

rec'd 23/8/07

Execution Copy

MADE WITH EFFECT FROM 23 FEBRUARY 2006

BETWEEN

AURIC PACIFIC GROUP LIMITED

AND

STEPHEN T. RIADY

\_\_\_\_\_

SERVICE AGREEMENT

\_\_\_\_\_

Stephen\_T\_\_Riady

## CONTENTS

CLAUSE	HEADING	PAGE
1.	APPOINTMENT .....	1
2.	DUTIES .....	1
3.	SALARY AND BENEFITS .....	2
4.	CONFIDENTIALITY .....	3
5	INCAPACITY OF EXECUTIVE .....	4
6	TERMINATION .....	4
7.	EFFECT OF TERMINATION ON UNDERTAKINGS .....	5
8.	NOTICES .....	5
9.	ENTIRE AGREEMENT .....	5
10.	GOVERNING LAW .....	6

THIS AGREEMENT, is made with effect from 23 February 2006.

BETWEEN:-

- (1) **AURIC PACIFIC GROUP LIMITED** a company incorporated in Singapore and having its registered office at 78 Shenton Way #22-02 Lippo Centre Singapore 079120 ("the Company") of the one part;

AND:-

- (2) **STEPHEN T. RIADY** of 130 Tanjong Rhu Road, #17-12, Pebble Bay, Singapore 436918 ("the Executive") of the other part.

NOW IT IS HEREBY AGREED as follows:-

1. **APPOINTMENT**

The Company shall employ the Executive and the Executive shall serve the Company as **Executive Director** upon the terms and conditions of the Agreement. The employment shall commence on 23 February 2006 and shall continue for a period of three (3) years ("**Employment Period**"), and may be renewed for another Employment Period and on the same terms contained in this Agreement upon written notice ("**Renewal Notice**") being issued by the Company to the Executive of an intention to renew the Agreement, which Renewal Notice shall be served not later than 6 months' prior to the expiry of the Employment Period and if the Executive wishes to accept the renewal, he shall respond in writing to such Renewal Notice within 3 months provided always that he shall be under no obligation to accept such renewal. Notwithstanding any Renewal Notice, the Company reserves the right to an earlier terminated at any time as provided in this Agreement.

2. **DUTIES**

2.1 The Executive shall:-

- 2.1.1 undertake such duties and exercise such powers in relation to the Company and the Group (as defined in Clause 2.5 below), and their businesses at such place(s) whether inside or outside Singapore as the board of directors (the "**Board**") shall from time to time assign or vest in him (including but not limited to the duties set out in Clause 2.2 below);
- 2.1.2 in pursuance of his duties hereunder perform such services for any Group company, and without further remuneration or fees other than the salary and benefits set out in Clause 3 of this Agreement (unless otherwise agreed), accept such offices including directorship (as appointee of the Company) in any such companies as the Board may from time to time reasonably require;

- 2.1.3 in the discharge of such duties and in the exercise of such powers observe and comply with all reasonable resolutions and directions from time to time made or given by the Board; and
  - 2.1.4 generally acquaint himself with the obligations of a director under Singapore law, including without limitation the requirements of the Articles of Association of the Company, the Singapore Companies Act and the Singapore Exchange Listing Manual, and to do all things reasonable to comply with and fulfil his duties as a director.
- 2.2 The duties of the Executive shall include:-
- 2.2.1 the provision of corporate strategic and business development directions to the Company and the Group;
  - 2.2.2 providing access to investment and business opportunities in the region; and
  - 2.2.3 providing input and direction to merger and acquisition activities of the Company and the Group.
- 2.3 The Executive accepts that he will likely have to work irregular hours without any compensation in addition to that provided to the Executive under this Agreement.
- 2.4 The Executive shall at all times keep the Board promptly informed (in writing if so requested) of his conduct of the business or affairs of the Company and the Group and provide such explanations as the Board may require, and report to any person or body of person or committee which the Board may appoint on any matter which the Board may direct.
- 2.5 "Group" means the group of companies consisting of the Company, related and associated companies, and any such company, whether existing now or subsequently acquired or incorporated. A related company or corporation shall be as defined in section 6 of the Singapore Companies Act, and an associated company shall be as defined in the Singapore Exchange Listing Manual, provided that the reference to "company" or "companies" herein shall include any relevant company or corporation, wherever incorporated.

### 3. SALARY AND BENEFITS

- 3.1 Subject as hereinafter provided, the Company shall pay to the Executive during the continuance of his employment hereunder as follows:-
- (a) a basic monthly salary of S\$15,000.00 (the "**Salary**") payable at the end of each month of employment which shall be inclusive of any fees to which the Executive shall be entitled or paid as a director of any Group company and which shall be subject to annual review by the Board; and
  - (b) such sums of money (if any) in accordance with any incentive and for bonus program (the "**Incentive Payment**") as may be recommended by the Remuneration Committee of the Board and approved by the Board from time to time.

The Salary and any Incentive Payment shall be paid in such amount(s) and to such bank account(s) (whether situate in Singapore or elsewhere) as the Executive shall direct, by providing notice in writing to the Company seven (7) days before the Salary and/or any Incentive Payment shall respectively become due and payable.

- 3.2 For the purpose of carrying out the Executive's duties, the Company shall provide the Executive with a car and driver. The car type and model will be that decided by the Company from time to time, and shall be similar in class and value (based on the market price for a new car of the same type and model in Singapore as that provided to the Executive as at the date of this Agreement) and shall be changed by the Company every three (3) years. The Company shall be responsible for all running costs together with all insurance and maintenance costs relating to the car. The Executive shall ensure (in so far as this is within the Executive's reasonable control) that the car be used in compliance with the traffic laws and regulations of Singapore, and of any other jurisdiction where the car may be located or used, and shall reimburse the Company on demand for any damages, loss, costs and expenses which may be incurred by the Company arising out of any wilful or negligent failure to comply with such laws and regulations while the car is under the Executive's reasonable control.
- 3.3 The Company shall provide accommodation for the Executive and his family at 130 Tanjong Rhu Road, #17-12, Singapore 436918.
- 3.4 The Company shall provide the Executive with club membership in accordance with the Company's policies prevailing from time to time, and the Company shall be responsible for the payment of the monthly subscription fees in relation to such club membership.
- 3.5 The Executive and his family shall be entitled to participate in insurance benefits in accordance with the Company's policies prevailing from time to time.
- 3.6 The Executive's annual leave entitlement shall be in accordance with the Company's policies prevailing from time to time.
- 3.7 The Company will reimburse the Executive for all reasonable business expenses including travelling, accommodation and out-of-pocket expenses appropriately incurred by the Executive in carrying out his duties. Air travel will be in accordance with the Company's prevailing travel policy. All claims for expenses must be submitted on claim forms approved by the Company and accompanied by the relevant receipts and payment vouchers properly compiled.

#### 4. CONFIDENTIALITY

- 4.1 The Executive shall not except with the consent in writing of the Company, either during his employment or at any time thereafter:-
  - 4.1.1 disclose to any person or persons (except to those authorized by the Company to know or as otherwise required by law);
  - 4.1.2 use for his own purposes or for any purposes other than those of the Company; and/or

4.1.3 through any failure to exercise all due care and diligence cause any unauthorized disclosure of,

any confidential information of the Company or the Group (including in particular lists or details of customers of the Company or the Group) relating to the working of any process, technology, invention or methods carried on or used by the Company or the Group or in respect of which the Company or the Group is bound by an obligation of confidence to a third party or any financial or trading information or trade secrets relating to the Company or the Group. These restrictions shall cease to apply to information or knowledge which may (otherwise than through the default of the Executive) become available to the public generally.

4.2 All notes, memoranda, records and writing made by the Executive relating to the business of the Company or the Group shall be and remain the property of the company in the Group to whose business they relate and shall be delivered by him to the company to which they belong forthwith upon request.

## **5 INCAPACITY OF EXECUTIVE**

If the Executive shall at any time be incapacitated or prevented by illness, injury, or accident not self-inflicted or not caused by his wilful neglect of reasonable precautions or not caused by his disobeying the Company's rules (such incapacity or prevention being hereinafter referred to as the "incapacity") from discharging in full his duties hereunder for a consecutive period of four (4) months or a total period of four (4) months in any calendar year, the Company may, by notice in writing of two (2) months to the Executive (or pay in lieu of notice) given at any time so long as the incapacity shall continue, terminate his employment hereunder Provided always that the Executive shall be paid his full remuneration for the period of four (4) months from the time of his incapacity and in respect of the (2) months notice period. Should there be any dispute as to whether the Executive is so incapacitated as aforesaid, this shall be settled by the opinion of an impartial reputable expert in the field of the relevant incapacity, and who shall be selected by the Company's medical advisors, and the opinion of such expert shall be final and binding on the parties.

## **6 TERMINATION**

6.1 This Agreement shall forthwith automatically determine upon the death of the Executive and may be terminated immediately by the Company without prior notice or compensation if the Executive shall at any time:-

6.1.1 commit any material or persistent breach (in the reasonable opinion of the Company) of any of the provisions contained herein, or of any rules or regulations made by the Company;

6.1.2 be guilty of any dishonesty, grave misconduct or wilful neglect in the discharge of his duties hereunder, or wilfully disobey the lawful order or directions of the Board or other superior in the Company;

6.1.3 become bankrupt or make any arrangement or composition with his creditors;

6.1.4 become of unsound mind;

- 6.1.5 commit any act which in the reasonable opinion of the Company is likely to bring the Company or any of its officers or employees into disrepute, or which causes damage or discredit to the business of the Company; and/or
- 6.1.6 not be re-elected as a director at the annual general meeting of the Company where his re-election is proposed (on his participation in the annual retirement of directors), or become disqualified by law from acting as a director of the Company.
- 6.2 This Agreement may be terminated by the Company upon giving to the Executive six (6) months' notice in writing or six (6) months' basic salary in lieu thereof. The Executive may terminate this Agreement upon giving to the Company six (6) months' notice in writing.
- 6.3 The exercise of the Company of its right of summary termination of the employment of the Executive shall be without prejudice to any other right or remedy accrued or available to the Company at law. In the event of termination of employment, all remuneration and benefits of the Employee shall cease immediately on the date of the termination of the employment. Where salary has been paid in lieu of notice, the date of termination of the employment shall be the date the salary is paid to the Employee.

7. **EFFECT OF TERMINATION ON UNDERTAKINGS**

The expiration or termination of the employment under or of this Agreement howsoever arising shall not affect such of the provisions hereof as are expressed to operate or have effect thereafter.

8. **NOTICES**

Any notice under this Agreement shall be in writing by letter sent by registered post or by facsimile. Any notice to the Company shall be sufficiently served if left addressed to the Company at its address or facsimile number set down below or at its registered office for the time being and any notice to the Executive shall be sufficiently served if left at his address set down below or his last known address, or to the facsimile number set down below (or to such facsimile number as last notified to the Company in writing by the Executive) and in the case of either party, any notice if given by letter shall be deemed to have been given at the time at which the letter would be delivered in the ordinary course of registered post (notwithstanding the fact that the notice may be returned through the post undelivered), and in the case of facsimile, on the day of transmission subject to a transmission OK report of the entire facsimile, and a confirmation copy being sent by post within 24 hours to the intended recipient.

9. **ENTIRE AGREEMENT**

- 9.1 This Agreement and the terms herein embody all the terms and conditions agreed upon between the parties hereto relating to the appointment of the Executive and supersedes and cancels all previous agreements and undertakings between the

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parties with respect to the appointment of the Executive whether such be written or oral.

- 9.2 No variation hereof shall be deemed valid except as in writing and signed by the parties hereto and no discharge of the terms hereof shall be deemed valid unless by full performance by the parties hereto or by writing signed by the parties hereto. No waiver by the Company or the Executive of any breach by the Executive or the Company of any provision or conditions of this Agreement by him or it to be performed shall be deemed a waiver of similar or dissimilar provisions or conditions at the same or any prior or any subsequent time. In the event any provision of this Agreement shall be deemed to be invalid or void under any applicable law, the remaining provisions hereof shall not be effected thereby and shall continue in full force and effect.

10. GOVERNING LAW

This Agreement shall be governed and construed by the laws of Singapore, except its conflicts of law rules.

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23 FEB 2006

IN WITNESS WHEREOF the parties have executed this Agreement on \_\_\_\_\_  
2006.

**AURIC PACIFIC GROUP LIMITED**

By: 

Name: Christopher James Williams

Designation: Chairman Of Remuneration  
Committee

Address: 78 Shenton Way #22-02,  
Lippo Centre,  
Singapore 079120

Attention: The Company Secretary

Fax no: 6366-2272

**STEPHEN T. RIADY**

By: 

Name: Stephen T. Riady

Designation: Group Managing Director

Address: 130 Tanjong Rhu Road,  
#17-12, Pebble Bay,  
Singapore 436918

Fax no: 6345-7595