

# LABOR CONTRACT

(English counterpart; article numbering follows the Chinese original)

Party A (Employer): \_\_\_\_\_

Party B (Employee):           Name: \_\_\_\_\_           Sex: \_\_\_\_\_

Citizen Identity Number: \_\_\_\_\_

**Which version prevails.** \_\_\_\_\_

In accordance with the Labor Law of the People's Republic of China, the Labor Contract Law of the People's Republic of China and other laws, regulations and rules, and on the basis of equality, free will and consensus through consultation, Party A and Party B agree to conclude this labor contract and to jointly observe the terms set out herein.

## **I. Type and Term of the Contract**

**Article 1** The term of this contract is determined by Party A and Party B in form \_\_\_\_\_ below:

- (a) Fixed term: from \_\_\_\_\_ to \_\_\_\_\_, of which the probation period runs from \_\_\_\_\_ to \_\_\_\_\_.
- (b) Open-ended term: from \_\_\_\_\_ until a statutory ground for termination arises.
- (c) Term expiring upon completion of a specified task: commencing on \_\_\_\_\_ and terminating upon completion of the task. The probation period runs from \_\_\_\_\_ to \_\_\_\_\_.

## **II. Job Content and Place of Work**

**Article 2** According to Party A's operational needs, Party B agrees to perform the work of the position (occupation) \_\_\_\_\_. The position (occupation) may be changed upon consensus of both parties through consultation.

**Article 3** Party B shall complete the prescribed quantity of work on time and meet the prescribed quality standards in accordance with Party A's requirements.

**Article 4** Party B agrees to perform work at the place of work \_\_\_\_\_ arranged by Party A.

## **III. Working Hours and Rest and Leave**

**Article 5** Party B is subject to the \_\_\_\_\_ working-time system.

- (a) Under the standard working-hour system, Party A shall not arrange working hours exceeding eight hours per day or forty hours per week for Party B. Where Party A needs to extend working hours for operational reasons, it may do so after consultation with Party B and in accordance with the Labor Law.
- (b) Under the comprehensive working-hour system, approval from the labour security department is required as prescribed.
- (c) Under the irregular working-hour system, Party B arranges working hours, rest and leave independently.

**Article 6** Party B is entitled to all rest and leave prescribed by the State during the contract term.

## **IV. Labour Protection, Working Conditions and Occupational Hazard Prevention**

**Article 7** Party A shall strictly implement the national and local laws, regulations and rules on labour protection, provide Party B with the necessary working conditions and tools,

establish and improve production workflows, and formulate operating procedures, work standards, and occupational safety and health systems and their standards.

**Article 8** Where Party B performs work involving exposure to occupational disease hazards, Party A shall organise pre-employment and upon-departure occupational health examinations as prescribed by the State, and shall conduct periodic occupational health examinations for Party B during the contract term.

**Article 9** Party A is obliged to educate and train Party B in political and ideological matters, professional ethics, professional and technical skills, occupational safety and health, and the relevant rules and regulations.

**Article 10** Party B is entitled to refuse Party A's instructions given in violation of regulations, and is entitled to criticise and to report or lodge complaints with the relevant authorities regarding conduct by Party A and its managers that disregards Party B's safety and health.

## **V. Labour Remuneration**

**Article 11** Party B's wage during the probation period is RMB \_\_\_\_\_ per month. (The probation wage shall not be lower than 80% of the wage after probation, nor lower than the minimum wage standard at the place where the employer is located.)

**Article 12** After the probation period, Party A shall, in accordance with its wage system, determine that Party B is paid on a monthly basis, with a total monthly wage of RMB \_\_\_\_\_. Other allowances and bonuses shall be paid in accordance with Party A's rules and its operating situation.

**Article 13** Party A is entitled to adjust Party B's remuneration according to its production and operating situation, changes in Party B's position, and the lawfully formulated remuneration distribution measures.

**Article 14** Party A shall pay Party B's wage monthly in legal tender, on the \_\_\_\_\_ day of each month, and shall not deduct it or delay payment without cause.

**Article 15** Where Party A arranges for Party B to work extended hours, or to work on rest days or statutory holidays, it shall arrange compensatory leave or pay the corresponding remuneration in accordance with law.

## **VI. Social Insurance and Welfare Benefits**

**Article 16** Party A shall pay social insurance contributions for Party B in accordance with the laws, regulations and policies of the State and the local government on social insurance; the individually payable portion shall be withheld and paid on Party B's behalf by Party A as prescribed by the State.

On termination or ending of the labor contract by mutual agreement, Party A shall handle the related social insurance procedures for Party B in accordance with the relevant provisions.

**Article 17** Party B's medical treatment and benefits in case of illness or non-work-related injury, and female employees' benefits during pregnancy, maternity and lactation, shall be implemented in accordance with the relevant policies of the State and the local government.

## **VII. Labour Discipline and Rules and Regulations**

**Article 18** Rules and regulations lawfully formulated by Party A that directly concern the vital interests of employees shall be publicised or notified to Party B.

**Article 19** Party B shall strictly observe the rules and regulations lawfully formulated by Party A, complete labour tasks, improve professional skills, implement occupational safety and health procedures, and observe labour discipline and professional ethics.

**Article 20** Where Party B violates labour discipline, Party A may, in accordance with the rules and regulations it has lawfully formulated, impose corresponding administrative handling, disciplinary sanctions or economic penalties, up to and including termination of the labor contract.

## **VIII. Amendment, Termination, Ending and Renewal of the Labor Contract**

**Article 21** This contract may be terminated by consensus of Party A and Party B through consultation.

**Article 22** Relevant content of this contract may be amended by consensus through consultation. Amendment of a labor contract shall be made in writing.

**Article 23** Party A may terminate the labor contract where Party B falls under any of the following circumstances:

1. during the probation period, it is proven that Party B does not meet the recruitment conditions;
2. Party B seriously violates labour discipline or the rules and regulations lawfully formulated by Party A;
3. Party B commits serious dereliction of duty or practices graft, causing substantial damage to Party A's interests;
4. Party B has established a labor relationship with another employer at the same time, seriously affecting the completion of Party A's tasks, or refuses to rectify the situation after Party A raises it;
5. Party B caused Party A to conclude or amend this contract against its true intention by means of fraud, coercion, or taking advantage of Party A's distressed position;
6. Party B is held criminally liable in accordance with law.

**Article 24** Party A may terminate this contract where any of the following circumstances arises, but shall notify Party B in writing thirty days in advance:

1. Party B, having fallen ill or sustained a non-work-related injury, cannot engage in the original work nor in other work separately arranged by Party A after the medical treatment period expires;
2. Party B is incompetent for the position and remains so after training or adjustment of the position;
3. the parties cannot reach agreement on amending the contract.

**Article 25** Where Party A terminates Party B's labor contract due to workforce reduction, it shall proceed in accordance with Article 41 of the Labor Contract Law.

**Article 26** Where any of the following circumstances applies to Party B, Party A shall not end or terminate this contract under Articles 23 or 24 hereof:

1. Party B is engaged in work exposing it to occupational disease hazards and has not undergone a pre-departure occupational health examination, or is a suspected case-patient under diagnosis or medical observation;
2. Party B has contracted an occupational disease or sustained a work-related injury and reaches a grade for which the State prescribes that the labor contract may not be ended or terminated;
3. Party B is ill or has sustained a non-work-related injury and is within the prescribed medical treatment period;
4. a female employee is within pregnancy, maternity or lactation period;
5. Party B has worked continuously for Party A for fifteen years and is less than five years from the statutory retirement age;
6. Party B serves as a collective consultation representative and is performing representative duties;
7. other circumstances conforming to laws and regulations.

**Article 27** Party B may notify Party A at any time and terminate this contract where any of the following circumstances arises, and Party A shall pay the corresponding remuneration and pay social insurance in accordance with law:

1. the employer fails to provide labour protection or working conditions as agreed in the labor contract;
2. the employer fails to pay labour remuneration in full and in time;
3. the employer fails to pay social insurance contributions for the employee in accordance with law;
4. the employer's rules and regulations violate laws and regulations and impair the employee's rights;
5. the labor contract is rendered invalid by a circumstance prescribed in Article 26 of the Labor Contract Law;
6. other circumstances in which laws or administrative regulations permit the employee to terminate the labor contract.

**Article 28** Party B may terminate the labor contract by notifying Party A in writing thirty days in advance.

**Article 29** This labor contract ends upon expiry of the contract term. Where a circumstance prescribed in Article 42 of the Labor Contract Law applies, the contract shall be

extended until the corresponding circumstance ceases, at which point it ends. The parties may renew the labor contract upon consensus through consultation.

## **IX. Economic Compensation and Damages**

**Article 30** Where Party A terminates Party B's labor contract, other than in the circumstances prescribed in Article 23 hereof, Party A shall pay Party B economic compensation in accordance with Article 47 of the Labor Contract Law.

**Article 31** Where Party A terminates or ends the labor contract in violation of the Labor Contract Law, it shall pay Party B damages at twice the economic compensation standard prescribed in Article 47 of the Labor Contract Law.

**Article 32** Where Party B terminates the labor contract in violation of the Labor Contract Law and causes loss to Party A, Party B shall bear liability for compensation.

## **X. Training Service Period and Non-Competition**

**Article 33** Where Party B receives specialised technical training funded by Party A during the contract term, the agreed service period for Party A runs from \_\_\_\_\_ to \_\_\_\_\_. If Party B breaches this article and terminates the contract early, Party B shall reimburse Party A training costs of RMB \_\_\_\_\_; where part of the service period has been performed, reimbursement is pro-rated to the unperformed portion of the training costs.

**Article 34** The parties may separately conclude a Training/Education Agreement specifying the service period and the compensation standard, which shall be implemented.

**Article 35** Party B shall keep Party A's trade secrets confidential. A trade secret means technical secrets and business information that is not known to the public, can bring economic benefits to Party A, is practical, and for which Party A has taken confidentiality measures. Including but not limited to:

A. Technical information, generally comprising technical proposals, engineering design, manufacturing methods, formulations, process flows, technical indicators, databases, test results, drawings, samples and prototypes, models and moulds, operation manuals, technical documents, and business correspondence involving trade secrets.

B. Business information, generally comprising customer lists, marketing plans, procurement data, pricing policies, non-public financial resources, labour remuneration, supply channels, production and sales policies, and the subject matter and bid contents in tendering.

C. Matters for which the company owes confidentiality obligations externally under law or under relevant agreements.

## **XI. Other Matters Agreed by the Parties**

**Article 36** \_\_\_\_\_

## **XII. Dispute Resolution**

**Article 37** Where a dispute arising from this contract cannot be settled through consultation, either party may apply for arbitration to the labour arbitration commission at Party A's location, or bring litigation before the people's court at Party A's location.

### **XIII. Miscellaneous**

**Article 38** Matters not covered by this contract shall be handled in accordance with laws, regulations, rules and the rules and regulations lawfully formulated by Party A. Once this contract is concluded in accordance with law, both parties must perform it strictly.

**Article 39** This contract is made in two originals, one held by each of Party A and Party B.

Party A: (seal)

Party B: (signature) \_\_\_\_\_

Legal representative or principal person in  
charge: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_