

# Supplier conduct manual

Demander's company  
name (Party A) : Shenzhen AV-Display Co., LTD

Supplier Enterprise Name  
(Party B) : \_\_\_\_\_

Agreement Number: \_\_\_\_\_

Both parties undertake solemnly

Acknowledge all contents of the manual (total nine chapters) and implement them  
effectively



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This Agreement consists of 11 pages

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## Chapter I General Provisions

### Article 1 Commitments of Both Parties

Shenzhen AV-Display Co., LTD. (referred to as Party A) is a high-tech enterprise specializing in the research and development, design, production and sales of liquid crystal display devices and their supporting products. It is committed to becoming a one-stop service provider of human-machine interface and intelligent control products worldwide, and providing customers with standard and customized overall solutions for touch display. The products are widely used in industrial control, medical treatment, smart home, electricity meter, instrument and meter, human-machine interface, vehicle display and other information terminal fields.

Party A adheres to the principle of "presenting the world, restoring the reality; Connect everything and create value." "To be a leader in the human-computer interface industry".

Mission and vision, adhere to the "integrity, enterprising, team, innovation." The spirit of enterprise. "Treat people with affection and deal with things rigorously." "Values.

As a quality supplier of Party A, Party B highly recognizes the mission, vision and core values of Party A and is willing to provide products/services recognized by both parties to Party A. The parties hereby enter into this agreement on the principle of "mutual benefit and common development" for mutual compliance by both parties.

### Article 2 The scope of application of this Agreement

This Agreement shall apply to Party B who provides materials or services necessary for production to Shenzhen AV-Display Co., LTD and its subsidiaries (hereinafter referred to as "Party A").

### Article 3 Related Terms

1. Intellectual property rights: means patent rights, trademark rights, Copyrights, proprietary technologies, industrial designs, trade secrets, layout design rights of integrated circuits and other intangible property rights, including but not limited to the subject matter covered by them, the right of implementation, the right of application and other related rights.
2. EAR: Export Administration Regulations.
3. ECCN: Export Control Classification Numbers. 3. ECCN: Export Control Classification Numbers.

## Chapter II Clean and Sunny Cooperation

### Article 1 Code of Conduct

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1. Make a joint commitment
  - 1) Both parties shall consciously abide by the relevant laws, regulations, rules and regulations on fair trade, honesty and self-discipline, and combating corruption.
  - 2) Both sides shall strictly abide by business ethics and market rules, and jointly create a fair and just trading environment.
  - 3) The two sides should strengthen the management and education of their respective personnel and consciously resist dishonest acts.
2. Party B and its personnel shall comply with the following provisions
  - 1) Party B shall not resort to fraud, shoddy work, participate in cooperation in the name of any other person or defraud the qualification of cooperation by other means;
  - 2) shall not violate laws and regulations in bidding (bid-rigging, bidding, bid raising, etc.), bidding or other means to affect the fairness and justice of cooperation;
  - 3) Party A shall not privately negotiate or reach a tacit understanding with Party A's employees, including but not limited to procurement personnel, quality inspection personnel, Treasury personnel and financial personnel, regarding contract, cost, delivery, acceptance, quality and other issues in the course of business cooperation;
  - (4) shall not provide Party A's employees or their relatives with cash, gift money, marketable securities, payment vouchers, shopping cards, gifts, tobacco and alcohol, valuables, rebates, gratuities, thank-you fees, intermediary fees, commission (remuneration), etc. in any way or for any reason;
  - 5) Shall not reimburse Party A's employees or their relatives for any expenses that should be borne by Party A or Party A's employees;
  - 6) Party A shall not give any transportation or housing to Party A's employees or their relatives or provide loans to Party A's employees or their relatives;
  - (7) Party A shall not, in any way (directly or indirectly) or for any reason, purchase or provide housing, means of communication, means of transportation or non-low-value cultural articles for Party A's employees or their relatives at significantly lower than market value;
  - 8) Party B shall not provide Party A's employees or their relatives with any advantage or benefit in the purchase or decoration of housing, weddings or funerals, schooling of children, work arrangement of spouse or children, etc.;
  - 9) Party A shall not provide Party A's employees or their relatives with banquets (except working meals), gambling, fitness, accommodation, travel, entertainment (including but not limited to business karaoke halls, dance halls, KTV, nightclubs, sauna, massage, golf, etc.) and other activities;

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- 10) Shall not inquire about the business secrets involving Party A from Party A's employees or their relatives;
  - 11) During the period of business relations between the parties and within three years after the termination of cooperation, Party A shall not employ any former employee of Party A or his or her relatives to work for Party B or Party B's affiliated companies in any way;
  - 12) Shall not jointly establish a company, partnership or other organization with Party A's employees or their relatives, or allow Party A's employees or their relatives to participate in Party B's company or enterprise so that Party A's employees or their relatives can obtain benefits from Party B;
  - 13) Party A shall not have any interest relationship with Party A's employees or their relatives through investment, investment in executive shares, OEM, etc.;
  - 14) Party B shall not engage in other acts of unfair competition or commercial bribery; Party B's employees or any third party hired by Party B commit any of the acts listed in Items 1 to 14 above. Party B shall be held liable for breach of contract in accordance with this Contract.
  - 16) Party B shall actively cooperate with Party A in investigating the suspected dishonest business practices of Party B and Party A's employees, and shall not refuse to provide the required materials in a timely manner as required by Party A;
  - 17) Party B shall support Party A's construction of integrity. If Party A's employees ask for bribes, Party B shall refuse, keep written and recorded evidence, and promptly report to Party A. If Party B does not refuse or report the bribes demanded by Party A's employees, such acts shall be regarded as bribery by Party B and Party B shall be liable for breach of contract.
  - 18) Party B shall not interfere with or destroy the normal operation of the network products or services legally provided by Party A and other business operators by influencing Party A's choice or by other means through technical means; otherwise, Party B shall bear corresponding liabilities in accordance with the Anti-Unfair Competition Law of the People's Republic of China.
3. Party A and its personnel shall comply with the following provisions
- 1) Party A shall not ask for or accept cash, gift money, marketable securities, payment vouchers, shopping cards, gifts, tobacco and alcohol, valuables, rebates, gratuities, thank-you fees, intermediary fees, commission (remuneration), etc., from Party B or its personnel in any way;
  - 2) shall not require, imply or accept Party B or its personnel to offer Party B's convenience or benefits in the decoration of personal housing, the study of children, weddings and funerals, the arrangement of work by spouse or children, and the travel

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abroad (China);

- 3) shall not participate in any banquet, fitness, entertainment and other activities provided by Party B or its personnel that may affect the fairness and justice of business cooperation;
- 4) shall not accept, occupy or purchase or rent the housing, communication tools, transportation tools and high-grade office supplies provided by Party B or its personnel at prices significantly lower than the market price;
- 5) Shall not take advantage of their power or work to "eat, take, card or ask", and shall not retaliate against Party B or make difficulties for Party B's personnel under any pretext;
- 6) Shall not use Party A's trade secrets for personal gain, or provide or leak them to Party B or its personnel;
- 7) Party A shall not use its power or work to recommend subcontractors or sell materials to Party B, and shall not require Party B to purchase materials or equipment other than those agreed herein. Shall not put forward any matters or requirements unrelated to the transaction to Party B;
- 8) Shall not accept any form of commercial bribery by Party B or by Party B through third parties.

**Article 2 Liability for breach of contract**

1. If Party B violates the provisions of clean and sunny cooperation hereof, Party A shall have the right to rescind or terminate all contracts signed with Party B, cancel its cooperation qualification, withhold all payment due to Party B, put Party B on the "black list" of clean government construction, and reserve the right to hold Party a responsible through legal channels.
2. If economic losses are caused to Party A, Party B reserves the right to pay 5 times the amount of the losses;
3. If a crime is suspected, it will be transferred to the judicial organ for legal responsibility;
4. The change or termination of the contractual relationship between the parties shall not affect Party A's right to investigate Party B for responsibility and claim compensation for losses in accordance with the provisions of clean and Sunshine Cooperation.
5. Any employee of Party A who violates the provisions of the cooperation between honesty and Sunshine shall be punished by Party A according to the provisions. Any employee suspected of committing a crime shall be transferred to the judicial organ for legal responsibility.

**Article 3 Hotline for reporting**

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If Party B has any complaint about Sunshine integrity, he may directly contact the top management of the company: [avdisplay@av-display.com](mailto:avdisplay@av-display.com);

Party A shall keep Party B's complaints and reports strictly confidential.

### **Chapter III Confidentiality of Information**

#### **Article 1 Confidential Information**

1. Confidential Information refers to the confidential technical information or business information disclosed by either party to the other party in order to perform this Agreement.
2. The confidential technical information referred to herein shall include but not be limited to: Technical scheme, engineering design, circuit design, manufacturing method, formula, technological process, technical index, computer software, database, software program and code, research and development records, technical reports, test reports, experimental data, test results, drawings, samples, prototypes, models, molds, operation manuals, technical documents, relevant correspondence and so on.
3. Confidential business information referred to in this Contract shall include but not be limited to: Business operation and development plans, marketing channels, customer lists and information, product development information, price information, marketing plans and strategies, purchasing materials, pricing policies, market development or promotion plans or strategies, business processes, advertising plans and their implementation, brand design strategies or plans for their formulation, financing plans, budget decision plans, financial information, various operating data and investments Plans or project plans, mergers and acquisitions or any restructuring plan related to the Disclosing Party's equity or interests or assets and liabilities and its implementation, the Disclosing Party's internal management or decision-making documents or systems (including any decision-making documents of the Disclosing Party's or its affiliates' shareholders' meeting, board of directors or operating management), legal affairs information, human resources plans and human resources status, employee compensation information or other Trade secret information, etc.

#### **Article 2 Rights and Obligations**

1. The receiving Party shall only provide the confidential Information to the receiving Party's officers, employees, professional consultants and third party certification bodies who need to know the confidential Information for the common purpose, and shall not disclose the Confidential Information to other persons or organizations; The receiving Party shall ensure that the above-mentioned staff, employees, consultants and third party certification bodies also comply with the confidentiality obligations stipulated in this Contract. Any breach of this contract by the above-mentioned personnel shall be deemed as a breach of this Contract by the receiving



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party and the receiving party shall bear all the responsibilities.

2. The Receiving Party warrants that it will only use the confidential information disclosed by the Disclosing Party for the purpose or purpose related to the project cooperation, and shall not use the Confidential Information for the purpose other than the performance of the project cooperation without the Disclosing Party's prior written consent.
3. If the Receiving party finds any illegal use, disclosure or loss of the Confidential Information or the possibility of such occurrence, it shall immediately notify the Disclosing Party and cooperate with the Disclosing Party to immediately take necessary measures to safeguard its rights.
4. The receiving Party undertakes to keep the confidential information provided by the Disclosing Party clearly distinguished from other information, to bear the duty of care of a good manager in keeping the confidential information, and to keep the confidential information under at least the same protective measures and degree of prudence as is applicable to its own confidential information.
5. The Receiving Party may reproduce the Confidential Information only with the prior written consent of the Disclosing party. In such case, the party who has copied the Confidential Information shall clearly indicate on the copy that it is confidential information and shall manage it in accordance with the provisions of this Agreement.
6. The receiving party shall make a written report on the management of confidential information as required by the Disclosing party when it is requested to do so by the Disclosing party.
7. The departure of the disclosing personnel from the receiving party, including resignation, dismissal and other normal and abnormal departures, shall not constitute the grounds for exemption of the receiving Party.
8. The receiving party shall not use the confidential information of the disclosing party to engage in activities that may directly or indirectly harm the interests of the disclosing party.
9. The Disclosing party shall compensate or compensate the receiving party for any damage or loss caused by litigation, arbitration, seizure or confiscation, claim for compensation or compensation or other claims of a third party arising out of the receiving party's use of the Confidential Information disclosed by the Disclosing Party; The disclosing party shall compensate the receiving party for any reasonable compensation or compensation caused by the third party, except where the receiving party has wrongly used the confidential Information.
10. The above restrictions shall not apply to the following situations:
  - 1) Information that is known or public at the time it is disclosed or provided;
  - 2) information that is demonstrably in possession at the time of acceptance or

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provision;

- 3) Information that has become known or public through no fault of its own after receiving the disclosure or provision;
- 4) It can prove that it has accepted the disclosed information from a third party with proper authority without any obligation of confidentiality;
- 5) After receiving the disclosure or provision, information independently developed without using the Confidential Information and which can prove the fact;
- 6) Information disclosed in accordance with court orders or laws and regulations. If the disclosure of such information is arbitrary, the prior written consent of the disclosing party shall be obtained; If the disclosure of the information is obligatory, the disclosing party shall be notified of the facts and contents of the disclosure in writing.

**Article 3 Handling of the carrier of confidential information**

1. All information and materials delivered or disclosed by the Disclosing Party to the Receiving Party belong to the Disclosing Party, and the Disclosing Party may, at any time in writing, require the Receiving Party to return or destroy the aforesaid information, materials, copies and photocopies thereof.
2. The Receiving Party shall cease to use the Confidential Information when it no longer uses the Confidential Information, when the Disclosing Party requests its return, or when this Agreement is rescinded or terminated, and shall promptly return the Confidential Information and its copies to the Disclosing Party or destroy the Confidential Information and its copies to the Disclosing Party until they are irreparably recovered in accordance with the instructions of the Disclosing Party. In addition, when carrying out the destruction, the Receiving Party shall submit to the Disclosing Party written documents evidencing the contents, date and method of destruction of the Confidential Information to be disposed of.

**Article 4 Retention of ownership**

1. All information and materials delivered or disclosed by the Disclosing Party to the receiving party are the intellectual property or intellectual property rights inherent in the Disclosing Party, if they contain any intellectual property rights such as patent rights, Copyrights, etc., The Receiving Party shall not apply for or register any invention patent, utility model patent, design patent or copyright or any right similar to these rights as its own or provide any third party to apply for the rights referred to in the preceding paragraph.
2. All rights in all confidential information delivered or disclosed by the Disclosing Party to the Receiving Party belong to the Disclosing Party. No matter from what Angle of understanding, the Confidential Information disclosed by the Disclosing Party does not license the exploitation right to the Receiving Party.

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3. The technology designed or developed by the receiving party on the basis of the Confidential Information disclosed by the Disclosing Party (hereinafter referred to as "improved technology") shall be jointly owned by the Disclosing Party and the Receiving Party (jointly owned).
4. If the improved technology is produced, the Disclosing party and the receiving party shall separately decide through consultation whether or not to apply for the patent right based on the improved technology, the time of application, the scope and content of the application, the country and region of application, and the burden of the expenses.

**Article 5 Declaration**

1. The Disclosing Party warrants that the confidential information provided does not violate any agreement reached with the third party or infringe the rights of the third party, otherwise the Disclosing Party shall compensate the receiving party for any losses incurred by the third party as a result of the claim made by the third party based on the above reasons.
2. Nothing in the confidentiality of this Agreement shall be construed as forcing one Party to disclose any specific confidential information to the other Party, nor shall it be construed as creating any obligation or expectation on either party to establish a business relationship with the other party.
3. The confidentiality term of this Agreement shall be five years from the date of execution and effectiveness of this Agreement. Party B shall continue to maintain the confidentiality of the Confidential Information as agreed herein, unless Party A expressly states in writing that the specific Confidential Information disclosed by it may no longer be kept confidential. The term of confidentiality shall not be bound by the validity or termination of this Agreement.

**Article 6 Breach of Contract and Compensation**

1. Any failure by either party to perform or fully perform the confidentiality provisions of this Agreement shall constitute a breach, and the breaching Party shall indemnify the non-breaching party for all losses caused thereby, including but not limited to the reasonable expenses paid by the non-breaching party for investigating the breach.
2. If either party violates the confidentiality provisions hereof, it shall immediately stop the infringement and take all necessary measures at the first time to prevent the spread of confidential information and eliminate the impact to the greatest extent possible.

**Supplier conduct manual AVD (QR)-06-SQM-060-00-0****Article 1: Party A's Responsibility Policy (Environment & Safety & Health & HSF& Liability)**

Party A's responsibility policy: Full participation, strict compliance with laws and regulations; Improving environment and saving resources; Reduce the harm, green production; Prevention first, safe development; Fulfill responsibilities and make continuous improvement. Party B shall understand and undertake to carry out production and delivery in accordance with Party A's policy.

**Article 2 Requirements of Party B's production environment**

It is our common responsibility to protect the environment, save resources and energy, and protect the ecological environment on which we depend for survival and development. As a cooperative party, Party B shall comply with the following requirements and make commitments:

1. The products and raw materials, production processes and services provided by Party B shall meet (or try to meet) the national, local and industrial laws and regulations on environmental protection;
2. The Company shall obtain and retain all necessary EIA reports, permits and/or approvals required by the latest local government or industry regulations, and shall implement them in accordance with the requirements specified in the reports, permits and/or approvals.
3. Take measures to reduce or reduce the discharge of pollutants (waste water, waste gas, solid waste, noise, etc.) in the process of production, activities or services to meet the discharge standards set by the state or local government.
4. Party B shall not use drugs or substances prohibited by the State in its products or processes. In the process of production and construction, priority shall be given to the use of non-polluting or low-polluting production processes and construction equipment, and the use of production processes and construction equipment prohibited or eliminated by the State is prohibited. During the construction process, necessary measures shall be taken to reduce noise pollution, and waste at the construction site shall be properly disposed of so as to achieve civilized construction.
5. Take measures to properly keep inflammable, explosive or toxic and harmful dangerous goods to prevent accidents such as fire, explosion or leakage in the process of storage, transportation and use, which may cause environmental pollution.
6. In the process of storage and transportation, it should ensure that the transport vehicle is in good condition, and the exhaust gas, noise and vehicle washing wastewater discharged by the vehicle should comply with the discharge standards stipulated by the state or local; In the process of transportation, shall not disturb the lives of residents near the construction area; When entering the company's activity area, slow down, reduce dust and pay attention to safety.
7. In the production and management process, to save the use of resources and energy (water, electricity, gas, diesel and gasoline, paper, packaging materials, product raw materials, etc.). Under the premise of ensuring quality, actively reduce packaging

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materials. We will control greenhouse gas emissions, minimize carbon emissions per unit product, and strive for the goal of zero carbon.

8. If Party B has any industrial hazardous waste (waste listed in the national hazardous Waste list), it shall collect it by classification and hand it over to qualified units for disposal.

### **Article 3 Occupational health and safety requirements of Party B**

1. Party B shall set up special management documents for chemical dangerous goods and store them separately in hazardous chemical warehouses that meet storage conditions. Party B shall take anti-leakage measures, chemical transport vehicles shall comply with national laws and regulations, and pay attention to fire and explosion prevention and other emergencies during transportation.
2. Party B shall, in accordance with the requirements of the Fire Protection Law, be equipped with fire-fighting equipment and emergency lights, etc., to ensure the smooth passage of fire control, store and use inflammable and explosive products in accordance with the prescribed requirements, and take measures to eliminate fire hazards.
3. Party B shall formulate emergency plans for accidents and carry out emergency drills.
4. Party B shall install safety protection devices on its machinery and equipment and equip its employees with sufficient and effective protective articles.
5. Chemical management requirements:
6. Chemical suppliers must have chemical production or sales licenses, suppliers must provide chemical composition analysis/testing reports and hazardous chemical safety technical specifications (MSDS), and hazardous chemical composition testing reports must be consistent with MSDS, MSDS must be in Chinese and have GB/T16483-2008 provisions of the sixteen parts of the content; The supplier shall provide the qualification record of transportation vehicles and transportation drivers approved by the transportation department for the transportation of hazardous chemicals.
7. The supplier of special labor insurance supplies shall be able to provide the corresponding labor insurance qualification certificate; The labor insurance supplies sold must have "three certificates and one mark", namely: production license, product certificate, safety certification, and LA Labor safety mark.

## **Chapter V Social responsibility**

### **Article 1 Responsibility commitment**

The Responsible Business Alliance ensures that the electronics supply chain is a safe working environment, that employees are treated with respect and dignity, and that businesses operate responsibly. Its contents include labor, safety and health, environment, ethics and management system of the five chapters, details can

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be found in <http://www.responsiblebusiness.org/code-of-conduct/>

As a responsible group in the society, Party B shall, through the introduction of various management systems, strive to meet the requirements of relevant social responsibilities, and strictly adhere to the following points in company policies and management practices:

1. Comply with laws: comply with all applicable national laws and regulations, international labor standards and other codes of conduct.
2. Freedom of association and the right to collective bargaining: The Company respects the individual rights of its employees. Employees have the freedom to organize and associate, and the right to bargain collectively. Trade unions and employee representatives are not discriminated against and have access to union members in the work environment.
3. Prohibition of discrimination: No discrimination on the basis of sex, age, religious belief, descent, social status, social background, disability, racial and ethnic origin, national origin, membership in workers' organizations, party affiliation, sexual orientation or any other personal characteristics.
4. Welfare benefits: strictly abide by the requirements of the local government on minimum wage standards, pay overtime wages in accordance with the requirements of the labor law, ensure that the wages obtained by employees can meet their normal living expenses, and do not deduct or delay the wages of employees in any form.
5. Working hours: The company complies with the requirements of the labor law on working hours, and reasonably arranges production and rest of employees. Overtime is voluntary of employees, and the overtime time per week does not exceed 12 hours, ensuring that employees can have a day off after working for 6 consecutive days.
6. Prohibit the employment of child labor: strictly abide by the International Labor Organization and the United Nations convention and/or the provisions of national laws, the hired employees must be over 16 years old, prohibit the employment of child labor (under 16 years old), and protect the hired minor workers in strict accordance with the relevant laws and regulations.
7. Prohibition of forced labor and punitive measures: In strict accordance with the relevant requirements, it is prohibited to use forced labor or prison labor. It is also strictly prohibited to engage in or support physical punishment, psychological or physical repression and verbal abuse. In terms of rewards and punishments, spiritual and educational methods should be the main ones, supplemented by material means.
8. Workplace safety: We are committed to establishing and improving rules and procedures related to occupational hygiene, health and safety, and strictly implementing them to ensure the health and safety of employees.
9. Environment and safety issues: strictly abide by the relevant laws and regulations on environmental protection, dispose of the waste generated by the factory according

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to the relevant requirements, and create a good working environment and social environment.

10. Mineral conflict: the company's products comply with the conflict-free procurement initiative CFSI. Ensure that they are sourced in accordance with the Organisation for Economic Co-operation and Development (OECD) Due Diligence Guidelines for Mineral Supply Chains in Conflict-Affected and High-risk Areas or an equivalent and recognized due diligence framework. Conflict minerals include: tantalum, tin, tungsten, gold, cobalt and their derivatives.
11. Business integrity: The Company guarantees the highest standards of ethical conduct in its treatment of workers, suppliers and customers; Prohibits all forms of corruption, extortion, bribery and embezzlement, and must adhere to the principles of fairness in marketing, sales and competition, and protect customer information; Prohibit unfair competition that defames, denigrates or colludes with each other;
12. Management system: Develop and implement a social responsibility system, a management system to ensure that the social responsibility code of conduct is observed and enforced. In the management, take the correct measures, regularly review the code of conduct, explain the requirements of the code of conduct to all employees, so as to obtain the correct implementation and continuous improvement. Enhance employee attention to violations of the Code of Conduct.

## Chapter VI Trade Security

### Article 1 General Requirements

In accordance with the Measures of the People's Republic of China Customs for the Administration of Enterprise Credit Registration and Filing (Order No. 251 of the General Administration of Customs), Party A and Party B are obliged to comply with the requirements of compliance norms and trade security set forth in the General Administration of Customs Announcement No. 106 of 2022, "Standards for Advanced Customs Certification Enterprises" (General standards, individual standards) and other relevant laws and regulations. Take the initiative to avoid and prevent all kinds of production, operation, import and export, transportation and other supply chain related affairs activities affecting the security of goods, places, means of transport, personnel, information and other risks, in the event of crisis can be timely and effective disposal and compliance.

### Article 2 Party B shall execute

Party B shall, in accordance with the requirements of the Standards for Advanced Customs Certification Enterprises, conduct detailed checks on whether the standards



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are up to standard, and conduct long-term management and control in accordance with relevant standards. For the rules, regulations and processes that meet the requirements of the standards, Party B shall effectively implement and retain the implementation documents. If there are substandard items, immediately begin to improve them. Party A shall require Party B to evaluate the contents of the attachments on a regular basis every year. Party A shall have the right to inspect or spot check Party B's procedures, systems or records related to safety compliance at any time, and shall have the right to request Party B to make improvements if Party B has any items that are not up to the standards or fails to make truthful self-assessment.

**Article 3 Adjustment and Update**

During the execution of this Agreement, if the "Standard for Advanced Customs Certification Enterprises" is adjusted, the latest standard shall prevail.

**Chapter VII Intellectual Property Commitments**

When Party B provides products or services to Party A and/or its affiliates, the intellectual property rights already generated based on the products or services shall belong to Party B, but the intellectual property rights generated by the improvements and innovations made by Party A and/or its affiliates based on the products or services shall belong to Party A and/or its affiliates.

1. When providing products or services to Party A and/or its affiliates, Party B shall also provide Party A and/or its affiliates with the right to produce, sell, promise to sell and use the intellectual property rights generated based on the products or services.
2. Party B warrants that the products or services it provides to Party A and/or its affiliates will not infringe the intellectual property rights of any third party. If the products or services provided by Party B to Party A and/or its affiliates are accused by a third party of infringing its intellectual property rights, Party B shall immediately and properly resolve the intellectual property rights complaint, administrative investigation or lawsuit, and bear the costs, settlement and damages incurred thereby.
3. Party B warrants that if Party A and/or its affiliates cannot continue to use the products or services provided by the promisor due to the infringement of the intellectual property rights of a third party by the products or services provided by Party A and/or its affiliates, Party B shall promptly remove the obstacles and bear all expenses so that Party A and/or its affiliates can continue to use the



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products or services provided by Party B. If Party B fails to remove the obstacles in time so that Party A and/or its affiliates can continue to use the products or services provided by Party A, Party B shall bear the additional expenses incurred by Party A and/or its affiliates in obtaining substitutes from third parties to ensure the normal production.

4. Party B warrants that Party A and/or its affiliates shall be fully liable for any losses (direct losses or indirect losses) suffered by Party A and/or its affiliates due to the infringement of intellectual property rights of a third party by the products or services it provides to Party A and/or its affiliates.
5. The undertaking made by Party B shall also apply to any company, office, factory, affiliated company and/or other business organization established by Party A now or in the future.
6. The above commitment is Party B's genuine and voluntary intention, and Party B will strictly abide by the above commitment.

**Chapter VIII Declaration and Guarantee of compliance with Export control and Sanctions****Article 1 Controls Commitments**

1. Party B confirms that it has not been included in the trade control List of any country, including the Entity List, Rejected Entity List, unverified list and military end-user list of the Bureau of Industry and Security of the United States Department of Commerce, and the control list of China, the European Union and other countries and regions.
2. Party B undertakes to the best of its knowledge, whether it is itself, its control or control of any entity of which it controls ("control" means owning 50% or more of the equity and/or holding a majority of the seats on the Board of Directors and/or otherwise controlling the Company's actions, policies or personnel decisions or the ability to give mandatory directions), Is not a restricted party list maintained by China, the United States, the United Nations or other countries and regions involved in its business (Restricted Party List refers to a restricted list in the field of control and economic sanctions, including but not limited to: Any person or entity (also referred to as a "designated entity") listed on the targets of Sanctions published by the Ministry of Foreign Affairs of the People's Republic of China and the List of Specially Designated Nationals and Quarantined Persons (SDN List), Sectoral Sanctions List, etc.) issued by the United States Department of the Treasury.
3. Party B agrees to comply with all applicable laws and regulations applicable to Party A.

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4. Party B shall strictly comply with applicable economic sanctions and export control laws and regulations in the conduct of this transaction.
5. Party B undertakes and warrants that the products it provides to Party A are not weapons equipment or military protective products, and that the products provided to Party A by Party B will not violate any applicable economic sanctions and export control laws and regulations applicable to the Products and the Transaction. If any applicable laws impose any restrictions on the export/re-export/transfer of the said Products, Party B undertakes to promptly notify Party A of such restrictions in advance upon becoming aware of such circumstances.
6. Party B undertakes that it shall not, directly or indirectly, provide the items to Buyer under this Contract: (1) Originating in Iran, North Korea, Cuba, Syria, Crimea or any other country (collectively, the "Embargo Country") in the countries and regions involved in the business, or (2) originating in designated entities, and (3) where the Items supplied by Party B to Buyer under the Contract are governed or regulated by export control and economic sanctions laws and regulations of the countries involved in the business, Party B has obtained any licenses, approvals and authorizations required from the relevant regulatory authorities in accordance with applicable laws and regulations.
7. Party B undertakes and warrants that it will provide accurate, up-to-date and complete export classification information and related documents (including but not limited to export Control Classification Code (ECCN code), relevant export license, classification or commodity jurisdiction decision) as required by Party A.
8. Party B warrants that the information it fills in this Agreement, promises it has made and the relevant information it provides to Party A are true, accurate and complete.

**Article 2 Responsibilities of Party B**

1. If the following events occur, Party A shall have the right to suspend or terminate the transaction with Party B, and Party B shall compensate for all losses caused to Party A:
  - 1) The above statements and warranties made by Party B are untrue, inaccurate and incomplete;
  - 2) If Party A, based on its judgment, believes that Party B has violated the above representations and warranties;
  - 3) the export classification information and related documents (including but not limited to export Control Classification Code (ECCN code), relevant export license, classification or commodity jurisdiction decision) provided by Party B in relation to its products are untrue, inaccurate or incomplete;
  - 4) If Party A reasonably suspects that the products and their ingredients provided by Party B are derived from entities or natural persons listed on the control list in

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China;

- 5) If Party A believes, based on its judgment, that Party B has violated applicable economic sanctions and export control laws and regulations.
2. Party A may resume the transaction with Party B after Party B provides Party A with the relevant compliance certification materials recognized by Party A.
3. Without prejudice to other rights or remedies available under any Agreement, this Agreement and applicable laws and regulations, Party A shall have the right to suspend or terminate cooperation with Party B if Party A reasonably suspects that the products and ingredients provided by Party B come from countries, regions, entities or natural persons sanctioned by countries and regions other than China. And Party A shall not be liable for any loss caused to Party B. Party B shall defend and hold Party A harmless from any consequences caused by Party B's failure to comply with this contract.

**Chapter IX Supplementary Provisions****Article 1 Consultation**

After this Agreement is signed, neither party shall modify or terminate this Agreement without authorization. If it is necessary to modify or terminate this Agreement, the supply and demand parties shall separately negotiate and sign a written agreement. Any matters not mentioned herein shall be settled by both parties through negotiation or supplementary provisions. If no agreement can be reached through negotiation, either party may bring a lawsuit to the people's court where Party A is located for settlement.

**Article 2 The Agreement shall take effect**

This Agreement is made in duplicate and shall come into force after being signed by authorized representatives of both parties and affixed with official seals of both parties (stamped with seal). Party B holds one copy and Party A two copies, both of which have the same legal effect.

**Article 3 Validity Period of the Agreement**

This Agreement shall be valid from the date of signing by both parties until the signing of a new agreement.

**Article 4 Responsibilities of Party B**

Party B's liability shall not be exempted by the invalidity, partial invalidity, termination or expiration of this Agreement.

**Article 5 Language**

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This Agreement is made in Chinese and English bilingual versions. In case of any inconsistency, the Chinese version shall prevail.

**Article 6 Association, succession and assignment**

It is mutually agreed that this Agreement shall also apply to Party A's affiliates, the list of which may be updated at any time upon written notice from Party A. This Agreement shall be binding on and apply to the respective successors and assigns of each Party to the benefit of such successors and assigns. However, neither party shall assign this Agreement or any of its rights or obligations under this Agreement to a third party without the prior written consent of the other Party, except where such consent is not required when either party transfers to an interested successor by means of a merger by absorption, reorganization, new merger or sale of all or substantially all of its assets.

Party A (Name and official seal)				Party B (Name and official seal)			
Shenzhen AV-Display Co., LTD							
Authorized representative of Party A				Authorized representative of Party B			
Date of execution	years	month	day	Date of signing	years	month	day
Versions	00			Number of pages	11 pages in total		