



INTEGRITY POLICY

Introduction

VBSOFT is dedicated to integrity in every aspect of its business. Customers choose VBSOFT both for the quality of its products and for the integrity of the people who produce them. This confidence in us rests upon a belief that VBSOFT employees consistently decide to do what is right, and will continue to do so in the future.

VBSOFT believes that the overall integrity of the Company demands the continuing commitment of all employees. In making decisions on behalf of the Company, as well as in their individual activities in the workplace, employees are expected to always choose an ethical course of action from among the alternatives. No written code can take the place of personal integrity, common courtesy and good judgment. Yet the following general guidelines, which apply to all directors, officers and employees (full-time, part-time and limited term), highlight the more important integrity policies of the Company and should serve as a guide to minimum standards of proper conduct.

VBSOFT does not anticipate granting waivers or exceptions to this Policy. Any waiver must be specifically pre-approved in writing, by Company management and the assistant general counsel responsible for compliance. If the individual requesting

an exception is an officer or director, the waiver must be made by the Audit and Ethics Committee of the Board of Directors.

Any violation of these policies may subject the employee involved to disciplinary action by the Company, including dismissal, and possible civil or criminal penalties, as well as subjecting the Company to possible civil or criminal liability.

Employees are reminded that both the Company and various governmental agencies view intentional ignorance of dishonest or improper activities to be the same as actual knowledge of those activities.

Suspected unethical conduct should be reported to the assistant general counsel responsible for compliance at ethics@vbsoftindia.com. All significant reports are communicated to the Audit and Ethics Committee of the Board of Directors and the Business Conduct and Ethics Committee, comprised of Company Management. Employees with concerns of financial misconduct or fraud may report such concerns directly to the Audit and Ethics Committee via email at audit@vbsoftindia.com.

All employee reports and concerns will be handled confidentially, anonymously and with discretion. Employees can report suspected unethical activities without fear of retribution from the Company for doing so. All reports will be investigated, and the Company will undertake remedial measures as they are needed.

The Company considers it in the best interests of employees and the Company to discuss potential issues involving the Integrity Policy as they develop,

rather than after the fact. In many cases, specific policies and regulations not included here will apply within departments or to certain employee activities and circumstances. Please contact your manager or the assistant general counsel responsible for compliance for more information.

Upon starting with the Company, all employees, officers and members of the Board of Directors will be asked to sign an acknowledgement form confirming that they have read and understand the Integrity Policy and agreeing that it is their responsibility to comply with the guidelines contained in it. At least annually, all employees, officers and members of the Board of Directors will be asked to confirm in writing that they have complied with the guidelines contained in the Integrity Policy and that they agree to maintain such compliance.

Code of Integrity

Integrity and a high ethical standard are fundamental to VBSOFT's beliefs and are to be upheld by all individuals employed by the Company. The Company—and each employee—must remain committed to obeying all laws and always doing what is right.

These principles are accomplished in dealings with our customers, suppliers, all employees, and all others with whom we work or whom we encounter while representing the Company, when we:

- obey the letter and intent of the law;
- conduct ourselves in a forthright and honest manner;
- are fair and considerate in all dealings;
- maintain professional behavior and use common courtesy;

- respect the rights and dignity of all individuals, as well as the legal rights of all other businesses and organizations;
- make only commitments we believe we can keep — and do our best to keep them;
- use the VBSOFT name only in connection with authorized, legitimate business activities;
- use VBSOFT's resources in a manner consistent with the best interests of VBSOFT;
- use our positions at the Company to further only valid business objectives, rather than to further primarily personal interests in order to benefit ourselves, our families, friends, or associates;
- avoid the appearance of any impropriety; and
- expect and encourage our chosen business partners and suppliers to maintain similarly high standards of ethical conduct.

Implementation of this Policy requires individual commitment. Following are a series of general guidelines designed to assist all employees in implementing the Policy.

Company assets and records Company assets

It is the job of all VBSOFT employees to safeguard Company assets. All assets, including financial assets, vehicles, office supplies, equipment, computer software, telephone and internet services, voice-mail and e-mail may only be used for purposes authorized by management. Company computers or networks may only be used in accordance with Company policy, and may never be used to access, receive or transmit material that is illegal.

Employees may not loan, borrow, donate, sell or dispose of any Company property unless specifically

authorized by the Management. Employees may not use Company property, information or his or her position at the Company for personal gain. Any act that involves theft, fraud, embezzlement, or misappropriation of any property is also prohibited.

Company books, records and filings

All financial books, records, accounts, government filings and communications to investors must accurately reflect transactions and events, and conform both to generally accepted accounting principles and to VBSOFT's system of internal controls. Undisclosed, misrepresented or unrecorded funds, assets or liabilities are not allowed.

It is never acceptable to make false claims on an expense report or time sheet, to falsify quality or safety results, to record false sales or record them early, to understate or overstate known liabilities and assets, or to defer recording items that should be expensed. No entry may be made that intentionally hides or disguises the true nature of any transaction.

Employees must follow the Company's contracts processes and consult with the Legal Department before entering into any contracts, agreements or other legally enforceable commitments (whether written or unwritten) to which the Company is a party.

Almost all business records — including e-mail and computer records — may become subject to public disclosure in the course of litigation or governmental investigations. Records are also often obtained by outside parties or the media. Employees should therefore be clear, concise, truthful and accurate when recording any information in any format.

Documents should be retained in accordance with our record retention policy. Contact the Management if there is any doubt about the appropriateness of document retention or destruction.

Company Public Reporting

Depending on your position with the Company, you may be called upon to provide necessary information to assure that the Company's public reports in public communications by the Company are full, fair and understandable. The Company expects you to provide prompt, accurate answers to inquiries related to the Company's public disclosure requirements.

Disclosure or Use of Confidential Information

Protection of Confidential Information

"Confidential Information" means information about the Company's business, employees, customers, vendors or other entities with which the Company does business that is not available to the general public. Confidential Information is typically learned by employees in the course of employment with the Company. Confidential Information includes personnel information, product development and marketing information and strategies, trade secrets, know-how, pricing and cost information, internal policies, computer access codes, current or projected earnings, and financial status not already disclosed in public documents.

Confidential Information should be disclosed only to those employees of the Company who need to know it to serve the interests of the customer, supplier, development partner, or the Company, and it should

not be used for personal gain in connection with securities trades or otherwise. Before disclosing Confidential Information to consultants, independent contractors or other third parties, employees should verify that Confidential Information is safeguarded by a signed confidentiality or non-disclosure agreement. Confidential Information must not be discussed in the presence of persons, whether employed by the Company or not, who do not have a legitimate business purpose to learn the Confidential Information.

Unnecessary copying of documents containing Confidential Information must be avoided. Documents containing Confidential Information should not be left in conference rooms, in photocopy areas, on desks or at workstations where they can be seen by outsiders or unauthorized employees. Similarly, Confidential Information should not be left displayed on computer screens when not in use. Unless otherwise required by the terms of a specific confidentiality or non-disclosure document, additional or extra copies of Confidential Information should be shredded and not discarded in trash cans. Unauthorized, informal or inadvertent release of Confidential Information can subject an employee, the Company, or both, to liability for damages.

Both during and after employment with the Company, employees are obligated to safeguard Confidential Information. At the end of employment, employees must deliver all materials containing Confidential Information, including copies, notes, and files, to the Company. Confidential Information which is not in written form but which is retained in an employee's memory is subject to the same restrictions and prohibitions with respect to disclosure and usage as Confidential Information which is in written or other recorded form.

All employees of the Company also have an obligation to protect the confidential nature of relationships with former, present or prospective customers, suppliers or development partners of the Company. This includes but is not limited to Confidential Information owned by such third parties and disclosed to the Company in confidence. Any Confidential Information about customers, suppliers and development partners that is acquired by employees must be used solely for proper purposes of the Company, and under no circumstances shall such information be revealed to persons who do not have a legitimate VBSOFT business purpose to learn the Confidential Information. Each department of the Company will determine whether supplemental procedures are necessary to protect confidentiality. Each employee should ascertain whether such supplemental procedures exist for his or her department.

In addition to the restrictions mentioned above, the Company, in many cases, may be bound by the terms of specific confidentiality or non-disclosure agreements. Individuals handling Confidential Information must ascertain whether any such agreement exists and, if it does, adhere to its provisions which may be more restrictive than those contained in this guideline. When in doubt about such restrictions, please consult Management.

Unnecessary copying of customer, supplier or development partner confidential documents must be avoided. Such documents should not be left in conference rooms, in photocopy areas, on desks or at workstations where they can be seen by outsiders or unauthorized employees. Informal or inadvertent release of Confidential Information can subject an employee or the Company, or both, to liability for damages. Unless otherwise required by the terms of a specific confidentiality or non-disclosure document,

additional or extra copies of any such Confidential Information should be shredded and not discarded in trash cans.

Conflict of Interest

All officers, employees and members of the Board of Directors owe a duty of loyalty to the Company. This duty places on each person the obligation to act in the Company's best interests and to maintain in confidence all proprietary information of the Company, including third party Confidential Information obtained by the Company. Employees must not compete with the Company, and must avoid placing themselves in positions that may produce divided loyalty, or which could create the appearance of divided loyalty. It is the duty of each employee to refrain from using Company property, information, or his or her position at the Company for personal gain.

Outside Employment

An employee shall not engage in any type of outside employment while employed at the Company, including consulting and self-employment, if the outside employment:

- may embarrass or discredit the Company;
- may, in any way, affect the employee's impartiality, objectivity or efficiency in performing his or her duties at the Company (except as otherwise provided for under local laws or regulations);
- involves the use, possible use or disclosure of proprietary or confidential information of the Company or the proprietary or confidential information of others held by the Company;
- involves, in any way, a supplier, customer or competitor of the Company;

- involves the use of the Company's equipment, supplies, software or other resources; or,
- is conducted during or otherwise conflicts with the employee's work for the Company.

At times, organizations may invite VBSOFT employees to speak or lecture at an engagement or seminar on a subject relating to the IT industry or the employee's position at VBSOFT. Provided that the speech does not involve disclosure of proprietary or confidential information, it does not create a conflict of interest. Any cash honorarium must be donated to the VBSOFT Foundation by the sponsoring organization. Speaking engagements which are unrelated to VBSOFT or the industry should be evaluated for appropriateness by reference to the criteria above. Prior to any speaking engagement you should consult with your manager and the Corporate Communications Department to review the nature of the event and the content of the proposed presentation.

A potential conflict of interest also arises when an employee serves on a committee or a Board, including an Advisory Board, of a different corporation, whether publicly or privately held if such membership or position has a material impact on the performance of the employee's duties or may otherwise harm the Company. Employees are required to disclose any and all such board or committee memberships. Prior to serving on such a board or committee, employees are required to obtain the approval of the Management. Participation on such a board or committee shall only be permitted with prior approval and where such participation is consistent with the interests of the Company.

Financial and Other Interests

Employees, officers, members of the Board of Directors and immediate family members are expected to monitor carefully their investments in or association with any organization that has a relationship with the Company. Relevant relationships with the Company include customers, suppliers of goods or services, competitors, those involved in partnering alliances and those known to the employee to be considering any such relationship. Written disclosure to the Company is required regarding any substantive association with an indicated outside entity that goes beyond that related with the employee's ordinary job responsibilities to the Company.

In the case of corporations whose securities are regularly and publicly traded, whether there is a financial conflict of interest depends upon many factors, including:

- the employee's ability to influence Company decisions that might affect personal financial interest;
- the size of the investment in relation to the employee's income, investments, and financial needs; and
- the nature and extent of the competition or the relationship between the Company and the other business.

In the case of closely held corporations and companies, employees are prohibited from having a financial interest in any of the businesses described above, if the employee has the ability to influence in any way the Company's relationship with the other business.

Gifts and Gratuities

No gifts or gratuities, which could be construed as influencing or rewarding a particular course of action, may be solicited or accepted by a Company employee from, or be given by a Company employee to, any employee or representative of a customer, supplier, the media, any government agency or department, or any other organization doing business with the Company. The giving or receiving of gifts or gratuities in exchange for influencing or rewarding a particular action is not only prohibited by the Company, but may violate civil or criminal laws, or both.

In certain instances, gifts other than money may be accepted or given. These apply equally to business relationships in which the Company is the customer and to those in which the Company is the vendor. These instances include:

- food, accommodations, entertainment, travel arrangements or promotional material, all of reasonable value, in the course of a meeting or other occasion whose purpose is to hold bona fide business discussions or to foster better business relations, provided that the expenses would be paid for by the Company as a reasonable business expense if not paid for by another party; and
- advertising or promotional material, or other non-cash gifts of a value not exceeding Rs. 1000 that relate to commonly recognized occasions such as promotion, new job, retirement, birthday, wedding, a civil or religious holiday, or business occasions for which local customs dictate gift-giving or receiving.

Certain instances may arise in which an employee is publicly presented with a gift of appreciation from a

customer or business partner which exceeds these rupee value limitations. If, due to local customs, refusal of this gift would harm the business relationship, it is permissible for the employee to accept the gift on behalf of the Company with the gift then becoming Company property.

Where local customs dictate, some departments may choose to vary the rupee amount limits on gifts and gratuities. Donations to charity are recommended substitutes for gift-giving or receiving. Please question your manager regarding your department's specific policy.

Gifts or gratuities accepted or given by members of the immediate families of any of the persons referred to above are prohibited on the same basis described above. The giving or receiving of gifts, gratuities, bequests, amenities or favors based on family or personal relationships is acceptable when those relationships, rather than Company business, are the motivating factor.

Improper Payments

Company policy prohibits, without exception, the use of corporate or personal funds to make or promise to make any improper payment, either domestic or international. An improper business payment is:

- any bribe, payoff or kickback made to obtain an advantage in a commercial transaction;
- any gift, payment, favor, entertainment or other thing of value beyond gifts of a token nature or entertainment of a moderate nature, provided on a customary basis; or,
- any commission, discount, or consulting or professional fee not reasonably related to services actually and legally performed.

In no case may an employee offer to pay, pay or authorize payment to any third person while knowing that any portion of the payment will be given by that third person to exert influence in obtaining or retaining business. This prohibition includes the concepts of conscious disregard of the truth or willful blindness (i.e. intentional ignorance).

Providing improper payments is not only a breach of Company policy, but may cause the Company or the employee, or both, to be in violation of civil or criminal laws, or both.

Government Contracting and Relations with Government Employees

The regulations governing Indian Government contracting and relations with government employees are complex and strictly enforced. Although a general summary is provided below, if you are involved in government contracting, you are required to review VBSOFT's Government Contracting Ethics and Compliance Policy.

All bid responses to federal, state and local solicitations shall be submitted in full compliance with the requirements of the solicitation document and all applicable laws and regulations.

All employees must exercise good judgment in relationships with officials or employees of federal, state or local governments to avoid any conduct which could in any way be construed as influencing or rewarding an improper course of action by any employee of federal, state, or local government or any agent or department thereof. Employees shall not offer or furnish anything of value to any government

employee in return for such an employee performing or refraining from performing an official act.

The offering or furnishing of gifts, gratuities, favors, entertainment, etc., no matter how innocently offered or furnished to government employees, may be a source of embarrassment to the Company and to the government, may be illegal, and may impair public confidence in the integrity of the business relations between the Company and the government.

Employees shall not offer or furnish any gift, gratuity, favor, entertainment, loan, or any other thing of value, either directly or indirectly, even of a token nature, to any employee of an agency or department of any federal, state, or local government with which the Company is engaged or is endeavoring to engage in procurement activities or business or financial transactions of any sort. Gifts, gratuities, favors, entertainment, etc., bestowed upon members of the immediate families of government employees are also strictly prohibited.

Product and Marketing Integrity

The Company is dedicated to sales, promotional and technical integrity for its products. Company policy expressly prohibits making inaccurate claims about existing or planned product features, mislabeling, accepting orders that require unplanned capabilities, or failing to follow established development and testing procedures.

The Company neither expressly nor implicitly warrants that a product or specification meets a particular use requirement.

Nonetheless, we must always try to avoid any unsafe or improper use of our products; no order should be accepted with knowledge that it will result in unsafe or improper use or that the product will not be able to accomplish the function requested by our customer. It is the policy of the Company to make only those commitments to customers that we believe can be met and that we fully intend to meet.

Professional Conduct in a Diverse Workplace

The employees who make up VBISOFT come from many different states, cultures, backgrounds and beliefs. Our diversity is one of our greatest assets, helping us to compete knowledgeably and successfully in an increasingly global marketplace.

The Company is fully committed to meeting its obligation to provide equal employment opportunities to all employees and applicants for employment without regard to race, color, religion, sex, national origin/ancestry, citizenship, age, sexual orientation, disability, veteran status or other protected status. Employees throughout the Company are responsible for conducting themselves in a professional manner and for helping to create an environment of dignity and respect for others with diverse backgrounds and perspectives, including fellow employees, customers, vendors and other third parties.

Professional conduct is characterized first and foremost by basic civility. Such conduct promotes open dialogue, encourages others to share their opinions, promotes sensitivity to individual and global

differences, and seeks to learn from other viewpoints and strives to avoid intentionally causing offense to others. Conduct that demeans isolates or inappropriately excludes others is inconsistent with this standard. Conduct constituting harassment of any kind, including sexual harassment and harassment based on race, color, religion, national origin/ancestry, citizenship, age, disability, sexual orientation, veteran status or other protected status, is absolutely prohibited. Employees are required to report inappropriate and unwelcome conduct whenever they experience it, witness it or learn about it. Conduct constituting prohibited harassment and the procedures for reporting inappropriate conduct of any kind are described both in the Employee Guidelines and below in detail:

Harassment

Harassment in all of its forms is prohibited. Forms of inappropriate conduct that will not be tolerated include (but are not necessarily limited to) epithets, slurs, negative stereotyping, intimidating acts and the circulation, posting (inside or outside your work area) or e-mailing of written or graphic materials that show hostility towards individuals because of their race, color, religion, national origin/ancestry, citizenship, age, sexual orientation, disability, veteran status or other protected status.

Sexual Harassment

Sexual harassment is illegal and not tolerated at VBSOFT. With regard to sexual harassment, conduct prohibited by VBSOFT includes, but is not limited to, the following:

- Unwelcome sexual advances, requests for sexual favors and other verbal, physical or

visual conduct of a sexual or otherwise offensive nature, especially where (i) submission to such conduct is made either explicitly or implicitly a term or condition of employment; (ii) submission to or rejection of the conduct is used as a basis for employment decisions; or (iii) such conduct has the effect of unreasonably interfering with an individual's work performance or creating an intimidating, hostile or offensive working environment.

- Sexually offensive comments, jokes, innuendoes, and other sexually-oriented statements or materials, including electronic transmission of such materials.

The Integrity Policy prohibits inappropriate conduct regardless of whether the conduct rises to the level of a legal violation. Examples of prohibited conduct include, but are not limited to, the following: (i) offensive sexually-oriented verbal kidding, teasing or jokes; (ii) repeated unwanted sexual flirtations, advances or propositions; (iii) continued or repeated verbal abuse of a sexual nature; (iv) graphic or degrading comments about an individual's appearance or sexual activity; (v) offensive visual conduct, including leering, making sexual gestures, the display of offensive sexually suggestive objects or pictures, cartoons, posters or screen savers; (vi) unwelcome pressure for sexual activity; (vii) suggestive or obscene letters, e-mails, notes or invitations; or (viii) offensive physical contact such as patting, grabbing, pinching, or brushing against another's body.

Co-workers, supervisors, subordinates and non-employees can both initiate and be the target of unwelcome harassment. Sexual harassment can be initiated by a female or male, against a female or male.

Reporting Responsibilities and Procedures

All VBSOFT employees are obligated to assist the Company with maintaining a professional workplace free from harassment. If you are subject to inappropriate conduct, if you witness such conduct or if you are made aware of it, you must report the conduct through one of the following avenues:

- Contact your human resources manager or any supervisor or manager. If you are uncomfortable doing this for any reason, you may use one of the alternatives below:
- Contact an upper level human resources manager or any other management official utilizing the Open Door Policy;
- Contact VBSOFT Management

Reports of discrimination or harassment will be promptly investigated and handled as discretely as possible. If an investigation confirms that a violation of this policy has occurred, the Company will take corrective action as appropriate, including discipline, up to and including termination of employment. VBSOFT prohibits any form of retaliation against any person for making a good faith complaint under this policy or assisting in any investigation. Any person who reports an incident of harassment or has assisted in an investigation, and who has been coerced, intimidated or threatened in any manner for doing so, should follow the reporting procedure described above.

No employee will be demoted, discharged, or in any other way retaliated against for pursuing his or her rights under the legal remedies.