

Our Ref: ARB083/16/AB

CLAIMANT:

GEO MILLENIUM SYSTEM PTE LTD

31 Toh Guan Road East

#04-04, LW Technocentre

Singapore 608608

Attn: CEO / President / Head of Legal Department

By Courier

CLAIMANT'S COUNSEL:

RHTLAW TAYLOR WESSING LLP

Six Battery Road

#10-01

Singapore 049909

Attn: Eugene Quah / Abigail Cheng

By Fax: +65 6381 6869

By Email:

eugene.quah@rhtlawtaylorwessing.com

abigail.cheng@rhtlawtaylorwessing.com

& By Courier

RESPONDENT:

NCS PTE LTD

5 Ang Mo Kio Street 62

NCS Hub

Singapore 569141

Attn: Chief Executive Officer

By Fax: +65 6484 4068

& By Courier

19 April 2016

Dear Sirs,

SIAC ARBITRATION NO. 083 OF 2016 IN THE MATTER OF AN ARBITRATION UNDER THE ARBITRATION RULES OF THE SINGAPORE INTERNATIONAL ARBITRATION CENTRE (5TH EDITION, 1 APRIL 2013) BETWEEN GEO MILLENIUM SYSTEM PTE LTD ("CLAIMANT") AND NCS PTE LTD ("RESPONDENT")

1. We acknowledge receipt of and/or refer to the following:
 - (i) a copy of the Notice of Arbitration dated 31 March 2016, received on 1 April 2016 ("**Notice**");
 - (ii) a copy of the Teaming Agreement for Contract TR150 between the Respondent and the Claimant dated 5 February 2015 ("**Agreement**"), received on 12 April 2016; and
 - (iii) the Case Filing Fee of SGD 2,140.00 paid by cheque, received on 1 April 2016.
2. This arbitration is deemed to have commenced on **1 April 2016**. This matter has been assigned the case reference number **ARB083/16/AB**. Please quote this reference for future communications. A copy of the Arbitration Rules of the Singapore International Arbitration Centre (5th Edition, 1 April 2013) ("**SIAC Rules**") is enclosed for your information.
3. We understand that a copy of the Notice has also been sent to the Respondent. As a matter of convenience, a further copy of the Notice is enclosed for the Respondent.
4. We hereby draw the Parties' attention to the following matters for the further conduct of this arbitration.

Response to the Notice of Arbitration

5. Pursuant to Rule 4 of the SIAC Rules, the Respondent shall send a Response to the Notice of Arbitration ("**Response**") to both the Registrar of the Court of Arbitration of the Singapore International Arbitration Centre ("**Registrar**") and the Claimant within 14 days from the date of receipt of the Notice.
6. The Response must include:
 - (i) a confirmation or denial of all or part of the claim, including any comment in response to the statements in the Notice relating to the conduct of the arbitration;
 - (ii) any envisaged counterclaims, including a brief statement of the nature, circumstances and quantification of any counterclaim; and
 - (iii) payment of the requisite filing fee for any counterclaim to the Singapore International Arbitration Centre ("**SIAC**").

Constitution of the Tribunal

7. The Agreement provides, at Clause 13, as follows:

Any dispute arising out of or in connection with this Agreement, including any question regarding its existence, validity or termination, shall be referred in the first instance, to the parties' respective Authorised Contacts as stated at Annex A. If the dispute is not resolved within a maximum of fourteen (14) days, it shall be referred in the second instance, to NCS' Chief Executive Officer and Partner's Chief Executive Officer (or if none so titled, any corporate officer of the party with like authority and responsibilities) of respective parties for resolution. If, having been so referred the dispute is not resolved within a maximum of thirty (30) days therefrom, such dispute shall be finally settled by arbitration in Singapore in the English language in accordance with the Arbitration Rules of the Singapore International Arbitration Centre ("SIAC Rules") for the time being in force which rules are deemed to be incorporated by reference into this clause. The tribunal shall consist of one (1) arbitrator to be mutually appointed by the parties or in the absence of mutual agreement within fourteen (14) days from date of referral to SIAC, be appointed by the Chairman of SIAC whose decision will be final and binding on both parties.

8. We note, from Clause 13 of the Agreement, that the tribunal shall consist of a sole arbitrator "to be mutually appointed by the parties or in the absence of mutual agreement within fourteen (14) days from date of referral to SIAC, be appointed by the Chairman of SIAC whose decision will be final and binding on both parties".

9. In this regard, we further note, from paragraph 18 of the Notice, the following:

The Claimant will separately propose suitable candidates to the Respondent. If a mutually acceptable candidate has not been identified within 14 days of the date of this Notice of Arbitration, the Claimant will request that the appointment be made by the Chairman of SIAC, in accordance with the Arbitration Clause and Rule 6 of the SIAC Rules.

10. Accordingly and absent the Parties' joint nomination of a sole arbitrator, SIAC shall, upon receipt of the requisite deposits, proceed with the next steps regarding the appointment of a sole arbitrator in this matter.
11. Please refer to the *Practice Note for Administered Cases – On the Appointment of Administrative Secretaries* (2 February 2015), which applies to the appointment of administrative secretaries by arbitral tribunals in all cases administered by SIAC. A copy of this *Practice Note* is enclosed.

Communications

12. For the sake of convenience, we request that all correspondence between the Parties, SIAC and the Tribunal (upon its constitution) be via fax or email. Henceforth, all communications should be copied to the Parties, SIAC and the Tribunal (upon its constitution).

13. We also request that all written statements, submissions and accompanying enclosures be sent to us in electronic format only. Should the capacity of the documents exceed the mailbox limit, kindly send us the documents on an external storage device.

Financial Matters

14. We note, from paragraphs 21 and 22 of the Notice, that the Claimant has not quantified its claim at this juncture. We would be grateful if the Claimant could quantify its claim in this matter at this stage or, in the alternative, provide a provisional estimate of the claim amount by **26 April 2016**.
15. We draw the Parties' attention to the *Practice Note for Administered Cases* (PN – 01/14, 2 January 2014), which applies to all cases administered by SIAC under its rules of arbitration. It governs the appointment of arbitrators, arbitrator's fees and the financial management of the arbitration. A copy of this *Practice Note* is enclosed.
16. The costs of the arbitration, as defined in Rule 31.2 of the SIAC Rules, include the following:
 - (i) the Tribunal's fees and expenses;
 - (ii) SIAC's administrative fees and expenses; and
 - (iii) the costs of expert advice and of other assistance required by the Tribunal.
17. The Tribunal's fees and SIAC's administration fees are ascertained in accordance with the Schedule of Fees in force at the time of commencement of the arbitration. The Schedule of Fees is posted on our website at www.siac.org.sg under "SIAC Schedule of Fees", a copy of which is also attached. We invite the Parties to refer to Rules 30 – 33 of the SIAC Rules for further information on costs.
18. At this point, we also draw the Parties' attention to Rule 30 of the SIAC Rules, which provides, *inter alia*, that "[t]he Registrar shall fix the advances on costs of the arbitration" and that the "Parties are jointly and severally liable for the costs of the arbitration".
19. Please note that in all cases, the actual costs of arbitration will be fixed by the Registrar at his discretion in accordance with the Schedule of Fees and the stage of the proceedings at which the matter is concluded. Payments to the Tribunal and/or SIAC in respect of costs may be made from the respective deposit accounts without reference to the Parties. Any surplus of the advance on costs after the full settlement of the costs of arbitration as fixed by the Registrar will be refunded to the respective beneficiaries who paid the advances on costs to SIAC.

Assignment of Case

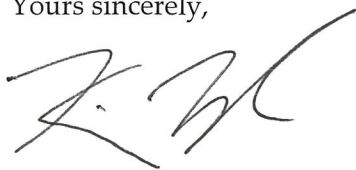
20. We have assigned the following to administer this arbitration:

Ms Aliona Bitkivskaja Associate Counsel	Email: aliona@siac.org.sg Tel: +65 6221 8833 Ext 763 Fax: +65 6224 1882
Ms Rohanaahliza Yusof Case Management Officer	Email: rohana@siac.org.sg Tel: +65 6221 8833 Fax: +65 6224 1882

21. If you have any questions concerning the administrative process, please feel free to contact us.

Thank you.

Yours sincerely,



Kevin Nash
Acting Registrar

Encl –

- (1) Notice of Arbitration dated 31 March 2016
- (2) SIAC Rules 2013 (by courier only)
- (3) *Practice Note for Administered Cases – On the Appointment of Administrative Secretaries* (2 February 2015)
- (4) *Practice Note for Administered Cases* (PN - 01/14, 2 January 2014)
- (5) Applicable Schedule of Fees