

CODE OF ETHICS, INTELLECTUAL PROPERTY & CONFIDENTIALITY UNDERTAKING

INTRODUCTION

98 Percent Sdn. Bhd. [201901002087(1311413-W)] and all companies included in the group of companies of 98 PERCENT (henceforth referred to as “98 Percent” or “the Company”) value the fact that all the operations of the Company are characterised by honesty, transparency, integrity and fair play.

As the authorized reseller/agent/supplier/business partner (whichever is applicable and shall be refer to as “you” or “your”) to 98 PERCENT, you should read and comprehend the content in 98 PERCENT’s Code of Ethics, Intellectual Property & Confidentiality Undertaking (“Codes”) and comply with it in all your business dealings with the Company. All business carried out with or on behalf of 98 PERCENT should always be conducted in accordance with the Company’s Codes and follow related laws and regulation in the country of business.

IMPORTANT: *Any reference, definition and/or interpretation in the Codes shall refer to the Explanatory and Warranties available at www.98percent.com (you may request for the physical copy from the Company, if needed) and the Code shall be read, construed and formed as part of the arrangement, appointment, contract and/or such other businesses transactions of similar kinds and nature (collectively referred to as the “Arrangement”) with the Company.*

A) ZERO TOLERANCE - BRIBERY AND CORRUPTION

98 PERCENT has a zero tolerance policy on bribery and corruption. This applies to all the Company’s business dealings and transactions in all the countries in which the Company and you are operating. The Company does not tolerate bribery in any form and commits to strong anti-bribery systems, including these Codes. The Company is determined to ensure that the objectives of these Codes are fulfilled.

Under the Codes, a bribe includes financial or other advantages which are given, promised, offered, accepted, requested or received with the intention that a specific activity should be performed.

You must not be involved in any actions involving bribes when you act in connection with the 98 PERCENT business. This includes both domestic and international business and it should be incorporated in all dealings, both with private subjects and with public officials. Facilitation payments are not permitted when acting for or on behalf of the Company.

Whether an action constitutes a bribe is determined by the standards set forth herein or elsewhere in 98 PERCENT’s policies. Any local practice or custom will thus be disregarded, unless explicitly permitted or required by local written law.

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B) ADVANTAGE

It is 98 PERCENT policy to prevent its employees from requesting, accepting, arranging, offering or giving any kind of advantage. 98 PERCENT particularly wish to point out that the Company does not take any commission from you. Should any of the Company's employees, openly or implied, ask for a commission of any kind, you shall immediately inform 98 PERCENT.

It is a violation of 98 PERCENT's Codes if you offer any kind of advantage to the Company's employee. 98 PERCENT reserve the rights to terminate any arrangements with you the Company discovers your violation of the Codes.

The term 'advantage' may include – but is not limited to – the following: gift, loan, money (regardless currency), fees, reward, journeys, services, bonuses, exclusive meals, vouchers of any kind, product samples for personal use, event tickets, discount on private purchases, sponsoring, or any kind of personal favours.

It does not matter whether the person to whom the advantage is offered, promised or given is the same person as the one who is to perform or has performed the relevant action. Further it does not matter whether the advantage is given directly or by a third party, the recipient is in breach of this Code regardless of the fact that he or she receives the advantage directly or through a third party or if another person is the genuine beneficent.

You should also be aware that does not allow the offer or receipt of hospitality whenever such arrangements could affect the outcome of business transactions i.e. the purpose is to obtain or retain business with 98 PERCENT.

C) STAY NEUTRAL

98 PERCENT do not represent any government, government agency of any nations or political parties, therefore 98 PERCENT have no tendency to be involved in any forms of collaboration, supports and/or financial aids towards any of the abovementioned entity/bodies to show support or against any nation's policy or actions.

It is a violation of 98 PERCENT's Codes if you are involving in any governmental/bodies movements as aforesaid. 98 PERCENT reserve the rights to terminate the Arrangement with you that violate the Codes.

D) UNFAIR COMPETITION

98 PERCENT discourage any forms of unhealthy competition among the authorized reseller/agent/supplier/business partner of the Company. You shall not attempt to and/or cause to act in any manner that is creating unfair disadvantage to the other authorized reseller/agent/supplier/business partner of the Company which would eventually affecting the business performance of the said other authorized reseller/agent/supplier/business partner with the Company.

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E) INTELLECTUAL PROPERTY

You unconditionally and irrevocably agree that nothing in any of the Arrangement with you will affect any rights, title, interests in, or ownership of the Intellectual Property rights and the Materials of the Company and the same shall be at all times owned by the Company.

You shall not attempt, cause to or perform any actions to register or to infringe the Intellectual Property regardless that the said Intellectual Property in issue is non-registrable or yet to be registered. 98 PERCENT reserve the rights to terminate the Arrangement with you for any incompliance of this provision.

F) CONFIDENTIAL INFORMATION

You hereby irrevocably and undertakes to the followings terms and conditions of your confidentiality obligation while carrying any Arrangement with the Company (“**Purpose**”):

1. OWNERSHIP

- 1.1 All information without limitation to the Materials submitted or released hereunder by the Discloser or any third party authorised by the Discloser shall at all times remain the property of the Discloser even after the termination or determination of any arrangement/relationships with the Recipient.
- 1.2 Upon the expiration or termination of any arrangement/relationships with the Recipient, the Recipient shall, promptly destroy or return to the Discloser upon formal request by the Discloser for all Materials thereof related to the Confidential Information in accordance with provisions of the Codes.

2. UNDERTAKINGS

- 2.1 In consideration of the disclosure of the Confidential Information by the Discloser or third party authorised by the Discloser, the Recipient undertakes:
 - 2.1.1 To keep all Confidential Information received strictly private and confidential;
 - 2.1.2 To disclose the Confidential Information to third parties only upon receipt of the prior written permission of the Discloser for which the Recipient shall procure such third parties to be bound by the terms and conditions of the Codes;
 - 2.1.3 To use the Confidential Information solely for the Purpose;
 - 2.1.4 Not to make any commercial use of the Confidential Information or otherwise exploit the Confidential Information without the prior written consent of the Discloser;
 - 2.1.5 Not to use the Confidential Information for the Recipient’s own or another’s benefit;

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- 2.1.6 Not to make or caused to be made any copies or duplication of the Confidential Information other than in connection with the Purpose without the prior written consent of the Discloser;
- 2.1.7 To protect and prevent the unauthorised use, disclosure, publications or dissemination of the Confidential Information. In particular, the Recipient agrees that it shall take all reasonably necessary steps to prevent disclosure of the Confidential Information and to prevent it from falling into the public domain or the possession of unauthorised persons;
- 2.1.8 To promptly notify and advise the Discloser, in writing of any misappropriation or misuse of the Confidential Information by any person as soon as practicable when it becomes aware of such misuse;
- 2.1.9 To ensure that each Authorised Recipient and the Recipient's Related Party is aware of the terms of the Codes and complies with its terms as if it had itself signed the Codes and agreed to its terms. On request the Recipient shall promptly give the Discloser a list identifying all Authorised Recipient and the Recipient's Related Party. The Recipient shall be responsible for any breach of the terms of the Codes by any Authorised Recipient as if the Recipient were the party that had breached them.

3. EXCEPTIONS

- 3.1 The foregoing restrictions shall not apply to any Confidential Information that:
 - (i) is in the public domain or lawfully available to the public from any other source other than the Recipient at the time of disclosure by the Discloser to the Recipient or later becomes part of the public domain through no fault of the Recipient;
 - (ii) was legally made known to the Recipient at the time of disclosure of the Confidential Information except as a result of a prior confidential disclosure by the Discloser;
 - (iii) is expressly authorised in writing by the Discloser for the disclosure; and/or
 - (iv) is mandatorily required by law, regulation, governmental order or court order to be disclosed (in which case the Recipient shall, as far as it is practicable and lawful to do so, immediately consult with the Discloser as to give the Discloser an opportunity to contest the disclosure or to make the necessary arrangements and legal counter measure in managing the impact of the disclosure hereof).

4. INCLUSIONS

- 4.1 Without prejudice to the generality of **Clause 3.1**, information shall not be deemed to be generally available to the public domain by reason only that it is known to only a few of those people to whom it might be of commercial interest, and a combination of two or more parts of the Confidential Information shall not be deemed to be generally available to the public by reason only of a separate part being so available.

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5. EVENTS OF DISCLOSURE OF CONFIDENTIAL INFORMATION

- 5.1 With reference to **Clause 2.1.8** the Recipient shall within **twenty-four (24) hours** from the awareness of such disclosure of the Confidential Information, notify and advise the Discloser in writing of wrongful or non-permitted disclosure, misappropriation or misuse of the Confidential Information attributable by the Recipient.
- 5.2 For **Clause 5.1**, the Recipient shall, to the extent legally permissible, comply with all instructions from the Discloser for any remedial action (both preventive and corrective) and mitigation of impact of the said disclosure, misappropriation or misuse.
- 5.3 The Recipient shall provide all reasonable co-operations to the Discloser in any investigation(s) arising from the above.

6. DURATION AND DETERMINATION

- 6.1 The Codes becomes effective on its execution date and the confidentiality obligations stipulated in this Codes shall remain valid and enforceable to the Recipient for a period of five (5) years from the completion and/or termination of any Arrangement with the Recipient or as the case maybe, any subsequent definite agreement between parties on the performance of the Purpose.

7. NO DUTY OF CARE

- 7.1 Neither the Discloser nor any of its Related Party shall owe any duty of care to the Recipient or to any other person towards the information disclosed herewith and/or to update or correct accuracies the Information.

8. RETURN OR DESTRUCTION OF MATERIALS

- 8.1 The Recipient shall within seven (7) working days upon the earlier of the following events:
- (i) The receipt of a written request from the Discloser; or
 - (ii) The expiration or termination of any arrangement/relationships with the Recipient;

and at the option of the Discloser either (i) return to the Discloser all Materials (and all copies thereof) containing the Confidential Information, including but not limited to computer programs, documentation, notes, plans, drawings and copies thereof or (ii) destroy and/or permanent delete and remove from the Recipient's records all such Materials, and in both events, certify in writing by a written notice to the Discloser that it has complied with this provision.

9. WARRANTIES

- 9.1 The Discloser warrants that it has the right and shall be entitled to disclose the Confidential Information to the Recipient.
- 9.2 All information disclosed is provided on a "AS IS" basis and the Recipient and each Authorised Recipient understands that the Information does not purport to be all-inclusive and that neither the Discloser nor any of its Related Party makes any representation or warranty as to its accuracy, reliability or completeness.

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10. NO GRANT OF PROPRIETARY RIGHTS

10.1 All Confidential Information, Materials and Intellectual Property shall at all times remain as the property of the Discloser.

10.2 The Discloser reserves all rights in the Confidential Information and no rights or obligations other than those expressly recited herein are granted or to be implied from the Codes. In particular, no license is hereby granted directly or indirectly to the Recipient and Authorised Recipient for any Intellectual Property currently or will be held, made, obtained or licensable by the Discloser.

10.3 The Recipient shall not file any registrations of Intellectual Property.

11. DAMAGES

11.1 The Recipient shall indemnify and keep indemnified the Discloser and as the case maybe, each of the Related Party from and against all claims, demands, liabilities, losses, damages, costs and expenses arising directly or indirectly from a breach or threatened breach of the Codes by the by the Recipient.

11.2 The Recipient acknowledges that the Confidential Information has been developed or obtained by the Discloser through the investment of significant time, effort and expense, and that such Confidential Information provides a significant competitive advantage over the Discloser's competitors. The Recipient understands and agrees that due to the unique nature of the Confidential Information, monetary damages may not be an adequate remedy in the event of a breach or threatened breach of the Codes.

11.3 Accordingly, the Recipient agrees that without affecting any other rights or remedies if a breach of the terms of the Codes occurs or is being threatened, the Discloser shall be further entitled to equitable relief, including but not limited to injunction, specific performance and other equitable relief, or any combination of these remedies, which ever may be available.

11.4 The Recipient and each Authorised Recipient also agrees that it shall, if any of the remedies set out in the Codes is sought in relation to any threatened or actual breach of the terms of the Codes, waive any rights it may have to oppose that remedy on the grounds that damages would be an adequate alternative.

G) GENERAL APPLICATION OF THE CODES

I. GOVERNING LAW AND JURISDICTION

The Codes shall be governed by the laws of Malaysia in all aspects, including its validity, interpretation, and performance.

II. DISPUTE SETTLEMENT

The Parties agree to submit to the jurisdiction of the Court(s) of Malaysia in regards of any disputes arising from the Codes.

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F) COMPLIANCE

You should read and comprehend the content in 98 PERCENT's Codes and comply with all policies and procedures mentioned in the Codes from time to time.

You have the responsibility to inform your Related Party about the content in 98 PERCENT's Codes and to secure their compliance.

A deliberate violation and/or attempt to or cause to breach the 98 PERCENT's Codes will lead to termination of all business connections and Arrangement with the Company.

98 PERCENT is committed to continuously reviewing and updating its policies and procedures, therefore the Codes can be subject to modification. You are required to keep yourselves informed and updated of the contents of such documents.

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