

# HCPN Partner Behavior Regulations

Note: This HCPN Partner Behavior Regulations (the “Regulation”) contains the principles that govern your market behavior. This Regulation is entered into by and between Sparkoo Technologies Ireland Co., Limited. (“Huawei Cloud”, “we”, “us” and “our”) and the entity you represent (“Partner”, “you” or “your”). You represent and warrant that you have the power and authority to enter into this Regulation for Partner and to bind Partner to the terms and conditions of this Regulation. This Regulation takes effect as of the date you accept this Regulation (the “Effective Date”), unless otherwise notified by us. You waive any defense against the validity or enforceability of the Regulations submitted and accepted in electronic form.

## I. Purpose

HCPN Partner Behavior Regulations is formulated to regulate the behaviors of Huawei Cloud Partner Network (HCPN) partners in cooperation with Huawei Cloud, maintain a sound business environment, and safeguard the common interests of Huawei Cloud and partners, so that both parties can carry out long-term, stable, and transparent cooperation.

## II. Application Scope

This document applies to global HCPN partners.

## III. Definition

- **Huawei Cloud Partner Network (HCPN)** is a global partner program for Huawei Cloud. We are focused on helping HCPN partners build competencies or solutions on Huawei Cloud by providing valuable business, technical, marketing, and go-to-market (GTM) support. The

HCPN further enables Huawei Cloud customers to identify high-quality HCPN partners who deliver better products and services on Huawei Cloud.

- **HCPN partners (partners for short)** are enterprises that have joined HCPN.
- **Partner violations** refer to all violations committed during the cooperation with Huawei Cloud against applicable laws and regulations, agreements or contracts between partners and Huawei Cloud, and Huawei Cloud partner policies.

#### IV. Basic Principles

- **Legal Compliance:** If a partner violates relevant laws and regulations or commits a crime, they shall be punished according to the laws and regulations or handed over to the judicial authorities.
- **Contract Compliance:** The cooperation between Huawei Cloud and the partner is based on the contract between both parties and Huawei Cloud partner policies. A partner who violates the contract or policies shall assume the responsibilities specified in the related contract and policies.

#### V. Violation Scenarios and Levels

##### 1. Prohibited (Redline) Behaviors

No.	Violation Scenario	Description
1	Trade compliance violation	Behaviors that violate export control laws and regulations applicable to China, the United States, the European Union, and the United Nations resolution and Huawei Cloud export control policies, or any behaviors that may cause Huawei Cloud to violate export control laws and regulations applicable to China, the United States, the European Union, and the United Nations resolution.
2	Financial compliance violation	<ul style="list-style-type: none"><li>• Partners or the companies they represent and their subsidiaries, directors, managers, and, to the knowledge of partners, their shareholders, affiliates, agents, or employees, whether natural persons or</li></ul>

No.	Violation Scenario	Description
		<p>entities, are restricted objects.</p> <ul style="list-style-type: none"> <li>Any funds provided or to be provided by partners or the company/entity represented by the partners are directly or indirectly related to the restricted objects or any activities that may violate applicable laws/regulations, such as money laundering and financing of terrorists.</li> <li>Any funds received by or to be received by partners are directly or indirectly used to support or assist activities that violate applicable laws/regulations, including activities that may cause either Party to violate the pertinent sanctions or activities that are prohibited by the pertinent sanctions.</li> </ul> <p>"Restricted object" means a person or entity who is (1) listed on, owned or controlled by a person listed on, or acting on behalf of a person listed on, any Sanctions Lists; (2) located in, a permanent resident of, or incorporated under the laws of a country or territory that is the target of country-wide or territory-wide Sanctions; or (3) otherwise a target of Sanctions who is prohibited by law from engaging in trade, business, or other activities.</p> <p>"Sanctions" means any economic sanctions, laws, and/or regulations or restrictive measures formulated, administered, or enforced by the United States Treasury Department's Office of Foreign Assets Control (OFAC), the US Department of State, the United Nations Security Council, the European Union, and other competent governmental institutions and/or departments (collectively, the "Sanctions Authorities").</p> <p>"Sanctions List" means the lists containing Restricted Parties that are released by any of the Sanctions Authorities, including but not limited to the <i>Specially Designated Nationals and Blocked Persons List</i> maintained by OFAC and the <i>Consolidated List of Financial Sanctions Targets</i> maintained by HM Treasury of the United Kingdom.</p>
3	Anti-bribery violation	Behaviors that violate anti-corruption laws and regulations, <i>Code of Conduct for Partners, Business Partnership Commitment to Huawei</i> , and other relevant provisions in agreements signed with Huawei Cloud, or bribes in any form to relevant personnel, including Huawei personnel, non-staff workers at Huawei, Huawei customers, and government personnel, when fulfilling contract obligations and providing services to customers, users, or third parties on behalf of Huawei Cloud.
4	Cyber security and privacy protection and commercial	Behaviors that violate any applicable laws and regulations on cyber security, user privacy protection, commercial secret protection, and information confidentiality as well as regulations on cyber security, privacy protection, and commercial secret protection in

No.	Violation Scenario	Description
	secret violation	various agreements with Huawei Cloud, and cause major crises, complaints, losses, or risks to Huawei Cloud.
5	Major violation of introducing tenant services	When a partner develops a customer, the partner has not conducted the qualification review and business compliance assessment and has not effectively fulfilled compliance responsibilities during business development. As a result, the customer developed by the partner may engage in non-compliant businesses (such as pornography, gambling, sensitive political topics, fraud, virtual currency, and firewall traversal). The customer has been frequently reported and criticized by regulators or has caused P3 or higher-level incidents of blocking or regulatory talks by public security authorities, causing negative impacts on the company's brand and reputation, and directly affecting the company's qualifications.
6	Product, qualification, or authorization falsification	Partners forge seals, authorization letters, commitment letters, qualification certificates, and authorized identities of Huawei or Huawei Cloud and their affiliates outside the Chinese mainland and counterfeit Huawei Cloud products.

## 2. Violations at All Levels

No.	Violation Scenario	Description	Level
1	Conflict of interest	Behaviors that violate the regulations on conflict of interest with partners in <i>Business Partnership Commitment to Huawei</i> , or that involve substantial conflict of interest.	Level 1
2	Provision of false information	Behaviors including providing false documents and information to Huawei Cloud, customers or users, or other parties involved in Huawei Cloud transactions, intentionally concealing the information, such as licenses, permits, and financial status, using false qualifications or information for registration or release, and providing information or materials that are inconsistent with the business nature. The forms of providing false information include but are not limited to forging, altering, and tampering with information or materials.	Level 1
3	Improper dealings	Behaviors that involve improper dealings with Huawei Cloud employees, their relatives, or other beneficiaries, including but not limited to gambling or disguised gambling and visiting improper places.	Level 1

No.	Violation Scenario	Description	Level
4	Illegal sales	<ul style="list-style-type: none"> <li>Sell counterfeit Huawei Cloud products.</li> <li>Maliciously infringe on others' intellectual property rights or commit multiple infringements, and refuse to make changes.</li> <li>Sell exam vouchers, test coupons, and test resources.</li> <li>Guidance on offline transactions: During the transaction between a partner and a customer, the partner guides the customer to conduct an offline transaction, or the customer guides the partner to conduct an offline transaction. This can happen in any form or in a purchase or renewal scenario, and this will be taken as a violation regardless of whether the transaction is successful.</li> <li>Other sales behaviors that violate the contract or Huawei Cloud partner policies</li> </ul>	Level 1
5	Non-compliant delivery	Products purchased online by customers are not delivered as expected. The behavior includes but is not limited to false delivery and incomplete delivery.	Level 1
6	Unauthorized commitment and publicity, and certification training beyond authorization	<ul style="list-style-type: none"> <li>Make commitments or publicity to third parties on behalf of Huawei Cloud without authorization.</li> <li>Carry out Huawei Cloud certification and training services beyond the authorization on career certification, professional certification, and training courses, including but not limited to technical directions, course directions, lecturers, and regions. Routine sales training and daily enablement are not included in this scope.</li> </ul>	Level 2
7	Improper acquisition of incentives	Improper acquisition of various special incentives such as partner operations incentives	Level 2
8	Fraudulent acquisition of partner benefits	Fraudulent claim of partner benefits, such as Market Development Fund (MDF), Funding Head (FH), Non-Recurring Engineering (NRE), development and migration support, and delivery capability improvement support	Level 2
9	Use of coupons for other purposes	Use coupons, such as test coupons, certification exam vouchers, and sandbox lab coupons, for other purposes.	Level 2
10	Assisting in non-compliant revenue	Assist Huawei employees to confirm revenues in violation of Huawei's revenue compliance	Level 2

No.	Violation Scenario	Description	Level
	confirmation	requirements.	
11	Non-compliant acceptance	Acceptance is not performed based on the actual delivery progress or content, including but not limited to acceptance prior to the delivery, acceptance in the name of the customer or Huawei Cloud, and unauthentic acceptance proof materials.	Level 2
12	Disclosure of confidential information	Spread or disclose confidential information and commercial secrets learned during transactions with Huawei Cloud, including but not limited to project opportunities, customer information, the list of controlled products and technologies, Huawei Cloud certification training materials, examination questions, and Huawei Cloud product prices.	Level 2
13	Major customer complaints	<ul style="list-style-type: none"> <li>Violate contracts or other agreements with Huawei Cloud or customers or users, and cause critical complaints from customers or users.</li> <li>Repeatedly infringing on the intellectual property rights of others has resulted in significant complaints, but prompt actions are taken to rectify the situation upon notification by Huawei Cloud.</li> </ul>	Level 2
14	Service violation	Fail to comply with the contract, related policies, or safety regulations when providing services to customers, resulting in man-made accidents and adverse impacts on Huawei Cloud; or intentionally conceal or fail to promptly report major issues or technical risks, causing significant impacts on Huawei Cloud.	Level 2
15	Loss caused by violations	<p>During the cooperation with Huawei Cloud:</p> <ul style="list-style-type: none"> <li>Partner personnel engage in abusive behaviors, spread rumors, defame, or maliciously spread false information about Huawei Cloud (including its employees). Such actions have the potential to harm the reputation of Huawei Cloud and cause emotional distress to its employees.</li> <li>Partner personnel engage in physical altercations, such as pushing, fighting, or other conflicts, with Huawei Cloud personnel. Such actions may result in harm to the latter's right to life, body, or health. Huawei Cloud will assess the likelihood of the aforementioned damages and impose penalties accordingly. In the event that</li> </ul>	Level 2

No.	Violation Scenario	Description	Level
		partner personnel violate laws and regulations, Huawei Cloud reserves the right to report the event to the relevant judicial authorities for further action.	
16	Marketing violation	<ul style="list-style-type: none"> <li>Without authorization and written consent, disclose the cooperation relationship with Huawei Cloud. Release news, advertorials, and cases containing Huawei Cloud business secrets. Describe Huawei Cloud products, technologies, and services not in compliance with the contract or authorization requests. Make publicity that violates advertising laws or public order and good customs, causing adverse impacts on Huawei Cloud.</li> <li>Without authorization and written consent, use the names and trademarks of Huawei Cloud and its affiliates for publicity.</li> <li>The goods/services, information, or other information sold, released, or promoted without authorization or permission infringes on the intellectual property rights of others.</li> </ul>	Level 3
17	Disturbing market order	<ul style="list-style-type: none"> <li>Engage in unfair competition or disrupt market order through unreasonable marketing tactics.</li> <li>Conduct unfair competition through malicious complaints, comments, defamation, and false subscription.</li> <li>Other behaviors that disturb normal market competition</li> <li>Any other behavior contrary to applicable Antitrust laws and regulations.</li> </ul>	Level 3
18	Dereliction of management on lower-level partners	Fail to effectively manage lower-level partners. As a result, the partners violate Huawei Cloud Partner Behavior Regulations, causing losses and adverse impacts on customers/users and Huawei Cloud.	Level 3
19	Service enabling not compliant with relevant regulations	Fail to enable services for customers or users in according with the KooGallery interface specifications.	Level 3
20	Service quality requirements not met	<ul style="list-style-type: none"> <li>Neglect customers' service requests, avoid addressing issues, shirk responsibilities, and provide perfunctory responses.</li> <li>Defame, degrade, or insult customers or transaction platforms.</li> </ul>	Level 3

No.	Violation Scenario	Description	Level
		<ul style="list-style-type: none"><li>Violate contracts or other agreements with Huawei Cloud or customers or users, and cause minor complaints from customers or users.</li></ul>	

Notes: For other behaviors that violate the contract or related partner policies and may cause losses or adverse impacts on customers or users, other partners, and Huawei Cloud, Huawei Cloud shall grade the violation and punish the partner involved based on the loss incurred. If the loss incurred is not involved or cannot be identified, the violation handling process refers to that of Level 1.

### 3. Level Escalation Principles

In principle, the level of violation is determined by the behavior that caused it. If the behavior resulted in losses for Huawei Cloud, they can adjust the partner's violation level based on the amount of loss and the criteria outlined below and determine the final violation level.

If a partner engages in any behavior not outlined in this document that results in losses for Huawei Cloud, Huawei Cloud reserves the right to assess the level of the violation and impose punishment based on the amount of loss and the criteria outlined below.

Loss Incurred (CNY)	Level Escalated To
$\geq 500,000$	Level 1
$100,000 < \text{Loss} < 500,000$	Level 2
$\leq 100,000$	Level 3

## VI. Accountability Measures

There are various accountability measures such as cooperation restriction, fines, downgrading, and delisting.



## 1. Penalties at All Levels

Accountability Measure	Redline	Level 1	Level 2	Level 3
Cooperation restriction	Add the partner to the List A.	Add the partner to List A/B.	Add the partner to List B.	/
Fine and warning	<ul style="list-style-type: none"> <li>Cancel, deduct, or collect back unclaimed benefits.</li> <li>Collect liquidated damages and deduct \$30,000 USD from unclaimed incentives or the amount to be settled.</li> <li>Claim more liquidated damages and deduct more money from unclaimed incentives or the amount to be settled based on the loss incurred.</li> </ul>	<ul style="list-style-type: none"> <li>Cancel, deduct, or collect back unclaimed benefits.</li> <li>Collect liquidated damages and deduct \$15,000 USD from unclaimed incentives or the amount to be settled.</li> <li>Claim more liquidated damages and deduct more money from unclaimed incentives or the amount to be settled based on the loss incurred.</li> </ul>	<ul style="list-style-type: none"> <li>Cancel, deduct, or collect back unclaimed benefits.</li> <li>Collect liquidated damages and deduct \$10,000 USD from unclaimed incentives or the amount to be settled.</li> <li>Claim more liquidated damages and deduct more money from unclaimed incentives or the amount to be settled based on the loss incurred.</li> </ul>	<ul style="list-style-type: none"> <li>First violation: warning. Second violation: serious warning. Three Level-3 violations are equivalent to one Level-2 violation. (Penalty lasts for 12 months, starting from the date when the penalty conclusion takes effect.)</li> <li>Claim more liquidated damages and deduct more money from unclaimed incentives or the amount to be settled based on the loss incurred.</li> </ul>
Downgrading or delisting	Downgrade the partner identity level by up to three tiers, cancel the partner identity that has committed the violation, or delist the partner.	Downgrade the partner identity level by up to two tiers, cancel the partner identity that has committed the violation, or delist the partner.	Downgrade the partner identity level by up to one tier, cancel the partner identity that has committed the violation, or delist the partner.	Downgrade the partner identity level by up to one tier, cancel the partner identity that has committed the violation, or delist the partner.

Accountability Measure	Redline	Level 1	Level 2	Level 3
Restricted sales	Remove all offerings of the partner who has committed the violation from the catalog for at least 12 months.	Hide the offerings involved in the violation and restrict their sales for at least three months.	Hide the offerings involved in the violation and restrict their sales for at least one month.	/

## 2. Accountability Measures Description

### 1) Restrictions on Partners on List A and List B

List Type	Restriction Description
List A	<ul style="list-style-type: none"> <li>The restriction period lasts for at least six months.</li> <li>Downgrade the partner tier to the lowest in HCPN and forbid requesting new certification and tier upgrade and joining new partner programs.</li> <li>Forbid developing new customers during the restriction period.</li> <li>Stop the support for marketing activities and the benefit and incentive applications during the restriction period.</li> <li>Cancel the eligibility to apply for a credit line during the restriction period.</li> </ul> <p>Note: After the restriction period ends, the original identity will not be automatically recovered, and the identity starts from the lowest tier in the Huawei Cloud Partner Network.</p>
List B	<ul style="list-style-type: none"> <li>The restriction period lasts for at least three months.</li> <li>Forbid requesting new certification and tier upgrade and joining new partner programs.</li> <li>Stop the support for marketing activities and the benefit and incentive applications during the restriction period.</li> </ul>

List Type	Restriction Description
	<ul style="list-style-type: none"><li>Cancel the eligibility to apply for a credit line during the restriction period.</li><li>Cancel the eligibility of the newly developed customers for discount applications during the restriction period.</li></ul>

## 2) Fines

The fines are primarily sourced from the deposit, unclaimed incentives, and unsettled amount of the business domain where the violation occurred. If these funds are insufficient to cover the fines, they can be deducted from the deposit, unclaimed incentives, and unsettled amount of other business domains where the partner cooperates with Huawei Cloud.

## 3) Downgrading or Delisting

Downgrade the partner tier, cancel the partner identity that has committed the violation, or delist the partner.

## 4) Restricted Sales

Remove offerings of the partner who has committed a violation from the catalog. If an offering has existing customers, hide and restrict the sales of the offering. The customers can renew and upgrade the specifications of the offering as needed to ensure their service continuity.

## VII. Principle of Imposing Heavier or Lighter Penalties

For economic violations: Resellers who commit economic violations will be punished according to Huawei Cloud's relevant Regulation and by taking into account the cooperation attitudes of resellers.

Behavior	Attitude Rating	Handling Principle
Refuse to cooperate with Huawei Cloud on investigation and to acknowledge economic violations.	3	Cancel the cooperation and add the partner to List A until handover to judicial authorities.

Behavior	Attitude Rating	Handling Principle
Cooperate with Huawei Cloud on investigation, partially confess their economic violations, and promise not to recommit the violations.	2	Restrict the cooperation, including cooperation level downgrade, share reduction, and economic penalty for breach of contract.
Proactively report or fully cooperate with Huawei Cloud on investigation, admit economic violations, and provide corresponding evidence. Promise not to recommit the violations.	1	Reduce or exempt from penalties, as appropriate.
Report other suppliers and resellers breaching Huawei Cloud Honesty and Integrity Agreement or Huawei Cloud employees violating the business conduct guidelines (BCG). The report is verified through investigation.	Positive event	Reduce or exempt from penalties, as appropriate.

For violations other than economic violations:

Penalty Type	Behavior	Handling Principle
Heavier penalties	Commit violations for three or more times within 12 months.	Restriction period of List A/B, economic penalty for breach of contract, incentive deduction amount, and sales restriction period
	Commit violation after Huawei Cloud releases written warnings including but not limited to emails and letters.	
	Refuse to cooperate with Huawei Cloud on investigation.	
	Cause adverse impacts on Huawei Cloud.	
Lighter penalties	Proactively report or cooperate with Huawei Cloud on investigation.	1) Restriction period of List A/B, economic penalty for breach of contract, incentive deduction amount, and sales restriction period 2) If the restriction period is shorter than the lower limit (six months for the List A and three months for List B), the partner on List A is moved to List B, and that on List B is exempted from the restriction.
	Make significant contributions to Huawei Cloud in terms of competitiveness building and market presence breakthrough.	
	A third party, through inspection and audit, or the disclosure party, through self-check, confirms that the partner is not primarily	

Penalty Type	Behavior	Handling Principle
	responsible for the violation.	

## VIII. Violation Risk Management

Criteria for determining whether to add the associated companies of a partner to the List A/B

No.	Criteria	Handling Principle
1	Company in which the partner accounts for the largest proportion of investment	Huawei Cloud reserves the right to include the affiliated companies of partners who have committed violations into the List A/B.
2	Company whose legal representative, director, supervisor, or general manager is the same person as that in the partner's company	
3	Company that has had revenue consolidation at Huawei	

Cooperation suspension: If the violation of a partner is preliminarily classified as a redline or a level-1 violation that could have significant consequences, or if the identify of the partner will be canceled or the partner will be delisted, the cooperation with the partner can be suspended after the partner violation decision-making team makes a decision. The partnership will remain suspended until the official penalty decision is announced and implemented. The restrictions during the cooperation suspension period are as follows:

- Forbid requesting new certification and tier upgrade and joining new partner programs.
- Forbid developing new customers during the restriction period.
- Stop the support for marketing activities and the benefit and incentive applications during the restriction period.

- Cancel the eligibility to apply for a credit line during the restriction period.
- Restrict the release of offerings in KooGallery.

## **IX. Violation Reporting and Confession**

If partners report violations of Huawei Cloud personnel or other companies, or proactively confess their own violations, they can send feedback to [BCGcomplain@huawei.com](mailto:BCGcomplain@huawei.com). Partners who have made outstanding contributions will be rewarded as appropriate.

## **X. Effective Date**

The Regulations shall become effective upon the partner's confirmation and shall remain in force during the validity period of partner identity. Huawei Cloud may modify the Regulations, including the documents and policies referenced herein, at any time at our discretion by posting a revised version on the website or by otherwise notifying you. Unless otherwise stipulated in the updated version of the Regulations, or said referenced documents or policies, the modified terms shall come into effect upon posting. You shall check these terms on a regular basis. Your continuous use of the partner identity after the effectiveness of such modification will be deemed as your acceptance to the modified terms.