



PATTERER TECHNICAL PARTS CO., LTD.

CODE OF BUSINESS CONDUCT

LIGAL COMPLIANCE PRINCIPLES

Preface:

Compliance with all legal requirements is always unconditionally imperative for our Company and is an integral part our Company's values. Multitudinous guidelines and directives govern how the corresponding obligations are to be observed mindfully. To support the staff members' compliance with these obligations their essence has been summarized in this Code of Business Conduct.

This Code of Business Conduct regulates the relationship between Patterer Technical Parts Co., Ltd. and its staff members.

1. Lawful Conduct

We respect the principle of strict legality in all acts, measures, contracts and other transactions. This also applies to the payment of taxes due, obtaining necessary official permits and observing third party rights. We support this principle not only in view of the considerable business damage, which can arise from violations - through prosecution, fines, or compensation claims; but above all because we approve the principle of unconditional compliance with law, regardless of any possible costs or benefits to us.

All staff members are personally responsible for compliance with the law in their field of work. To induce third parties to commit or to cover up unlawful acts is strictly forbidden. Regardless of any sanctions provided by law, actions contrary to this rule shall lead to disciplinary action.

Managers and Supervisors are responsible for securing that no violations of the law and this Code of Business Conduct take place in their area of responsibility. Managers and Supervisors must make it clear that violations of the law are prohibited and will lead to disciplinary action, regardless of a staff members' position in the company. Managers and Supervisors shall also explicitly draw staff members' attention to the provisions contained in this Code of Business Conduct.

Conduct toward staff members

We respect the personal dignity of every individual and for this reason do not tolerate unlawful discrimination or harassment of our staff members. We do not employ child labor, and do not approve the employment of child labor by our business partners.

2. Dealing with information

All reports and records, whether internal or external, have to be accurate and truthful. The accounting principles applicable to the company shall be observed. These require that data and other records are entirely correct, timely and compatible with the relevant systems at all time. Confidential information of the company may only be employed as the basis for the creation of records, files and the like, if their creation immediately serves the interest of the company.

Confidential information of the company shall not be disclosed to third parties. The obligation to maintain secrecy shall remain effectively even after the termination of the employment.

Privacy in all business processes and in compliance with the applicable statutory requirements shall be maintained, when personal data are used and the security of all business data shall be secured. Technical security measures to prevent unauthorized access shall comply with an appropriate standard related to the state of the art.

Insider information shall be treated in strict confidence. It must never be disclosed to third parties; this also applies to the disclosure of passwords allowing access to insider information held electronically. Insider information may only be disclosed to associates or external consultants if the recipients require the information in order to perform their work, and have undertaken to treat the information in strict confidence.

3. Conduct toward business partners and third parties

All staff members have the responsibility to observe the rules of fair competition as defined by applicable law. In particular, competitors are not permitted to exchange information or reach agreements on allocation of territories or customers, prices or components of prices such as terms and conditions of sale and warranty, supply relationships or the conditions governing them, production capacities, or the terms and conditions of offers. This also applies to the exchange of information concerning market strategies and investment strategies. Written or oral agreements to this effect are prohibited. In addition, an illegal agreement can be inferred from similar conduct or patterns of behavior. Cooperation in or the exchange of information regarding research and development projects, is only allowed in specific exceptional cases. The company's market position must not be exploited in violation of the relevant laws to engage in price discrimination, the supply of unsolicited products, or the refusal to do business.

4. Relationships with suppliers and customers

Agreements with customers and suppliers shall be complete, obvious, and documented, including any subsequent changes and additions. This shall also apply to arrangements such as bonus payments or cost subsidies for advertising and sales promotion. All staff members must comply strictly with the internal regulations governing the application of the principle of dual control and the segregation of executive and monitoring functions.

Suppliers shall be selected solely on competitive merit, based on a comparison of the price, quality, performance, and suitability of the products or services offered.

5. Bribery, corruption, inducements

Agreements or supplements to agreements referring to the acceptance of bribes or preferential treatment in connection with the brokering, award, delivery, settlement, or payment of orders are prohibited.

Staff members, who allow customers or suppliers to influence them unfairly, or themselves

seek unfairly to influence customers or suppliers will, regardless of any consequences under criminal law, be subject to disciplinary action. The responsible executive management shall be notified of any attempts by suppliers or customers to unfairly influence the decisions of company's staff members. Depending on the individual case, appropriate action shall be taken, such as an order embargo or termination of the contract.

Commission and remuneration paid to authorized dealers, agents, or advisers must be reasonable and proportionate to those persons' work. It is forbidden to agree to any benefits if it can be assumed that provision of such benefits is, in whole or in part, intended as payment of a bribe. Agents or other intermediaries engaged by Patterer Technical Parts Co., Ltd. in order to acquire orders or permits must enter into a contractual obligation not to offer or receive bribes. Respective contracts shall include a clause providing for the right of termination without notice in cases of bribery or corruption.

Extreme caution shall be exercised when accepting and offering gifts and other benefits (such as attending events without any direct business relevance), including invitations (from and to suppliers or customers). Their financial scope must be such that it does not require the recipient to conceal acceptance, or make the recipient feel indebted. In case of doubt, the prior written consent of the executive management responsible shall be obtained.

6. Product quality and safety

**"Good Quality Products,
On Time Delivery
Satisfactory Customer Service"**

This statement is our utmost valued asset and remains at the core of our business policy. We seek to satisfy our customers' high quality and safety standards, despite the ever-increasing complexity of products and systems. Any improvements we make are intended to be thorough and designed to last. Should defects arise, despite making efforts to avoid them, we take action to eliminate them in compliance with statutory provisions and contractual obligations.

7. Occupational health and safety, fire and environmental protection

All staff members shall endeavor to keep our products and workplace safe and clean, to minimize the adverse environmental impact of our operations, and to conserve resources. Processes, facilities, and operating resources must comply with the applicable statutory and internal provisions governing occupational health and safety, as well as fire and environmental protection.

8. Information and training

Current issues relating to this Code of Business Conduct shall be brought to the attention of staff members at regular intervals. Special training courses for staff members shall be regularly offered on certain subjects (such as product liability, anti-trust, labor and employment, and environmental law) and in selected critical areas (such as sales and purchasing).

9. Reporting irregularities

All staff members have the right to draw their supervisor's attention to circumstances that appear to indicate a violation of the Code of Business Conduct. This notification may also be made anonymously.