



Standard Operation Procedure (“SOP”)

Review and Implementation Program

It is important for every company to strengthen and update its existing SOP’s regularly in order to ensure:

- (i) compliance with applicable laws and regulations,
- (ii) transparency and adherence by all employees to SOP’s,
- (iii) checks and balances, and
- (iv) adoption of best practices.

All existing SOPs should be reviewed, revised, improved and updated periodically. Failure to do this places the company operations and business at risk. A rational tailored set of SOPs which involves company personnel at all levels is a critical ingredient to the responsible management of an enterprise in China.

We have listed below some of the key SOP’s for companies operating in China. There may be other SOP’s that are needed, or are already in existence at the Company; we can discuss these with you after you have a chance to review these items.

SOP Code	Title	Contents	Remarks
SOP-01	Job Description and Authorization Policy	<ol style="list-style-type: none"> 1. Job Titles; Responsibilities and Rights (See Appendix SOP-01-1); 2. Authorize Others to Act; 3. Act within the Authorization; 4. Authorization Limitation; 5. Responsibilities of Authorization; 6. Responsibilities of Breaching the Policy; 7. Policy Effective Date; 8. Policy Amendment; 9. Appendix SOP-01-1: Organizational Chart of Job Description; 10. Appendix SOP-01-2: Form for Authorization. 	To be reviewed for checks and balances and authority and functional realities
SOP-02	Chop Control Policy	<ol style="list-style-type: none"> 1. Chop Types and Relevant Documents; 2. Chop Making and Destruction; 3. Chop Safekeeping; 4. Procedures to Apply Chop (See Appendix SOP-02-1); 5. Chop Records; 6. Responsibilities of Breaching the Policy; 7. Policy Effective Date; 8. Policy Amendment; 9. Appendix SOP-02-1: Forms for Apply Chop. 	To be reviewed to insure coordination between relevant departments
SOP-03	Contract Control Policy	<ol style="list-style-type: none"> 1. Contract Types; Contract Approval Authorities (See Appendix SOP-03-1); 2. Contract Approval Procedures (See Appendix SOP-03-2); 3. Contract Records; 4. Responsibilities of Breaching the Policy; 5. Policy Effective Date; 	To be reviewed to insure coordination between relevant departments

		<ol style="list-style-type: none"> 6. Policy Amendment; 7. Appendix SOP-03-1: Contract Types and Approval Authorities; 8. Appendix SOP-03-2: Forms for Apply Contract Review and Approve. 	
SOP-04	Labor Manual/Handbook	<ol style="list-style-type: none"> 1. Company Employment Philosophy; <ol style="list-style-type: none"> (1) THE COMPANY Current Philosophies in the Labor Handbook: premier power management outsourcing company in Asia; high quality standard; productivity and profitability; honest and fair; training and welfare; close with suppliers and strategic customers; social responsibilities. (2) Pamir Suggests Adding Philosophies: <ol style="list-style-type: none"> i. Mission: Profits for Shareholder, Value for Customer, Good for Employee and Benefits for Society; ii. Vision: Premier Partner for Customers; Better Products; New Technology、 Talent People、 Better Market Share、 Customer Satisfaction; iii. Motto: Alignment with Customers; Win in Markets; Operate within Budget; Cost Control; Communication Improvement; Satisfy Needs of Customers; Employee Career Development and Diversity; Efficiency; Good Execution; Innovation and IP Protection; Risk Management; Legal & Compliance; SOP and etc. 2. Code of Ethics and Code of Conduct; 3. Conflict of Interest Policy 4. Whistle-blower Policy 5. Basic Recruitment Policies & Employment Conditions; 6. Work; 7. Company Property & Equipment; 8. Office Management; 	<ol style="list-style-type: none"> 1. Jenny is preparing; 2. IT properties and right to check at any time are included in item 5 (Company Property & Equipment)

		<ul style="list-style-type: none"> 9. Payroll and Welfare Systems; 10. Leave & Holiday; 11. Social Insurance, Commercial Insurance, Benefits and Labor Protection; 12. Training and Development; 13. Patents, Inventions, Confidentiality and Non-Competition; 14. Communication Channels; 15. Termination or Dissolution; 16. Disciplinary Procedures; 17. Conclusion. 	
SOP-05	Supplier Control Policy	<ul style="list-style-type: none"> 1. Procurement Policies 2. Definition of Supplier; 3. Supplier Evaluation Items/Standards; 4. Supplier Evaluation Methods; 5. Approval Procedures (See Appendix SOP-05-1); 6. Approval Authorities; 7. Replacement of Suppliers; 8. Anti-Corruption Policy for Governmental Entities; 9. Anti-Corruption Policy for Non-Government Entities; 10. Responsibilities of Breaching the Policy; 11. Policy Effective Date; 12. Policy Amendment; 13. Appendix SOP-05-1: Forms for Supplier Choosing Approval 	To be reviewed to insure coordination between relevant departments
SOP-06	IT Control Policy	<ul style="list-style-type: none"> 1. IT Systems Description; 2. Procedures to Use the IT System; 3. Proper Use of the IT Systems (only use for work not for private purpose); 4. Electronic Records Retention; 	To be reviewed to insure coordination between relevant departments in

		<ol style="list-style-type: none"> 5. Right of Company to Check the IT Records; Emails and etc.; 6. Responsibilities of Breaching the Policy; 7. Policy Effective Date; 8. Policy Amendment. 	<p>coordination with IT department head. Consult with Brandon Tian Poh NG for complete input</p>
SOP-07	Payment Policy	<ol style="list-style-type: none"> 1. Payment Procedures (See Appendix SOP-07-1); 2. Payment Approval Authorities; 3. Payment Documents Required; 4. Responsibilities of Breaching the Policy; 5. Policy Effective Date; 6. Policy Amendment; 7. Appendix SOP-07-1: Form for Apply Payment. 	<p>To be reviewed to insure coordination between relevant departments</p>
SOP-08	Compliance Policy	<ol style="list-style-type: none"> 1. Anti-Corruption Policy for Governmental Entities; 2. Anti-Corruption Policy for Non-Government Entities; 3. Anti-Corruption Training; 4. Third Party Anti-Corruption Training; 5. Third Party Compliance Certificate Policy; 6. Conflicts of Interest Policy; 7. Whistle-Blower Policy; 8. Risk Management (refer to ISO 31000); 9. Quality Management (refer to ISO 9000); 10. Environment Management (refer to ISO 14000); 11. Information Isolation Wall Policy; 12. Gifts and Entertainments; 13. Compliance Training; 14. On Site Inspection; 	<p>To be reviewed to insure coordination between relevant departments</p>

		<ul style="list-style-type: none"> 15. Complaint and Report; 16. Performance Evaluation and Compliance; 17. Responsibilities of Breaching the Policy; 18. Policy Effective Date; 19. Policy Amendment. 	
SOP-09	IP Management Policy	<ul style="list-style-type: none"> 1. Records Retention Policy 2. Definition of IP; 3. Property of Company; 4. Internal Approval Procedures (see Appendix SOP-09-1); 5. Filing Agents Management; 6. Responsibilities of Breaching the Policy; 7. Policy Effective Date; 8. Policy Amendment; 9. Appendix SOP-09-1: Form for Internal Approval of IP Application. 	To be reviewed to insure coordination between relevant departments. This should also be reviewed in the context of any IP Capital Management Program