



Kaleidoscope

# Partner code of conduct

[kaleidoscopeiot.com](http://kaleidoscopeiot.com)

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## Partner Code of Conduct.

Kaleidoscope's identity and success is built on our foundation of integrity, honesty, and ethical conduct. Our foundation depends not only on our own employees but also upon our forming relationships with business partners who share our commitment to ethical business practices.



Kaleidoscope is committed to conducting business with the highest ethical standards, and maintaining these standards has never been more important than in today's competitive and rapidly changing global business climate.

We sincerely value our business partners who join us in pursuing these common goals of integrity and ethical business practices.

### 1.1 APPLICABILITY

1.2 This Code is applicable to you as a Kaleidoscope Partner, your resellers, and to all personnel employed by or engaged to provide services to you (either "Partner" or "you") throughout the world. Kaleidoscope IoT Systems Inc, and its subsidiaries ("Kaleidoscope") require that you comply with all laws and regulations applicable to your business, wherever conducted, and with this Code. You must have a written company code of business ethics and business conduct that at a minimum incorporates the requirements of this Partner Code of Conduct and Business Ethics, and the laws applicable to your business, including laws applicable to business with governmental entities and laws applicable to dealing with government officials. You must make your Code available to your employees, conduct periodic training programs for your employees, and conduct periodic reviews to ensure your employees are complying with your code of conduct and this Partner Code of Conduct and Business Ethics.

### 2 COMPLIANCE WITH LAWS, REGULATIONS, AND BUSINESS CONDUCT PRACTICES

Compliance means not only observing the law, but also conducting corporate business in a way that recognizes your ethical responsibilities and fulfills them. Where local laws are less restrictive than this Code, you must comply with the Code, even if your conduct would otherwise be legal. On the other hand, if local laws are more restrictive than the Code, you must always, at a minimum, comply with those laws.

Kaleidoscope maintains open and frank business dealings with all Partners and strives to develop mutually advantageous relationships. Kaleidoscope expects you to adhere to high ethical standards and to avoid engaging in any activity that involves even the appearance of impropriety.

#### 2.1 No Improper Payments or Economic Boycotts

Kaleidoscope does not condone corrupt payments of money or anything of value, directly or indirectly, to any government or public international organization officials, political parties, or candidates for political office, or any company director, officer, employee, or agent of a commercial customer or supplier, for the purpose of obtaining or retaining business or securing any improper advantage.

You must not participate in any economic boycott not sanctioned by the Government of Kaleidoscope's key business locations. You must not provide information that could be construed to support any such unsanctioned boycotts.

#### 2.2 Financial Integrity

You must accurately document all transactions related to your contract with Kaleidoscope and relevant order forms in your financial books, records, statements, and in reports and other documents provided to Kaleidoscope, and prevent side agreements, whether oral or written. The handling and disbursement of funds related to Kaleidoscope business transactions must be pursuant to a duly authorized written Kaleidoscope contract with clearly defined procedures. Documents must not be inappropriately altered or signed by those lacking proper authority. No undisclosed or unrecorded

fund or asset related to any Kaleidoscope transaction may be established or maintained for any purpose.

Your financial books, records, and statements shall properly document all assets and liabilities and accurately reflect all transactions of your company related to Kaleidoscope products and services, and your business records must be retained in accordance with record retention policies and all applicable laws and regulations.

Kaleidoscope's policy is to report where appropriate, its financial results and other significant developments fully, fairly, accurately, timely, and understandably. Kaleidoscope expects you to comply with this policy, and with all applicable laws and regulations.

All approval requests for non-standard discounts must be accurate and commercially justified. Margins derived from misleading and/or unjustified non-standard discounts are inappropriate, and may not be used to pay or otherwise reward a Kaleidoscope customer, employee, or other third party.

Placing an order with Kaleidoscope without the existence of a corresponding end user agreement is not an acceptable Kaleidoscope business practice and is prohibited. Any request by a Kaleidoscope employee to do so must be immediately reported to Kaleidoscope's management. You may not allow an order to be placed with Kaleidoscope for the distribution of Kaleidoscope programs to an end user unless you have received an order from an end user for the programs or unless you otherwise have a specific authorized agreement or arrangement with Kaleidoscope.

#### 2.3 Business Courtesies that May Be Extended

You must use discretion and care to ensure that expenditures on customers and on Kaleidoscope personnel or representatives are reasonable and in the ordinary and proper course of business and could not reasonably be construed as bribes or improper inducement or otherwise violate applicable laws and/or regulations.

In any case, business courtesies offered cannot be construed as intended to influence the judgment of the recipient so as to secure unfair preferential treatment or gain improper advantage. A general guideline for evaluating whether a business courtesy is appropriate is whether public disclosure would be embarrassing to you, to Kaleidoscope, or to the recipient.

#### 2.4 Business Courtesies that May Be Received

2.5 You are responsible for ensuring that acceptance of any business courtesies, gifts, or entertainment is proper and could not reasonably be construed as an attempt by the offering party to secure favorable treatment or otherwise violate applicable laws and/or regulations.

#### 2.6 Antitrust and Competition Laws

Kaleidoscope is committed to observing rigorously the applicable antitrust or competition laws of all countries. Although these laws vary from country to country, they generally prohibit agreements or actions that reduce competition without benefiting consumers. They seek to protect

the competitive process so that consumers receive the benefits of vigorous competition. Violations of antitrust or competition laws may result in severe penalties, including large fines and jail terms. You must comply with these laws at all times.

You must not agree with any competitors to fix or control prices; structure or orchestrate bids to direct a contract to a certain competitor or reseller (bid rigging); boycott suppliers or customers; divide or allocate markets or customers; or limit the production or sale of products or product lines. Such agreements are against public policy and are against Kaleidoscope policy. You must not engage in discussions of such matters with Kaleidoscope, with other Kaleidoscope partners or representatives of other companies. In addition, you must refrain from discussions with competitors about

- (a) prices,
- (b) costs,
- (c) profits or profit margins,
- (d) production volumes, or
- (e) bids or quotes for a specific customer's business.

Certain sales tactics or other arrangements with customers or suppliers may also raise antitrust and competition law risks if they unfairly restrain or prevent competition

- (a) by your competitors or
- (b) among your customers.

Examples of sales arrangements that have been found to violate the antitrust laws include pricing below cost, exclusive dealing contracts, bundled or tie-in sales, agreements with customers about resale prices, and charging different prices to competing customers. You should not enter into any such agreements or arrangements without having them reviewed and approved by Kaleidoscope.

You should be aware that, despite your location, the antitrust laws of local governments might be applicable to you because these laws apply to business operations and transactions related to imports to, or exports from, countries that Kaleidoscope operates from.

Unfair methods of competition and deceptive practices are also prohibited. Examples of these include making false or misleading statements about your or Kaleidoscope's products or services, falsely disparaging an Kaleidoscope competitor or its products or services, making product or service claims without facts to substantiate them, or using Kaleidoscope's or another company's trademarks in a way that confuses the customer as to the source of the product or service.

## 2.7 Intellectual Property and Obligations of Confidentiality

Kaleidoscope respects the intellectual property rights of others and expects other companies to respect its intellectual property rights. You are responsible for protecting Kaleidoscope's intellectual property rights. An important element of such protection is maintaining the confidentiality of Kaleidoscope's trade secrets and proprietary information. You must respect the intellectual property of Kaleidoscope and not use Kaleidoscope's patented technology or reproduce copyrighted software, documentation, or other materials without written permission. In the course of working with or for Kaleidoscope, you must not use proprietary information, patented technology or copyrighted software, documentation, or other materials of third parties without authorization.

You must safeguard confidential information by not transferring, publishing, using, or disclosing it other than as necessary in the ordinary course of business or as directed or authorized by Kaleidoscope. You must observe applicable data privacy standards. Materials that contain confidential information or that are protected by privacy standards should be stored securely and shared only internally with those employees with a need to know. For example, confidential information may include, but is not limited to: source code, software, and other inventions or developments (regardless of the stage of development) developed or licensed by or for Kaleidoscope, marketing and sales plans, competitive analyses, product development plans, non-public pricing, potential contracts or acquisitions, business

and financial plans or forecasts, internal business processes and practices, and prospect, customer, and employee information.

## 2.8 Securities and Insider Trading Laws

You are expected to comply fully with applicable local insider trading and securities laws governing transactions in the securities of Kaleidoscope. Securities include common stocks, bonds, derivatives (e.g. options, futures, and swaps), and other financial instruments.

Most federal and state securities laws and regulations prohibit you from using material, nonpublic information (also called "inside information") for personal advantage and from disclosing this information to any other person before it is broadly available. You expose yourself and your company to civil and criminal liability if you or members of your immediate family trade in securities while you possess inside information or if you provide any person or entity with such information for their use in securities trading.

Material information is any information that a reasonable investor would consider important in a decision to buy, hold, or sell securities. It includes any information that could reasonably be expected to cause a change in the price of securities of a company to which the information relates. Such information may include financial performance or significant changes in financial performance or liquidity (including forecasts); potential or ongoing major mergers, acquisitions, joint ventures, or divestiture; award or cancellation of a major contract; changes in key management; changes in auditors, knowledge of a qualification in an auditor's opinion or report or any change in the ability to rely on prior auditor reports; actual or threatened significant litigation or investigations; and gain or loss of a substantial customer or supplier.

If you possess material, non-public information, you may not trade in securities of the company to which the information pertains. You may not engage in any other action to take advantage of or pass on to others (i.e., "tip") material information gained through your relationship with Kaleidoscope until it has been disclosed to the general public, through a press release or otherwise; the press has disseminated it; and investors have had time to evaluate it. These restrictions also apply to spouses and family members.

## 2.9 Conflicts of Interest

2.10 The term "conflict of interest" describes any circumstance that could cast doubt on your ability to act with total objectivity with regard to the distribution of Kaleidoscope products and services. Kaleidoscope wants its Partners' loyalty to be free from any conflicts of interest. Conflict of interest situations may arise in many ways. If you feel that you have an actual or potential conflict with Kaleidoscope or any of its employees you must report all pertinent details to Kaleidoscope.

## 2.11 Business And Employment Relationships

2.12 Kaleidoscope affirms the principle of equal employment and business opportunities without regard to any protected characteristic, including but not limited to: race, religion, national origin, color, gender, gender identity, age, disability, pregnancy, marital status, national origin/ancestry, military status, or sexual orientation. Kaleidoscope policy prohibits harassment in any form, and Kaleidoscope expects that you practice and promote a work environment free from harassment, as appropriate under local laws.

## 3 GENERAL CONTRACTING ISSUES

Kaleidoscope expects you and your employees to compete fairly and ethically for all business opportunities. Your employees who are involved in the sale or licensing of products/services, the negotiation of agreements, or the delivery of services to customers are expected to understand and honor the terms of contractual agreements. You must ensure that all statements, communications, and representations to customers are accurate and truthful as they relate to Kaleidoscope.

## 3.1 Dealing with Government

Kaleidoscope's standards and the applicable laws for dealing with government employees and officials are more stringent than standards for commercial company employees.

You must observe the laws, rules, and regulations that govern the acquisition of goods and services by any governmental entity of any country and the performance of government contracts. Activities that may be appropriate when dealing with non-government customers may be improper and even illegal when dealing with government. If you deal with any governmental entity, including public international organizations, you are responsible for learning and complying with all rules that apply to government contracting and interactions with government officials and employees.

### 3.2 Lobbying of Government Officials

Lobbying is generally any activity that attempts to influence laws, regulations, policies, and rules. In certain jurisdictions, however, the legal definition of "lobbying" can also cover procurement and business development activity.

You may not lobby government on behalf of Kaleidoscope. Kaleidoscope will lobby and retain its own firms directly for government relations or lobbying on Kaleidoscope matters. Government relations consultants/lobbyists retained by you may not be used by Kaleidoscope outside of a separate contract with Kaleidoscope, nor may you use Kaleidoscope's consultants/lobbyists for lobbying purposes outside a separate contract of your own. You may not be paid contingent fees or participate in the influence/referral fee program on any transaction involving a public sector end user.

You are responsible for understanding when your activities may legally be considered lobbying in a particular jurisdiction and complying with the applicable laws.

## 4 ENFORCEMENT

The Partner Code of Conduct and Business Ethics places you and Kaleidoscope in the forefront with those corporations throughout the world that emphasize the importance of honest business conduct and solid business ethics. Our standards can be met only with your cooperation. Kaleidoscope trusts that you will recognize that you must adhere to the standards of this Code. Any violation of this Code will constitute the basis for the immediate termination of your distribution agreements with Kaleidoscope and the cancellation of any pending fees payable to you, pursuant to applicable laws and without any liability to Kaleidoscope.

## 5 REPORTING VIOLATIONS

Report to Kaleidoscope any conduct, including conduct of any Kaleidoscope employee, that you believe in good faith to be an actual, apparent, or potential violation of this Code. Prompt reporting of violations is in the best interest of everyone. Reports will be handled as confidentially as possible.

Kaleidoscope maintains an "open door" policy with regard to your questions, including any questions related to business conduct and ethics. To report an incident, you may contact your local Kaleidoscope office.

**Kaleidoscope business partners and other stakeholders may report suspected violations (anonymously and confidentially) by sending an email to [legal@kaleidoscopeiot.com](mailto:legal@kaleidoscopeiot.com).**