servile

Def:Tan Swee Leon:2nd: 30/9/03

IN THE SUBORDINATE COURTS OF THE REPUBLIC OF SINGAPORE

DC SUIT NO. 3285)
)
OF 2002/V)

Between

1. **JASON HENRY RESKIN**
(United States Passport No. 087801565)
2. **IAN LAMBERT**
(United States Passport No. 088348664)
both trading as ARGUS FOUNDATION
(RB No. Unknown)

... Plaintiffs

And

SPACE SHUTTLE WORLD TOUR PTE LTD
(RC No. 199900571H)

... Defendants

AFFIDAVIT

I, Tan Swee Leon (NRIC No. S2196702/E) of care of 37 Kallang Pudding Road Block B #03-04 Tong Lee Building Singapore 349315, do affirm and say as follows:-

1. I am a director of the Defendants and am authorised to make this affidavit on their behalf. The matters herein are true to the best of my knowledge information and belief.

2. This affidavit is filed to oppose the Plaintiffs' application for summary judgment against the Defendants. The Defendants should be given leave to defend the action based on the grounds cited hereinafter.

3. The Defendants do not admit that Jason Henry Reskin and Ian Lambert are the true or only partners of ARGUS, and put them to strict proof thereof.

4. I wish to highlight the following points of the Agreement dated 5 May 2002 made between the Plaintiffs and the Defendants :-

(i) Clause 3 of the Agreement stipulated that :-

a. ARGUS granted the Defendants the lease of the Audrey simulator for a lease period of two months only, commencing from 1 July 2000 up to 31 August 2000. At the end of the two-month period, the lease would expire unless renewed in accordance with the Agreement.

b. The lease fee payable for the lease period was US$2,000.00 per month, or US$4,000.00 in total.

c. ARGUS granted the Defendants the right to extend the lease period for only a further two months from 31 August 2000 provided that the Defendants informed ARGUS by 15 August 2000 of an intention to extend the said lease period.

d. The lease fee already paid shall be taken into consideration in offsetting the selling price of the Audrey simulator should a sale transaction occur between the two parties.

(ii) Clause 4(f) of the Agreement stipulated that the Defendants were to obtain a comprehensive public liability insurance to indemnify both the Defendants and ARGUS against any claim resulting from the use of the Audrey simulator.

(iii) Clause 5 of the Agreement stipulated that :-

a) ARGUS authorised the Defendants to sell the Audrey simulator to any third party at an agreed price of US$20,000.00.

b) The sale price of US$20,000.00 shall include certain additional items and accessories particularised in the Agreement as well as free access to pre-compiled software and upgraded from the internet.

c) However, should the Defendants be unable to sell the Audrey simulator within 30 days of the expiry of the lease period, the Defendants shall return the Audrey simulator to ARGUS at the Defendants' cost (including freight).

5. However, the lease period was not extended past the original two-month period of 1 July 2000 to 31 August 2000 as the Defendants did not give notice of their intention to extend the said lease to ARGUS on or before 15 August 2000 as required by Clause 3 of the Agreement. Therefore, the lease expired on 31 August 2000 in accordance with the clause 3 of the Agreement.

6. The Defendants were unable to effect a sale of the Audrey simulator. They were therefore liable (in accordance with Clause 5 of the Agreement) to return the Audrey simulator to ARGUS within 30 days after the expiry of the lease period on 31 August 2000. However, the Defendants were unable to do so because the Audrey simulator was by that time no longer in their possession.

7. The Defendants did take out the necessary comprehensive insurance policy with the People's Insurance Company of China vide Policy No. SH02/Z/PAR20000020 dated 10 April 2000 which is exhibited and marked as "TSL-2".

8. In the premises, and in accordance with the terms of the Agreement :-

a) The Defendants did take the Audrey simulator on lease from 1 July 2000 to 31 August 2000 and were liable for two months' lease fee of US$4,000.00 only. The Defendants did make payment for US$4,000.00.

b) The Defendants did not become liable to pay the lease fee for beyond the two-month period from 1 July 2000 to 31 August 2000 because the lease period was not extended.

c) Being unable to sell the Audrey simulator, the Defendants were liable only to return the same to ARGUS.

d) Being unable to return the Audrey simulator, the Defendants are liable only to make good to ARGUS the actual value of the lost simulator, subject to ARGUS mitigating its losses.

e) The actual loss was to be indemnified by and under the said insurance policy.

9. I aver that :-

a) ARGUS' claim for the lease fee of US2,000.00 per month from 1 July 2000 to 30 June 2002 (24 months and continuing amounting to US$48,000.00 is without merit, since the lease period was for two months only and never extended). There is no continuing lease of the Audrey simulator. In addition, the Defendants had already paid US$4,000.00 for the initial two-month lease period.

b) ARGUS' claim for US$4,500.00 is denied. In an e-mail dated 2 June 2002 from Jason Reskin to the Defendants, a sum of US$1,500.00 is referred to as being the labour and service charges incurred. The Plaintiffs are put to strict proof of their claim on this head.

c) ARGUS' claim for US$20,000.00 being the price for the sale of the Audrey is without merit and denied since :

i) the Defendants never sold it to any third party at that or any other price;

ii) nor were the Defendants liable under the Agreement to pay such a sum in the event they could not sell it or return it.

10. As to the value of the Audrey simulator, in the e-mail of 2 June 2002 referred to in paragraph 9 (b) herein, the said Jason Reskin acknowledged that ARGUS' losses were mitigated to the extent that a sum of US$6,612.50 would be sufficient to recompense ARGUS for the loss of the Audrey simulator.

11. The Defendants therefore are liable, if at all, only for the sum of US$6,612.50 being the true value of the Audrey simulator to ARGUS at the time of the loss.

12. Further, or in the alternative, by an email dated 4 June 2002 from the Defendants to Jason Reskin, and in reply to Jason Reskin's email of 2 June 2002, the Defendants agreed to compromise the claim by the Defendants paying the Plaintiffs the sum of US$6,612.50 in full and final satisfaction of the claim.

13. Further, or in the alternative, the Defendants are in the process of making an insurance claim and have also commenced proceedings in China against the custodian of the Audrey simulator at the time of its loss. The Defendants' liability to make payment has not therefore arisen, or in the alternative, is subject to being able to recover the proceeds of the insurance policy.

14. Copies of all the relevant emails are collectively exhibited and marked "TSL-3"

15. I humbly pray that the Plaintiffs' application be dismissed and that the Defendants be given leave to defend the action.

AFFIRMED by the abovenamed)
TAN SWEE LEON)
at Singapore this 30th day of)
September 2003)

BEFORE ME

COMMISSIONER FOR OATHS
Suseela S Pillay
C2003/0148
1 Apr 2003 – 31 Mar 2004
SINGAPORE

A COMMISSIONER FOR OATHS

THIS IS THE EXHIBIT MARKED " TSL-2 "
REFERRED TO IN THE AFFIDAVIT OF

Tan Swee Leon
....

~~SWORN/~~AFFIRMED BEFORE ME ON
THE 30th DAY OF September 2003

COMMISSIONER FOR OATHS
Suseela S Pillay
C2003/0148
1 Apr 2003 - 31 Mar 2004
SINGAPORE

COMMISSIONER FOR OATHS

The People's Insurance Company of China

副本

Head Office: Beijing Established in 1949

Property All Risks Insurance Policy

Policy No. SH02/Z/PAR20000020

(This English version is subjected to the Original Policy in Chinese if any conflicts arises.)

This Policy comprises mainly the Schedule, Scope of Cover, Exclusions, Treatment of Claim, Insured's Obligations, General Conditions and Special Provisions, including also the Proposal of Insurance together with its attachments as well as any additions to be made, from time to time, by the Company in the form of Endorsement.

WHEREAS THE INSURED named in the Schedule hereto has made to the People's Insurance Company of China (hereinafter called the "Company") a written Proposal which together with any other statements made by the Insured for the purpose of this Policy is deemed to be incorporated herein and has paid to the Company the premium stated in the Schedule.

NOW THIS POLICY OF INSURANCE WITNESSES that subject to the terms and conditions contained herein or endorsed hereon the Company shall indemnify the Insured for the loss or damage sustained during the period of insurance stated in the Schedule in the manner and to the extent hereinafter provided.

By the People's Insurance Company of China

Authorised Signature

Date of Issuing: 10/04/2000
Policy Issue Company: PICC Shanghai Affiliated Subbranch
Place of Issuing: Shanghai, P.R.China
Tel.: 021 63291639, 63237880

Please read this Policy and the Schedule carefully and make certain that they are in accordance with your requirements.

SCHEDULE

Policy No. SH02/Z/PAR20000020

1.	NAME & ADDRESS OF THE INSURED	
	1.1 The insured	: SPACE SHUTTLE WORLD TOUR PTE. LTD. & ALABAMA SPACE SCIENCE EXHIBIT COMMISSION
	1.2 Address	: No.6, Lane 288, Wuyuan Road, Shanghai
.	NAME & LOCATION OF THE PROPERTY INSURED	: MODERN WORLD SPACE AVIATION TECHNOLOGY & CULTURE EXHIBITION No. 780, Changning Road (Zhong Shan Park) & Su Jia Jiao
3.	NATURE OF TRADE	: Exhibition
4.	INSURED ITEMS	SUMS INSURED
	Exhibits & Equipments (refer to attached 5-pages List	: USD6,000,000.-(refer to the attached 5-pages List)
	Total Sum Insured	: USD6,000,000.-
5.	PERIOD OF INSURANCE	: 5 months from 20/04/2000 at 0:00 to 19/09/2000 at 24:00
6.	DEDUCTIBLE (ANY ONE ACCIDENT)	: USD1,000.-
7.	ANNUAL RATE TOTAL PREMIUM	: 0.16% USD4,800.-
3.	DATE OF PAYMENT	: Within 7 days after the receipt of Debit Note
).	JURISDICTION	: This Policy is governed by law of P.R.C.
0.	SPECIAL PROVISIONS	: 1. Y2K EXCLUSION CLAUSE

2. PUBLIC AUTHORITIES CLAUSE
3. STRIKE, RIOT, CIVIL COMMOTION CLAUSE
4. AUTOMATIC REINSTATEMENT OF SUM INSURED CLAUSE

I. THE PROPERTY INSURED

The property insured shall refer to all properties and expenses specified in the Schedule of this Policy.

Unless specifically agreed upon in writing between the Insured and the Company and appraised and value-established by professionals or assessors, the following articles and the expenses relevant thereto shall not be covered under this Policy:

1. gold, silver, pearls, diamonds, precious stones and jades;
2. antiques, articles of virtue, ancient coins, ancient books and ancient paintings;
3. works of art or postage stamps;
4. advertisements, aerials, neon, pieces of solar energy apparatus etc. on buildings;
5. computer system records or its making and copying costs.

Under no circumstances shall the following articles relevant thereto be covered hereunder:

1. guns, ammunition or explosives;
2. banknotes, securities, bills, documents, files, account books or drawings;
3. animals, plants and agricultural crops;
4. mobile phones, portable computers, removable photograph apparatus or other precious articles;
5. vehicles licensed for general transport use.

I. SCOPE OF COVER

The Company shall indemnify the Insured in respect of the physical loss of or damage to the insured property stated in the Schedule, during the period of insurance arising from any NATURAL HAZARDS or ACCIDENT other than those specifically excluded, in the manner and to the extent hereinafter provide.

DEFINITIONS

The words "NATURAL HAZARDS" shall for the purpose of this Policy, mean thunder-and-lightning, hurricane, typhoon, tornado, storm, tempest, flood, inundation, frost, hailstorm, landslide, rockslide, avalanche, volcanic explosion, subsidence of ground and any other phenomena of nature with strong destructive power and beyond human control.

The word "ACCIDENT" shall for the purpose of this Policy, mean any unforeseen, uncontrollable and sudden event which leads to material damage, including fire and explosion.

III. EXCLUSIONS

The Company shall not be liable for:

1. loss of or damage to the property insured and expenses arising from faulty design, defective material, or bad workmanship;

2. loss of or damage to the insured items themselves or expenses arising therefrom due to wear and tear, inherent or latent defect, change in substance, spontaneous combustion, natural heating, oxidation, rust and corrosion, leakage, mice, insects or vermin, change in atmosphere (climatic or temperature) conditions, change in normal water level or any other progressively operating cause;

3. loss of or damage to the mechanical or electrical devices not due to exterior forces;

4. loss of or damage to steam boilers, steam pipes, or other pressure vessel machines or apparatus themselves due to their explosion;

5. loss of or damage to electrical or mechanical equipment caused by faulty operation or defective technology on the part of the Insured or any of his employee(s);

6. shortage discovered at the time of taking an inventory;

7. depreciation, loss of market, loss of use and other consequential loss of any description;

8. loss of or damage to the insured property caused by wind, frost, rain water, snow, flood, hailstorm, or dust while being stored in the open or covered by or under a shed thatched with reeds, tarpaulins, straw, asphalt felt, plastic or nylon sheet;

9. loss of or damage to the insured property caused or expense incurred by earthquake or tsunami;

10. loss of or damage to the insured property caused or expenses incurred by intentional act or gross negligence of the Insured or his representative, and burglary by Insured's family member or relatives or employees;

11. loss of or damage to the insured property caused by failure of public utilities, such as: electricity, gas or water supply or other energy sources except failure caused by NATURAL HAZARDS or ACCIDENT;

12. loss of or damage to the insured property or expenses incurred arising from war, warlike operation, hostilities, armed conflicts, terrorism, conspiracy insurrection, coup d'etat, strike, riot, and civil commotion;

13. confiscation, requisition, destruction or damage by any action or order of any government de jure or de facto or by any public authorities;

14. loss of or damage to insured property directly or indirectly caused or expenses incurred by nuclear fission, unclear fusion, nuclear weapons, nuclear materials, nuclear radiation and radioactive contamination;

15. loss or damage caused or expenses incurred by pollution of any kind or description whatsoever such as atmosphere, land and water pollution but this dose not include loss or damage caused by pollution arising from NATURAL HAZARDS or ACCIDENTS;

16. the deductibles stated in the Schedule to be borne by the Insured.

IV. TREATMENT OF CLAIM

1. The Company shall, at its option, indemnify the Insured in respect of loss or damage falling within the Scope of Cover of the Policy by either:

1.1 paying the amount of the actual value of the property lost or damaged or;
1.2 paying the necessary cost of repairing or restoring the damaged property to its nearest condition immediately preceding the damage or;
1.3 repairing or restoring the damaged property to a condition near to other property of like kind and quality;

2. Indemnity under this Policy shall be based upon the sound market value of the property prevailing at the time of loss. If the sound market value of the damaged property is lower than the sum insured of such property, the claim shall be settled on its market value; if the sound market value of the property is in excess of the sum insured, the Company shall only be liable for such proportion of the claim as the sum insured of the damaged property bears to its sound market value. If the insured property enumerated in the Schedule is more than one item, the provision of this clause shall apply to each thereof.

3. If a claim for loss of or damage to the insured item is settled on a total loss basis, the salvage value of such item shall be deducted from the indemnity payable by the Company. The Company may, at its option, decline the abandonment of any damaged property by the Insured.

4. In the event of loss of or damage to any equipment item insured forming part of a pair or set, the Company shall not be liable in respect of each of such item lost or damaged for more than its proportionate part of the sum insured on the complete pair or set.

5. In the event of any loss occurrence, the Company shall also pay the Insured for the expenses reasonably incurred for taking neccssary measures to minimize loss or damage

to the least extent, but in no case shall such expenses referred hereto exceed the sum insured of the insured property;

6. Upon settlement of a claim, an endorsement shall be issued by the Company to reduce the sum insured corresponding to the property lost or damaged by the amount so settled from the date of loss, and no premium shall be refunded for the amount so reduced. If reinstatement of the sum insured is required by the Insured upon settlement of the claim, an additional premium for the reinstated amount shall be charged at an agreed rate, and be calculated on pro rata daily basis from the date of loss to the expiry of the insurance.

7. The time of validity of a claim under this insurance shall not exceed a period of two(2) years counting from the date of loss.

V. INSURED'S OBLIGATIONS

The following Obligations shall be strictly fulfilled by the Insured and his representative:

1. The Insured and his representative, when applying for insurance shall make true answers or statements to the questions in the Proposal and Questionnaire or to any other questions raised by the Company.

2. The Insured and his representative shall pay to the Company in due course the agreed premium in the manner as provided in the Schedule and Endorsements.

3. During the period of this insurance, the Insured shall at his own expense take all reasonable precautions, including paying sufficient attention to and putting into practice the reasonable recommendations of the Company, prudently selecting the workmen and employees and complying with all statutory regulations and safety operation procedures.

4. In the event of any occurrence which gives or might give rise to a claim under this Policy, the Insured or his representative shall:

4.1 notify the Company immediately and within seven(7) days or any further period as may be agreed by the Company in writing, furnish a written report to indicate the course, probable reason and extent of loss or damage;

4.2 take all necessary measures to avoid aggravation of the loss or damage and minimize it to the least extent;

4.3 preserve the spot affected and defective parts before an inspection is carried out by a representative or surveyor from the Company;

4.4 inform the Public Security Bureau immediately in case of loss or damage due to theft or burglary or malicious acts;

4.5 furnish all such information and documentary evidence as the Company may require for supporting the claim.

VI. GENERAL CONDITIONS

1. Policy Effect
   The due observance and fulfillment of the terms and conditions of this Policy in so far as they relate to anything to be done or complied with by the Insured shall be a condition precedent to any liability of the Company under this Policy.

2. Policy Voidance
   This Policy shall be voidable in the event of misrepresentation, misdescription or non-disclosure made by the Insured or his representative in any material particular in respect of this insurance.

3. Policy Termination
   Unless its continuance be admitted by the Company in writing, this Policy shall be automatically terminated if:

3.1 the insurable interest of the Insured is lost;

3.2 the risk of loss or damage is increased.

After termination of the Policy, the premium shall be refunded to the Insured calculated on pro rata daily basis for the period from the date of termination to the date of expiry.

4. Policy Cancellation
   This Policy may be canceled at any time at the request of the Insured in writing or at the option of the Company by giving a fifteen(15) days prior notice to the Insured. In the former case the Company shall retain a premium calculated on short term rate basis for the time the Policy has been in force while in the latter case such premium shall be calculated on pro rata daily basis.

5. Forfeit of Benefit
   If the claim is in any respect fraudulent, or if any fraudulent means or devices are used by the Insured or his representative to obtain any benefit under this Policy or if any loss or damage is occasioned by the intentional act or in the connivance of the Insured or his representative, then in any of these cases, all the rights and benefits of the Insured under this Policy shall be forfeited, and all consequent losses arising therefrom including the amount of claim paid by the Company shall be indemnified by the Insured.

6. Reasonable Inspection
   The representative of the Company shall at any suitable time be entitled to attend the site and inspect or examine the risk exposure of the property insured. For this purpose, the Insured shall provide full assistance and all details and information required by the Company as may be necessary for the assessment of the risk. The above mentioned inspection or examination shall in no circumstances be held as any admission to the Insured by the Company.

7. Average

If, in the event of loss or damage recoverable under this Policy, it is found that the sums insured in respect of each item insured or total items are less than the amounts required to be insured, then the difference shall be regarded as self-insurance by the Insured and the Company shall only be liable to pay such proportion of the claim as the sum insured of the damaged item bears to the amount required to be insured.

8. Double Insurance

Should any loss, damage, expenses or liability recoverable under the Policy be also covered by any other insurance, the Company shall only be liable to pay contribute his proportion of the claim irrespective as to whether the other insurance is arranged by the Insured or others on his behalf, or whether any indemnification is obtainable under such other insurance.

9. Subrogation

Where a third party shall be held responsible for the loss or damage covered under this Policy, the Insured shall, whether being indemnified by the Company or not, take all necessary measures to enforce or reserve the right of recovery against such third party, and upon being indemnified by the Company, subrogate to the Company all the right of recovery, transfer all necessary documents to and assist the Company in pursuing recovery from the responsible party.

10. Dispute

All disputes under this insurance arising between the Insured and the Company shall be settled through friendly negotiations. Where the two parties fail to reach an agreement after negotiations, such dispute shall be submitted to arbitration or to court for legal actions. Unless otherwise agreed, such arbitration or legal action shall be carried out in the place where the defendant is domiciled.

VII.SPECIAL PROVISIONS

The following provisions shall be applied to all parts of this Policy and shall override the other terms and conditions of this Policy if any conflict arises.

1. Y2K EXCLUSION CLAUSE

(this English version is subject to the clause of Chinese version as followed hereunder)

Y2K problem in this clause refers to any loss of or damage to or consequential loss of the insured property directly or indirectly caused by or resulting from the malfunctions or interruptions of any computer system, hardware, programs, software, microchips, media, integrated circuits, and similar devices in other electronic equipement incurred by or in any way connected with, whether directly or indirectly, the date change to the year 2000, or any date change prior to, during and after the year 2000, including the leap year calculations.

The Company shall not be liable for any loss, damage or consequential loss caused by or consisting of or arising from the failure or inability of the aforesaid computer system and devices, whether the property of the insured or not, to:

A. correctly recognize any date as its true calendar date;
B. capture, save, retain, and/or correctly to manipulate, interpret or process any data or information or command or instruction as a result of treating any date otherwise than is its true calendar date;
C. capture, save, retain or correctly to process any data as a result of the operation of any command which has been progammed into any computer software, being a command which causes the loss of data or the inability to capture, save, retain or correctly to process such data on or after any date;
D. correctly recognize, sequence, compute or process any data in connection with the date change to the year 2000, or any other date change including leap year calculations;
E. the policy does not cover any expenses arising from or in any way connected, whether directly or indirectly, with any measures taken whether preventative, remedial or otherwise with the intention of replacing, changing or modifying any computer system, hardware, program, microchip, media, integrated circuit and similar devices in other electronic equipment in connection with the date change to the year 2000, or any other date change including leap year calculations.

This clause is otherwise subject to the terms and conditions of this policy.

财产险2000年问题除外责任条款

本条款"2000年问题"系指，因涉及2000年日期变更，或此前、期间、其后任何其他日期变更，包括闰年的计算，直接或间接引起计算机硬件设备、程序、软件、芯片、媒介物、集成电路及其他电子设备中的类似装置的故障，进而直接或间接引起和导致保险财产的损失或损坏问题。

本公司对由于下列原因，无论计算机设备是否属于被保险人所有，直接或间接导致、构成或引起保险财产损失或损坏由此产生的直接损失或间接损失不负赔偿责任：

（一）不能正确识别日期；

（二）由于不能正确识别日期，以读取、存储、保留、检索、操作、判别、处理任何数据或信息，或执行命令和指令；

（三）在任何日期或该日期之后，由于编程输入任何计算机软件的操作命令引起的数据丢失，或不能读取、储存、保留、检索、正确处理该类数据；

（四）因涉及2000年日期变更，或任何其他日期变更，包括闰年的计算而不能正确进行计算、比较、识别、排序和数据处理；

（五）因涉及2000年日期变更，或任何其他日期变更，包括闰年的计算，对包括计算机、硬件设备、程序、芯片、媒介物、集成电路及其他电子设备中的类似装置进行预防性的、治理性的、或其他性质的更换、改变、修改。

本保单所载其他条件不变。

02. PUBLIC AUTHORITIES CLAUSE

It is agreed and understood that subject to the Insured having paid the agreed extra premium, this Policy shall be extended to include such additional cost of reinstatement of the destroyed or damaged property thereby insured as may be incurred solely by reason of the necessity to comply with building or other regulations under or framed in pursuance of any ordinance, law, statute or with bye-laws of any relative public authority provided that:

1.The Company shall not indemnify the Insured for such additional cost as may be incurred by reason of the necessity to comply with building or other regulations under or framed in pursuance of any ordinance, law, statute or with bye-laws of any relative public authority in case:

1.1 destruction or damage has occurred prior to the granting of this extension;
1.2 destruction or damage shall not be insured by this Policy;
1.3 notice of rebuilding or demolishing has been served upon the Insured prior to the happening of the destruction or damage;
1.4 work of rebuilding or demolishing or replacement of undamaged property other than foundation shall be carried out.

2. The work of reinstatement must be commenced and carried out with reasonable dispatch and in any case must be completed within twelve(12) months after the destruction or damage or within such further time as the Company may [during the said twelve(12) months] in writing and may be carried out upon another site (if the aforesaid regulations or bye-laws so necessitate) subject to the liability of the Company under this extension not being thereby increased.

3. If the liability of the Company under this Policy apart from this extension shall be reduced by application of any of the terms and conditions of this Policy then the liability of the Company under this extension shall be reduced in like proportion.

4. The amount recoverable under any item of this Policy shall not exceed the sum insured thereby.

This Clause is subject otherwise to the terms, conditions and exceptions of this Policy.

Extra premium:

03. STRIKE, RIOT & CIVIL COMMOTION CLAUSE

It is agreed and understood that subject to the Insured having paid the agreed extra premium, this Policy shall be extended to cover loss of or damage to the insured property described in the Schedule due to strike, riot and civil commotion including the loss or damage caused by the act of any striker whilst occurring in the premises shown in the Schedule and the loss or damage caused by looting occurring at the time of strike, riot and civil commotion, excluding the loss or damage arising from confiscation, commandeering or requisition or destruction by order of the government or any relative public authority or by fire caused by strikers or malicious persons.

This Clause is subject otherwise to the terms, conditions and exceptions of this Policy.

Extra premium:

04. AUTOMATIC REINSTATEMENT OF SUM INSURED CLAUSE

It is agreed and understood that in the event of loss of or damage to the insured property described in the Schedule of this Policy, the amount payable for such loss or damage shall be automatically reinstated from the time of the happening and the Insured shall pay an extra premium therefor calculated pro rata from the date of loss to the expiration of this Policy.

This Clause is subject otherwise to the terms, conditions and exceptions of this Policy.

THIS IS THE EXHIBIT MARKED " TSL-3 "
REFERRED TO IN THE AFFIDAVIT OF

Tan Swee Leon

....

~~SWORN~~/AFFIRMED BEFORE ME ON
THE 30th DAY OF September 2003

COMMISSIONER FOR OATHS SINGAPORE
Suseela S Pillay
C2003/0148
1 Apr 2003 – 31 Mar 2004

COMMISSIONER FOR OATHS

-----Original Message-----
From: Kevin Tan [mailto:kevintan@eventshq.com]
Sent: Sunday, June 02, 2002 12:21 AM
To: reskin@pol.net
Subject: RE: Looking for an update...

Dear Jason

You are not wrong to say that the show has continued. Yes, in a way with new exhibits and replacement. We have suffered a sever financial disaster through no fault of us or that of our supplier/prinicpal. Our bankers and investment group understood this and continue to back up this project, making it possible to continue with the tour.

I am afraid that those exhibits you have seen including the Audrey are still in Shanghai. The Lessee Shanghai Perway, refused to hand over the exhibits. Our solicitor in Shanghai had told us they are very doubtful Shanghai Perway has the financial assets to pay us if we have won the case. This is because according to inside information, these Shanghai people had diverted a huge sum of the revenue from the show to their private account during the show. They then claimed that they had made a huge paper loss. We also understood from the contractors (aircon, tent, etc) that most of them did not receive most of their payment and had been financially ruined by Shanghai Perway.

Our worst fear is that Shanghai Perway could have unscrupulously sold them off. This is our biggest concern.

The reason I did not contact you was that your last email you copy it to "Zhang Wen Bao" who is the right hand man of these Shanghai people.

If you could propose a resolution between us, I would be most happy to hear it. I hope to close this very tragic chapter.

Regards,
Kevin Tan

-----Original Message-----
From: Jason Reskin [mailto:reskin@pol.net]
Sent: Sunday, June 02, 2002 12:54 PM
To: 'Kevin Tan'
Subject: RE: Looking for an update...

Mr. Tan,

Thank you for the update. I apologize for the e-mail to the Shanghai people. You have to understand we felt helpless being half a world away, unable to confirm these reports, unable to put any direct pressure for a resolution. We feel foolish to have not asked for more of the financing up front and for not having insured the simulator on this end. We sent our one and only simulator and all of our technology and even my own personal computer to China. We never blamed you, we are a victim of the situation. We have a saying here in the United States, maybe you have it in Singapore too, but we all were "Shanghaied"!

Not having a product to showcase, it financially ruined our small company as well. We eventually paid all our creditors off and changed the name of the company because of the poor reputation we acquired. Since then, it has been slow-going because we are constantly looking for financial backing but we have managed to start a new simulator in the making, quite a leap ahead from what we sent you two years ago! (Visit our web site at www.unistellar.com to view our progress!)

A substantial portion of the value of the simulator has been written off over the past tax year which has helped a little. I am interested in entertaining any ideas you may have. I am not sure what you are capable of doing. If you want your people to come up with some kind of addendum to our contract so that we could get the cash for the US$1500 in labor and (just to toss out a figure) US$6612.50 for depreciated value of the simulator. That would be a sale, so if you could get it back, you could do with it what you like. There are software updates available on the old web site and we will continue to make those available, and we could put in an agreement of some sort like 50 hours of technical support (I am sure it will be in rough shape if it was not properly maintained... there are batteries that must be serviced, disks that will probably need to be exchanged, impellers that are beyond their serviceable life, pneumatic components that need lubrication, desiccants, etc.). The manuals could be reproduced for operation, but the original maintenance manual was turned over to the people at the site.

Please let me know what your thoughts are. If you did get it back, there are components we would consider purchasing such as a DEC-CMD for US$1200 (minus depreciation) and electro-pneumatic transducers (4 @ US$280 each minus depreciation).

Jason Reskin

-----Original Message-----
From: Kevin Tan [mailto:kevintan@eventshq.com]
Sent: Tuesday, June 04, 2002 11:11 AM
To: reskin@pol.net
Subject: Insurance

Dear Jason

It is our company policy to take up an insurance policy for all our exhibits and that of our "supplier/partners".

Yes, your simulator and the rest of the exhibits are insured for US$6 million. That's right US$6 million. But wait that is not the end of the story. The insurer is the China Insurance Co. They have an office in Singapore and our Singapore lawyers had been trying to find ways and means to get the litigation heard in Singapore rather than in Shanghai. I believe they will be able to give both of us a better pictures by next week. And why didn't we do it earlier, that because we have earlier sent many letters to the insurer in Shanghai but nothing happen. If an insurance company can behave this way, think what about the normal private enterprises!! It is like a cowboy town.

Pertaining to our matter, I am confident that it can be resolved amicably between us. I am sure about that. But I am just looking further than that. If we want a simulator, can you build one for us and then add the $6612.50 into it. May be you can concentrate on the electronic and mechanical aspect while my contractor fabricate the shell, props and interior upto your specification. It is just a thought.

Regards,
Kevin Tan

-----Original Message-----
From: Jason Reskin [mailto:reskin@pol.net]
Sent: Tuesday, June 11, 2002 10:21 AM
To: 'Kevin Tan'
Subject: Just making sure you got this...

Mr. Tan,

I think I understand better the situation now with the insurance, and I am relieved that they had insured it. If you actually get the claim would they cover the full amount it was worth at the time it was lost?

I would be happy to discuss future simulators with you. However, we lost a lot of our good people and our R&D budget is inadequate which is why the USV Monroe is proceeding slower than it could. Fabrication of the cockpit is the least of our worries at this point. For example, the hydraulics that are replacing the pneumatics are more like an actual aircraft simulator or theme park ride, much smoother and stronger but also more costly, complicated, and hazardous. This theme resonates through the programming platform, networking, simulated aerodynamics, advanced projection system, LCD interfaces, etc.

Depending on how much time you have to wait, our company may not be a viable option this point. We would need a large portion of the payment for the simulator before its construction even begins in order to call back our architect, artists, engineer, etc. We have a large enough facility for the construction of our current project so we would have to immediately lease more space. The a motion control platform would have to be assembled and tested over here, and then disassembled and shipped to you or you could have an identical one assembled over there. It can be done, but costly.

Another example, we could build you another Audrey cheap, but for similar initial cost as the original you can take improvements in hardware and the software for better visual rendering, lighter weight, but still using pneumatics and wood frame construction.

I am happy to at least have a line of communications open with you again. Ponder these ideas and let me know what our next step should be.

Jason

IN THE SUBORDINATE COURTS OF THE REPUBLIC OF SINGAPORE

DC SUIT NO. 3285)
)
OF 2002/V)

Between

RECEIVED 1 - OCT 2003
@ 4:25pm

1. **JASON HENRY RESKIN**
(United States Passport No. 087801565)
2. **IAN LAMBERT**
(United States Passport No. 088348664)
both trading as ARGUS FOUNDATION
(RB No. Unknown)

... Plaintiffs

And

SPACE SHUTTLE WORLD TOUR PTE LTD
(RC No. 199900571H)

... Defendants

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AFFIDAVIT

****

Mr. P. Padman
Messrs K.S. Chia Gurdeep & Param
111 North Bridge Road #13-04
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Ref : PP/2/2668.JL

Filed this 30th day of Sept 2003