Complaints and Disciplinary Procedures

1. Ownership of intellectual property and non-disclosure agreement

(1) Liability for breach of contract

a. If any employee causes any loss to the Company due to their failure to comply with intellectual property and non-disclosure agreement, the employee shall bear the liability for breach of contract and pay the Company a penalty amounting to twice (2 times) their average monthly wage (average monthly wage over the past 12 months, or if the employee works less than one year for the Company, the average monthly wage of the months the employee has been paid until the day the penalty will be incurred), and all the direct and indirect losses arising therefrom, including but not limited to attorney, notarization, litigation and arbitration, and investigation fees paid for investigating the employee's breach of contract.

b. If the violation of the intellectual property agreement and NDA by any employee causes severe consequences, the Company has the right to hold the employee civilly or criminally liable according to applicable laws.

c. If any employee violates this Agreement, the Company shall reserve the right to inform the employee's future employer of such violation in written form.

2. Non-compete agreement

(1) Liability for breach of contract

a. If any employee causes the Company to be accused by any third party of contributory infringement due to the employee's breach of any non-compete or similar agreements they signed with the third party before their employment relationship with the Company, the employee shall bear all the legal and economic liabilities arising therefrom.

b. If any employee violates the non-compete and related obligations, they shall pay to the Company liquidated damages amounting to five (5) times the total non-compete compensation agreed and all the direct and indirect losses arising therefrom if any.

c. If any employee violates any other obligations or statements under the non-compete agreement, the employee shall pay for all the direct and indirect losses arising therefrom.

d. If any employee breaches or infringes their contract, the Company shall have the right to directly deduct from the employee's salary, bonus, compensation or other incomes the liquidated damages/indemnification payment for such breach or contract and infringement behavior after informing the employee of such liquidated damages/indemnification payment, and claim compensation from the employee until the liquidated damages/indemnification payment is settled.

(2) Dispute resolution

Any dispute arising from non-compete agreement shall be resolved by the Company and employees through friendly negotiation. If the dispute fails to be resolved through negotiation, either party may submit the dispute to the China International Economic and Trade Arbitration Commission for arbitration pursuant to the arbitral rules then effective of such arbitration institution. The place of arbitration shall be Beijing, the arbitral tribunal shall be composed of three arbitrators, and the arbitration award shall be final and shall have binding force upon all the parties. If the arbitration tribunal refuses to enforce any provision (or part of it) under the non-compete agreement, the unenforceable provision will be excluded from the agreement to ensure the effectiveness of the rest of the agreement. If the time, territory and scope of employee obligations under the non-compete agreement exceed the corresponding limits permitted by applicable laws, such time, territory and scope stipulated under the agreement shall be changed to the upper limit of the time, territory and scope limits permitted by the laws.

3. Code of conduct and red-line rules

1. Every member of a project team shall strictly abide by the code of conduct and discipline required by the project. The project leader must inform team members of such code of conduct and discipline, and supervise them to act accordingly. If any violation occurs, the project leader shall ensure a timely correction of such violation before any internal and external adverse effect is produced;

2. Any violation of the Company's red line rules by employees, once confirmed, is considered a serious breach of discipline and shall lead to termination of employment. The employee responsible for the breach of discipline shall be held solely accountable for losses and damages arising therefrom.

4. Recruitment policy

To be formally employed by the Company, candidates shall:

(1) Meet the basic conditions and professional knowledge and skill requirements for employment;

(2) Pass either Business Reasoning Test or Emotional Intelligent Test (for both tests, a score below 4 is considered a fail).

(3) Be evaluated by all the interviewers in every round of the interviews as qualified to be employed.

5. Business negotiation

Business negotiation shall be carried out in strict conformity with the Company's negotiation process. Employees shall prepare supporting materials for negotiation in advance, complete certain negotiation objectives set for each round of the negotiation, and produce relevant documents required, to establish a solid foundation for further cooperation. Any losses or damages due to any employee's careless work shall be borne by the employee.

6. Conflicts of interest

(1) If conflicts occur within a project or among multiple projects in terms of time and human resource management, relevant project leaders shall give team members a warning of such conflicts in advance and coordinate resources properly to achieve project objectives, otherwise the project leaders will be determined incompetent for project management.

(2) Employees who have relatives working in the Company must self-report to the Company of such relationships to avoid conflicts of interest. The project leader of such employees shall avoid placing relatives inside a reporting relationship when considering transfer, promotion or demotion. The Human Resource Department shall have the right to rearrange positions involving relatives that may cause conflicts of interest.