



**Minth Group limited**

**Supplier Integrity Agreement Version : 1.0**

Agreement Organization: **Party A: Minth Group Limited** Signed Date : Y\_\_\_\_\_M \_\_\_D\_\_\_\_\_

**Party B:**

In order to ensure that both parties sign and execute all the related contracts (Including but not limit to contracts related to supply, R&D, construction, sale, engineering, maintenance & repair, service, etc., hereinafter referred to as " purchasing ") under the principle of fairness, justice and publicity, avoid corruption, and effectively protect the lawful interests of both parties and build long-term win-win cooperative relationship, both parties agree to sign and comply with this agreement.

**Article I** Party B and its employees (and their related person, similarly hereinafter) shall not send cash or cash equivalents including but not limited to cash gift, securities, payment proof, shopping card and present, including present for wedding and funeral, to Party A ’ s employees; Party B shall not arrange activities including, but not limited to, banquet, travel or consumption, activities related to sex, gambling and drugs for Party A ’ s employees; Party B shall not lend or lease any vehicle to Party A ’ s employees, or enter into a relationship such as a joint venture or partnership with Party A ’ s employees.

**Article II** Party B and its employees shall not recruit or solicit Party A ’ s employees. This includes engaging in related activities, but not limited to designing, processing, maintenance, technical tutor (including providing technical information) outside of Party A’s interests. Party B shall not provide convenient conditions to let Party A ’ s employees, their relatives and/or friends receive private interests.

**Article III** If Party B behaves unethically, with offering bribes, or does not cooperate positively, or intentionally hides related information during Party A ’ s investigation, then the default penalty as stipulated in article IX of this agreement shall be increased by \$16,000 USD (At the same time, Party A has the right to stop the payment, and to restrict any further sourcing of business and/or terminate the cooperative relationship, and put Party B into the “Dishonest Suppliers list” of Party A.

**Article IV** Party B positively cooperates during Party A ’ s investigation, provides real information and has not caused negative influence. The default penalty can be reduced according to Article IX based on the level of seriousness. For bribery solicited by Party A ’ s employees, after investigation confirms Party A’s actions, Party B ’ s liability of breach of contract can be reduced or exempted; Party A ’ s employee must turn in any offering from Party B according to the internal process, Party B ’ s liability of breach of contract can be exempted under this principle.

**Article V** If Party B reports the soliciting of bribes by Party A ’ s employees, once verified, Party A can give permission to Party B to resume new project cooperation and potential sourcing.



**Article VI** Party B is not allowed to bid or quote illegally or conduct irregular purchasing activities. Any unethical practices will result in elimination from sourcing consideration. Party B will not propose an unrealistic quote in an effort to win the business, resulting in unjustifiable price increases or other risks.

**Article VII** If Party B is a relative to Party A, Party B is not allowed to participate in any purchasing activity without written declaration and permission. If no permission is granted, Party B's supplier qualification will be cancelled and Party B will be put into "Dis-honest Supplier list." In the event that a colleague of Party A resigns and is hired by Party B, it must be reported in writing such as an e-mail within one month to Party A.

**Article VIII** Party B and its members including, but not limit to, its employees, stockholders, members of the board of directors, members of the board of supervisors, as well as any relative of all those mentioned above. Any behavior from Party B that violates this agreement is not regarded as a personal violation, it is regarded as Party B's violation. Party B will be pursued for breach of contract, and will be liable if this offence is the against law.

**Article IX** Liability of breach of contract for this Agreement by Party B, the penalty will be charged accordingly, based on the below scenarios:

- 1) If purchasing value in the last 12 months (once breach of contract is confirmed, similarly hereinafter), is equal to or less than \$16,000 USD, then the penalty shall be 50% of actual total purchasing amount, minimum is \$5,000 USD**
- 2) If purchasing value in the last 12 months is more than \$16,000 USD and less than \$160,000 USD, then the penalty shall be 30% of actual total purchasing amount,**
- 3) If purchasing value in the last 12 months is more than \$160,000 USD, then the penalty shall be 20% of actual total purchasing amount,**
- 4) Actual purchasing value includes amount of signed contract, agreement, and the amount that really happened but without signing of contract, agreement.**
- 5) If Party B's breach of contract occurs before accepting the contract, during contract execution, or after fulfillment, Party A reserves the right to terminate the agreement after verification and retract Party B's business award or ask Party B to pay the penalty.**

**Article X** Party A has to inform Party B in writing, such as by e-mail, when Party A is requesting the penalty in Article IX be executed by Party B. Relevant data, proof of violation, as well as breakdown of penalty amount will be provided by Party A. If **Party B objects this claim, they must respond in writing such as by e-mail within 48 hours of receiving this penalty notification. Party B must include a detailed explanation with justification, otherwise, it will be regarded as acceptance of Party A's notification.**



**Article XI** Penalty of this Agreement exists in the event that Party B has breached this agreement. Evidence of a breach of this contract include but are not limited to gifts or other property interests related to bribes, testimony of Party A or Party B or another third Party, material evidence, documentary evidence, testimonies, audio-visual material and other supporting information.

**Article XII** When this Agreement conflicts with other contracts or agreement, the contract or agreement with higher penalty shall prevail.

**Article XIII** Party B reserves the right to report or make a complaint relating to a breach of contract by Party A's employees. After any breach of contract by Party A's employee's, including the soliciting of bribes, Party A must provide feedback to Party B within 1 week after report of this violation. In complicated scenarios, Party A will inform Party B of the investigation deadline, and keep Party B informed of the investigation schedule and result.

**Reporting channels of Minth Group :**

Contact number: 0573-83686531 (24/7 message service)

E-mail : Audit.rdc@minthgroup.com

**Mark :**

1. Party A Minth Group limited, refers to Minth Group limited and any of its subsidiary company/affiliate, includes but not limit to:
2. Related person definition
3. Minth employee's parents, spouse, brothers, sisters, children, parents in law, brothers and sisters in law and all the organizations that related persons own, control or hold stocks or hold position or have direct connection
4. Minth's resigned employee whose resignation period is less than 5 years, or all the organizations that such employee owns, controls or holds stocks or holds position or has direct connection
5. Any other person who may affect fair dealing.

Party A:

Party B:

Signature:

Signature: