Mutual Recognition Agreement between Thailand Green Label and SIRIM Eco-label

THIS AGREEMENT is made on 30th day of September 2016

Between: Thailand Environment Institute (Company No. Kor.Thor.115)

(foundation incorporated under the laws of the Kingdom of Thailand) having its principal place of business at 16/151, Muang Thong Thani,

Bond Street, Pakkred District, Nonthaburi 11120 Thailand

and SIRIM QAS International Sdn. Bhd.(Company No. 410334-X)

(a company incorporated under the laws of Malaysia) having its registered address at Building 8, No. 1, PersiaranDato' Menteri, Section 2, P.O. Box 7035 40700 Shah Alam, Selangor Darul Ehsan,

Malaysia

Whereas the Thailand Environment Institute (hereinafter referred to as "TEI") is a national non-profit Ecolabelling organization in Thailand, operating the "Thai Green Label Program, and is the owner of the Ecolabel of the program identified as "Thai Green Label" (hereinafter referred to as "TGL");

Whereas, pursuant to the TGL Program, suppliers of certain products that comply with specific criteria and requirements of the TGL product may be granted a license to use the TGL certification mark in connection with such products;

Whereas the SIRIM QAS International Sdn. Bhd. (hereinafter referred to as "SIRIM QAS International") is a national non-profit Ecolabelling organization in Malaysia, operating the National Ecolabelling Program, is the owner of the Ecolabel of the program identified as "SIRIM Eco-labelling Scheme";

Whereas, pursuant to the SIRIM Eco-labelling Scheme, suppliers of certain products that comply with specific criteria and requirements of the SIRIM Eco-labelling Scheme product may be granted a license to use the SIRIM Eco-labelling Scheme certification mark in connection with such products;

In consideration of the parties' mutual desire to cooperatively promote and facilitate the production and marketing of products that are better for the environment, both parties agree as follows.

1. Definitions:

In this Agreement,

- "Agreement" means this Agreement, which may be amended or supplemented from time to time upon written mutual agreement of the parties hereto;
- "Applicant" means suppliers of certain products that comply with specific criteria and requirements of Ecolabelling program offered by TEI or SIRIM QAS International;
- "Certification/Certified" conveys acceptance into an Ecolabelling program of product which is in compliance with relevant criteria and other requirements of the program. If the criteria are met and Agreement between the product supplier and the Ecolabelling program is entered into, the product supplier's complying product may be represented as certified;
- "Criteria" mean the criteria issued by TEI or SIRIM QAS International in granting a license to use the Thai Green Label or SIRIM Eco-labelling Scheme;
- "Ecolabel" refers to the graphic emblem or seal of the Ecolabelling program, which is used on or in association with a product to acknowledge that product's compliance with relevant criteria;
- "Ecolabelling program" refers to the TGL Program in Thailand and/or SIRIM Eco-labelling Scheme in Malaysia;
- "License" refers to a license under which the right to bear the Thai Green Label or the SIRIM Eco-labelling Scheme on a product is granted by TEI or SIRIM QAS International, as the case may be;
- "License fee" means the fees paid to the licensing organization, including but not limited to annual fee, marketing fee and certificate issuance fee;
- "Verification fee" means the fees paid to the verification organization, including but not limited to on-site auditing fee, document auditing fee, etc.;
- "Party" means TEI or SIRIM QAS International:
- "Parties" means both TEI and SIRIM QAS International;
- "Product" means any goods or service.

2. Scope:

Section 2.1 The scope of this Agreement covers all current and proposed aspects of the TGL Program in Thailand and the SIRIM Eco-labelling Scheme in Malaysia.

3. Recognition and Acceptance:

- Section 3.1 Both parties recognize and accept the other party's operational system and procedures as transparent, open and credible.
- **Section 3.2** Both parties shall receive the most recently updated labelling criteria of each other for the Applicant products before they start the verification process.
- **Section 3.3** TEI recognizes and accepts SIRIM QAS International as a verifier on behalf of the TGL Program in Malaysia, and SIRIM QAS International recognizes and accepts TEI as a verifier on behalf of the SIRIM Eco-labelling Scheme in Thailand.

Section 3.4 TEI shall verify the compliance of the Applicant's Product seeking SIRIM Ecolabelling Scheme in Thailand in accordance with the SIRIM Eco-labelling Scheme Criteria and submit a verification report and an endorsement letter to SIRIM QAS International, and SIRIM QAS International shall verify the compliance of the Applicant's Product seeking TGL in Malaysia in accordance with the TGL Criteria and submit a verification report and an endorsement letter to TEI.

4. License Application:

Section 4.1 TEI authorizes SIRIM QAS International to receive an application for the license on behalf of TEI in Malaysia. For the avoidance of doubt, the aforesaid application shall be routed to TEI first. SIRIM QAS International would facilitate the application process by informing the Applicant to contact TEI directly and then TEI will update and inform SIRIM QAS International if the application is accepted. Then, TEI will inform SIRIM QAS International for further instruction if the verification is needed.

Section 4.2 SIRIM QAS International authorizes TEI to receive an application for the license on behalf of SIRIM QAS International in Thailand. For the avoidance of doubt, the application shall be routed to SIRIM QAS International first. TEI would facilitate the application process by informing the Applicant to contact SIRIM QAS International directly and then SIRIM QAS International will update and inform TEI if the application is accepted. Then, SIRIM QAS International will inform TEI for further instruction if the verification in needed.

5. Granting License:

Section 5.1 Upon completion of the verification works, SIRIM QAS International shall submit a verification report and an endorsement letter verifying the products has satisfied the TGL Criteria and TEI shall, at its sole discretion, grant the license to such products so long as the products does not pose any particular reason for rejection of the license.

Section 5.2 Upon completion of the verification works, TEI shall submit a verification report and an endorsement letter verifying the products has satisfied the SIRIM Eco-labelling Scheme Criteria and SIRIM QAS International shall, at its sole discretion, grant the license to such products so long as the products does not pose any particular reason for rejection of the license.

6. Warranty:

Section 6.1 Each party warrants that the verification report and endorsement letter submitted upon completion of the verification works, are true and correct.

Section 6.2 SIRIM QAS International shall, upon request of TEI, monitor and audit the products verified by SIRIM QAS International are continuously satisfied the Thai Green Label Criteria, and TEI shall, upon request of SIRIM QAS International, monitor and audit

the Product verified by TEI are continuously satisfied the SIRIM Eco-labelling Scheme Criteria.

Section 6.3 Each Party will notify the other when the Product certified through this Agreement fall out of compliance.

7. Consultation Section:

Section 7.1 The Parties shall meet or communicate, at least once per year via electronic mail or telecommunications or other appropriate forum to evaluate the progress of this Agreement and share monitoring information.

8. Free Trade Barriers:

Section 8.1 Measures are considered to be trade barriers when they unfairly disadvantage or restrict the access of the products into a foreign market, hence both parties agree to:

- (a) Ensure decision-making processes relating to criteria development, certification and authorization of product suppliers to use the appropriate Ecolabel on their certified product (s), are transparent;
- (b) Keep Ecolabelling programs and relevant non-confidential information open and readily accessible to all Applicant and other interested parties including both domestic and foreign companies; and
- (c) Incorporate relevant guiding principles established by the International Organization of Standardization (ISO), the Global Eco-labelling Network (GEN), and the World Trade Organization (WTO).

9. Confidentiality:

Section 9.1 The Parties undertake to observe confidentiality towards other Parties not concerned or connected with this Agreement. Any Confidential Information disclosed to either Party pursuant to this Agreement shall not without prior written consent of the other Party be disclosed to a third party or be used for any purpose not expressly permitted in writing by the other Party.

Section 9.2 The confidentiality provisions apply to all Confidential Information exchanged between each Party including any Confidential Information exchanged in preliminary discussion and during negotiations relating to matters within the scope of this Agreement. The Parties agree to adopt the industry's highest standards regarding the disclosure and protection of their Confidential Information.

Section 9.3 For the purpose of this Section, 'Confidential Information' means this Agreement including all technical know-how, and other commercially valuable information in whatever form including, but not limited to, unpatented inventions, trade secrets, formulae, graphs, drawings, designs, tables, flow charts, process charts, biological, chemical and/or botanical materials, samples, germ plasm materials, devices, models, know-how, copyright in and to

documents/software and other materials of whatever description which have been disclosed by the Parties or their employees or management for the purpose of this Agreement, which the Disclosing Party claims is confidential to itself or over which it has full control and includes all other such information that may be in the possession of the Disclosing Party's employees or management.

Section 9.4 'Disclosing Party' means the Party that is disclosing its Confidential Information to the other Party. 'Receiving Party' means the Party that is receiving Confidential Information from the other Party.

Section 9.5 The obligation of this confidentiality shall not apply under the following circumstances: -

- (a) The Confidential Information was previously known to the Receiving Party without restriction prior to receipt hereunder as evidenced by the records of the Receiving Party;
- (b) The Confidential Information is now or hereafter becomes available to the public in the form of a printed publication through no breach of this Agreement;
- (c) The Confidential Information is subsequently disclosed to the Receiving Party without restriction by a third party having lawful right to disclose such information; and
- (d) The Confidential Information is required by law to be disclosed.

Section 9.6 After termination of this Agreement, the provision under Section 9 shall still be in force, regardless of the termination of this Agreement, for matters handled under this Agreement.

10. Indemnification

Section 10.1 The Parties shall indemnify each other from and against all liabilities including losses, claims, proceedings, damages, costs and expenses, arising out of each other's action, omission or negligence in performing their respective obligations under this Agreement.

Section 10.2 The Parties agree that breach of this Agreement shall cause the other Party irreparable damage for which recovery of damages would be inadequate, and that the other Party shall therefore be entitled to specific performance, injunctive and other equitable relief in enforcing the obligations of this Agreement in addition to all other remedies available in law.

Section 10.3 The Parties shall indemnify each other in connection with the performance of the services and/or its obligations under this Agreement only.

Section 10.4 The Parties shall defend and hold harmless each other and agrees that Parties shall not be responsible for any liabilities, damages, injuries, losses, costs and expenses including Product Liability Claims suffered by any third party due to reliance to the Parties' Certified Product.

11. Intellectual Property

Section 11.1 TEI shall not utilize in whatsoever manner SIRIM QAS International's Corporate Logo and SIRIM Certification Mark, company data, standards, labels, schemes, marks including words that indicate the meaning such as "Tested" or "Approved" by SIRIM QAS International and any other similar representation for any purpose without the prior written approval from the Managing Director of SIRIM QAS International.

Section 11.2 Similarly SIRIM QAS International shall not utilize in whatsoever manner the TEI's logo, TEI's certification marks TEI"s data, standards, labels, schemes, marks including words that indicate the meaning such as "Tested" or "Approved" and any other similar representation for any purpose without the prior written approval from the President of TEI.

12. Fees:

Section 12.1 Applicant shall pay the License fee to the Party offering the Ecolabel.

Section 12.2 License fee must be determined and charged in a consistent and fair manner, which does not unjustly discriminate against a foreign Applicant.

Section 12.3 Applicant shall pay the Verification fee which shall be determined by the Party who performs the relevant work.

13. No Authority to License Other Party's Eco Label:

Section 13.1 Neither Party has the authority to license the use of the other Party's Ecolabel.

14. Termination:

Section 14.1 Termination upon Agreement Anniversary: This Agreement may be terminated upon the annual anniversary date of this Agreement by either Party providing three (3) months advance written notice of intent to the other Party.

Section 14.2 Termination for Bankruptcy: This Agreement may be terminated by either Party if the other Party voluntarily enters into proceedings in bankruptcy or insolvency.

Section 14.3 Termination for Change in Status: This Agreement will terminate if either Party ceases to have the authority to manage and operate the Ecolabelling program.

15. Arbitration:

Section 15.1 Any claim, disputes or controversy arising between the Parties hereto out of or in connection with this Agreement, or breach thereof, which cannot be amicably settled by the Parties, shall be finally settled by arbitration in accordance with the Rules of Arbitration of the International Chamber of Commerce. The arbitration shall take place in Bangkok,

Thailand if TEI is the respondent and in Kuala Lumpur, Malaysia if SIRIM QAS International is the respondent. The award thereof shall be final and binding upon the Parties and judgment on such award may be entered in any court or tribunal having jurisdiction thereof.

16. Miscellaneous Provisions:

Section 16.1 Notice: Any notice, communications or demand given or made pursuant to this Agreement shall be in writing and sent by certified airmail, electronic mail or facsimile telecommunications and shall be addressed to the Parties at their respective addresses set forth below:

To TEI:

Thailand Environment Institute

16/151, Muang Thong Thani, Bond Street, Pakkred

District, Nonthaburi 11120 Thailand

Attn: President

Tel.: +66-2503-3333 Fax: +66-2504-4826-8 E-mail: thanawat@tei.or.th

To SIRIM QAS International:

SIRIM QAS International Sdn. Bhd.

Building 25, No. 1, PersiaranDato' Menteri, Section 2, P.O. Box 7035,40700 Shah Alam,

Selangor Darul Ehsan, Malaysia

Attn: Senior General Manager,

Product Certification and Inspection Department

Tel. +603-5544 5820 Fax : +603-5544 5960 E-mail : basori@sirim.my

Section 16.2 Term: This Agreement comes into effect on the date of execution, and remains effective until terminated under the conditions identified in Sections 14.1, 14.2 or 14.3.

Section 16.3 Survival: The termination of this Agreement shall not affect the survival and enforceability of any provision of this Agreement, which is expressly or impliedly intended to remain in force after such termination.

Section 16.4 No exclusivity: Nothing contained in this Agreement shall be construed as binding the Parties to any form of exclusivity, whilst both Parties shall be entitled to conduct business independently of each other unless otherwise agreed by the Parties in writing in a subsequent formal Agreement to the other Party hereafter.

Section 16.5 **Modification:** No modification or change may be made in this Agreement or its Appendix except by written instrument duly signed by the Parties.

[End of Clauses]

In witness whereof the Parties hereto set their hands the day and year above written;

Signed on behalf of SIRIM QAS International Sdn. Bhd.

Signed on behalf of Thailand Environment Institute

BASORI BIN SELAMAT

Senior General Manager Product Certification and Inspection Department THANAWAT JARUPONGSAKUL

President Thailand Environment Institute

September 30, 2016