

Heads of Agreement

This heads of agreement is made on the date of last signature below.

BETWEEN

FR MUTIARA (M) SDN BHD (ACN (659571-T))

A-2-10, Blok A, Jalan Prima 5/5, , Pusat Dagangan Puchong Prima,, Puchong, Selangor Darul Ehsan 47100, Malaysia **(First Party)**

- AND -

Salihin GST Services Sdn Bhd (ACN (1015385-X))

555, Jalan Samudra Utara 1, , Taman Samudra,, Batu Caves,, Selangor Darul Ehsan 68100, Malaysia **(Second Party)**

SUBJECT TO CONTRACT

Background

- A. The First Party and the Second Party are interested in entering into a Memorandum of Agreement agreement (the Proposed Agreement).
- B. This heads of agreement sets out the principal terms and conditions upon which the Parties agree to enter into the Proposed Agreement.

1. Status of heads of agreement

The terms in this heads of agreement are not exhaustive and are expressly 'subject to contract' until a final written agreement has been entered into. The terms are not intended to be legally binding between the parties except where specifically stated.

2. Timescale and notice to terminate

- 2.1. The Parties agree to negotiate in good faith with a view to signing the final written Proposed Agreement on or before 01 December 2016.
- 2.2. Either Party may at any time, by notice to the other in writing, terminate negotiations for the Proposed Agreement, without having to give any reasons for doing so.
- 2.3. The Party giving notice will not incur any financial liability to any other Party, unless it has breached a legally binding obligation of this heads of agreement as set out below.
- 2.4. Upon giving notice of termination, each Party must:
 - (a) return all of the other party's equipment and materials;
 - (b) return or destroy (as directed in writing by the other party) any documents, handbooks, CD-ROMS or DVDs, software or other information or data provided to it by the other party.

3. Basis of Proposed Agreement

- 3.1. Under the Proposed Agreement, the First Party's primary obligations are:
 - (a) Project Management, Promotion & Marketing
 - (b) Co-Support of Training Program
- 3.2. Under the Proposed Agreement, the Second Party's primary obligations are:
 - (a) Installation of SPS
 - (b) Promotion & Marketing
 - (c) Training & Certification
- 3.3. Under the Proposed Agreement, both parties obligations are:
 - (a) monitoring, guiding, planning and managing the progress and performance of the PI1M project

4. Confidentiality

- 4.1. Each party undertakes that it shall not for a period of 30 days after the date of this heads of agreement disclose to any person any confidential information concerning the business, affairs, customers, clients of suppliers, plans, intentions, or market opportunities, the operations, processes, product information, know-how, designs, trade secrets or software of the other Party ('Confidential Information'), except as permitted by the paragraph below.
- 4.2. Each party may disclose the other Party's Confidential Information in the following circumstances:
 - (a) to its employees, officers, representatives or advisers who need to know such Information for the purposes of this heads of agreement and the evaluation and negotiation of the Proposed Agreement. Each Party shall ensure that its employees, officers, representatives or advisers to who it discloses that the other Party's Confidential Information comply with this paragraph; and
 - (b) as may be required by law, court order or any governmental or regulatory authority.
- 4.3. No Party shall use the other Party's Confidential information for any purpose other than the purpose contained within this heads of agreement and the evaluation and negotiation of the Proposed Agreement.

5. Exclusivity

- 5.1. Immediately on signing this heads of agreement the parties shall terminate any negotiations relating to the purposes of the Proposed Agreement currently taking place with the agents, employees, advisers or other representatives of parties other than the First and Second Parties to this letter (Third Party Negotiations).
- 5.2. Neither Party shall, for a period of 30 days from the date of this heads of agreement directly or indirectly:

- (a) enter into, re-start, solicit, initiate or otherwise participate in any Third Party Negotiations;
- (b) seek, encourage or respond to any approach that might lead to third Party Negotiations;
- (c) enter into any heads of agreement, letter of intent, agreement, arrangement or understanding (whether or not legally binding) pursuant to any Third Party Negotiations.

5.3. The Parties to this heads of agreement shall ensure that their officers, employees, agents, advisers and other representatives comply with the above paragraph.

6. Costs

Each Party is responsible for its own costs in connection with the Proposed Agreement, whether or not it proceeds (including, without limitation, the preparation and negotiation of this heads of agreement, the negotiation and drafting of the Proposed Agreement and any documents contemplated by it).

7. Other agreements

Where they exist, any agreements between the parties will continue to apply to this heads of agreement and shall remain in full force and effect and are not affected by anything in this heads of agreement.

8. Rights and remedies

- 8.1. Each Party agrees that damages alone would not be an adequate remedy for any breach of a legally binding obligation by the other Party. In such an event, the non-defaulting Party shall be entitled to the remedies of an injunction, specific performance or other equitable relief in addition to any other remedy including damages.
- 8.2. This heads of agreement is for the benefit of the parties to it and is not intended to benefit, or be enforceable by, anyone else.

9. Governing law and jurisdiction

The agreement constituted by this heads of agreement shall be governed by the laws of New South Wales and the courts of New South Wales shall have exclusive jurisdiction for all matters arising under it.

10. Commencement and signature

The agreement in this heads of agreement will remain in effect until superseded by the Proposed Agreement, notice to terminate negotiations or other event equivalent to termination of the agreement in this heads of agreement (including the insolvency of one of the Parties or the performance of the obligations set out above (Basis of Proposed Agreement)).

The Parties have signed this heads of agreement on the date(s) below:

Agreed by (First Party):

Agreed by (Second Party):

Signature

Signature

Print Name

Print Name

Date

Date