets and confidential information, rights protecting goodwill and reputation, and all other similar or corresponding proprietary rights and all applications for the same (where such applications can be made), whether presently existing or created in the future, anywhere in the world, whether registered or not, and all benefits, privileges, rights to sue, recover damages and obtain relief for any past, current or future infringement, misappropriation or violation of any of the foregoing rights;

LFL Confidential Information means, in relation to LFL, information of any kind (whether provided orally, in writing, or in any other form whatsoever) concerning or in any way connected with LFL or its Affiliates (including its business, customers, affairs and property) and which is disclosed (by any means) to the Vendor or which comes to the knowledge of the Vendor by any means (including during negotiations preceding the Agreement);

LFL Materials mean any documents, materials, content, software, designs, drawings, reports, notes, specifications, photographs, audio-visual materials, recordings and anything else in any format whatsoever, which are provided by LFL or developed or brought into existence by or on behalf of LFL or its Affiliates, and any enhancements or modifications thereto, including the LFL Confidential Information.

LFL means the contracting LFL entity under the Agreement.

Loss or Losses means any and all losses, damages, judgments, awards, fines, penalties, sanctions, settlements, claims, demands, actions, costs, charges, expenses or any other liabilities of whatsoever nature (including attorney and legal fees for both internal and external counsel, and costs related to investigations, expert witnesses, court costs or other litigation or settlement expenses).

Party means the Vendor or LFL, and Parties means both the Vendor and LFL.

Personal Data has the same meaning as "personal data" or "personal information" as defined in the applicable Privacy Law.

Privacy Laws means the EU General Data Protection Regulation and all applicable laws and regulations, and all principles, policies, codes or guidelines issued by any government or regulatory authority with competent jurisdiction, which govern, regulate or protect personal data privacy and/or data or information relating to an individual.

Products means the products specified in the Agreement including without limitation the products specified in the Commercial Arrangements Schedule of the VSA.

Service Levels means the key performance indicators and/or service levels (if any) specified in the Agreement.

Standard Vendor Terms and Conditions means the terms and conditions set out in this document.

Vendor means the person or entity selling or providing the Services and/or the Products, including without limitation the person or entity named as the Vendor in the Agreement Specifics of the VSA.

Vendor Materials mean all Intellectual Property Rights which the Vendor can demonstrate by written records have been developed, created, written or otherwise brought into existence by the Vendor independently of the performance of the Vendor's obligations under the Agreement or any LFL Materials;

VSA the LF Logistics Vendor Services Agreement binding LFL and the Vendor which is stated to be subject to these Standard Vendor Terms and Conditions.

Taxes means any and all present and future sales, use, personal, property, real property, value added, goods and services, turnover, stamp, documentary, interest equalisation, business, occupation, excise, income, corporation, profits, gains, gross receipts, or other taxes, fees, withholdings, imports, levies, duties or other charges of any nature whatsoever or whenever imposed (other than Taxes on LFL's net income) by any government, governmental, semi-governmental or other relevant authority, together with any penalties, fines or interest thereon or similar additions thereto, imposed, levied or assessed or otherwise payable.

Term means the term of the Agreement, including without limitation the term specified in the Agreement Specifics of the VSA.

Third Party IP means Intellectual Property Rights owned by a third party that the Vendor embeds, incorporates or otherwise provides as part of the Services / Products or that are otherwise necessary for LFL to fully use and benefit from the Services / Products.

Warranty Period means, in respect of each Service / Product, the period of 12 months from the date on which the Service is performed / the Product is accepted by LFL.
## Labor Practices

### Voluntary labor
All work should be voluntary and not performed under threat of penalty or coercion. Forced labor, including bonded, trafficked, indentured or prison labor, is prohibited.

### Working age
Employees should not be younger than the minimum employment age of the relevant country, or the maximum age of compulsory education, whichever is higher. Not under any circumstance should workers be younger than 15 years of age.

### Fair and equal treatment
All employees must be treated with respect and dignity. In other words, the workplace should be free of emotional, verbal and physical abuse.

Moreover, employees must not be subjected to discrimination in hiring, compensation or discipline, on the basis of gender, age, religion, marital status, race, sexual orientation, disability, disease, nationality, pregnancy, or trade union and/or political affiliation.

### Wages, benefits and terms of employment
Employee compensation – including wages, overtime pay, benefits and paid leave – must meet or exceed legal minimum and/or industry standards and/or collective bargaining agreements, whichever is higher. Wages for traineeships and apprenticeships should also meet at least the legal minimum. Disciplinary deductions from compensation are not allowed.

### Working hours
Working hours should not exceed 60 hours per week. All overtime must be voluntary, mutually agreed and compensated at a premium rate. Employees should be given at least 1 rest day in any 7-day period.

### Freedom of association and recognition of the right to collective bargaining
Suppliers must respect the right of employees to freedom of association and collective bargaining as permitted by law.

## Ethical Conduct

### Suppliers must operate with high ethical standards and should not be involved in any corruption, extortion, bribery, fraud, false declarations, counterfeiting or insider trading.

### Safe places to work
Suppliers should promote and maintain a safe, hygienic and healthy working environment and residential facilities, where provided. Adequate measures, systems, protections and training must be implemented to prevent harm to employees’ health, safety and well-being.

### Environmental Protection
Suppliers should actively work to improve the environmental performance of their operations. This includes measures to mitigate adverse environmental impacts, and to improve material and resource efficiency, reduce waste and prevent pollution.

### Responsibility, Transparency and Accountability
Suppliers must be transparent in their policies, processes, and standards which govern their operations and which are related to their compliance with the Code. As such, Suppliers should educate their employees and managers on their rights and responsibilities related to upholding the Code.

As a condition of doing business with LF Logistics (Hong Kong) Limited, Suppliers agree to give LF Logistics (Hong Kong) Limited, our customers or third-party representatives unhindered access, with or without notice, to their facilities and records related to compliance with the Code.

Should a Supplier be unable to comply with the Code a corrective action plan should be put in place and the Supplier must actively progress towards compliance. Otherwise, LF Logistics (Hong Kong) Limited reserves the right to terminate our relationship.