

AGREEMENT

BETWEEN

GARRY KASPAROV

AND

IGNATIUS LEONG

This Agreement is made the day of August 2013 between Garry Kasparov (hereinafter referred to as “GK”) and Ignatius Leong (hereinafter referred to as “IL”).

Whereas, Mr. Garry Kasparov, former World Chess Champion and founder of the Kasparov Chess Foundation, has declared his intention to run for FIDE President in the 2014 election, and

Whereas, Mr. Ignatius Leong, General Secretary of FIDE and founder of ASEAN Chess Academy Pte Ltd has declared to actively support and work on behalf of GK during the pendency of the campaign and election,

Now, therefore, the Parties has decided to enter into this Agreement of cooperation in order to secure the best election campaign possible, and to further develop chess in East Asia.

1. Definitions

“Kasparov Chess Foundation” or **“KCF”** is Non-profit Organization registered in the State of New Jersey, United States of America, on June 6, 2002. GK is the Chairman of **KCF**.

“ASEAN Chess Academy Pte Ltd” or **“ACA”** is a shareholders Company founded and owned by Mr. Ignatius Leong. **ACA** aims at teaching chess to children in Singapore, where the Company is duly registered.

“International Chess Federation” or **“FIDE”** is the governing body of international chess, recognized as such by the International Olympic Committee (IOC), with General Secretariat in Athens, Greece, and branch offices in Moscow, Elista (Russia) and Singapore.

“41 Chess Olympiad” is the Chess Olympiad taking place in Tromsø 1 – 14 August 2014.

“85th FIDE Congress” will take place in Tromsø 6th to 14th, August 2014 and elections of FIDE officials for the period 2014 – 2018 will be held at the General Assembly at the

Congress.

“**The Campaign**” is defined as the work done in order to plan, execute, and secure election victory for GK and his team.

“**Projects**” are defined as specific areas where the Parties have agreed to cooperate and proposed budgets and plans for these projects have been developed by the Parties.

2. Scope of Agreement

Through this Agreement the Parties join together in order to achieve their goal of having a real change in FIDE and the Chess World.

GK has declared his intention to run for the office of FIDE President and IL has agreed to take the position as General Secretary in the Kasparov Team. IL shall assist GK and his team at all possible levels in the preparation, planning and execution of the election campaign.

Further the Parties have agreed to develop chess and chess programs specifically aimed at children in the Far East. This will be done through the cooperation between KCF and ACA.

After the successful election of GK as FIDE President and IL as FIDE General Secretary, the Parties have agreed to open a new FIDE office in Singapore. This office shall be in charge of all FIDE Commission and Committee work and the work will be headed by IL.

Nothing in this Agreement shall constitute or be construed as constituting a partnership or joint venture between GK and IL, unless this is stated clearly in this Agreement. The Parties shall not be authorised to enter into contractual relationships or incur obligations on behalf of the other party, unless this is authorised in writing.

3. Projects

The Parties have agreed to the following projects:

3.1 FIDE elections 2014.

- GK has offered and IL has accepted the position of General Secretary in the Presidential Ticket for the 2014 FIDE elections.

The Parties will announce their cooperation at a date still to be determined in 2013, together with the full election ticket and other positions that has been agreed and filled.

- IL will actively work in the election campaign in close cooperation with GK and his team. He will be responsible for delivering 10 + 1 vote from his region, with the effort to deliver 15 votes (not counting China).

GK will allocate an agreed campaign budget of \$ 100 000, which includes travel expenses. This budget will be transferred to an agreed account no later than

- IL will receive a total amount of \$ 500 000 to be paid in agreed tranches between

the signing of this Agreement and 1 month before the opening of the FIDE General Assembly in August 2014.

3.2 FIDE Office in Singapore

- After the election of GK as FIDE President and IL as FIDE General Secretary in August 2014, FIDE will establish a new FIDE office in Singapore headed by IL. The main function of this office will be to administer and overlook all the FIDE Commissions and their work. For this work IL shall receive an agreed upon stipend.

3.3 KCF Asia

- GK has agreed to open an Academy in Singapore (Kasparov Chess Foundation Asia) in cooperation with ACA. The anticipated opening will take place in November 2013.

ACA will organize this event and secure 5 + 1 endorsements (signed proxies) for GKs candidacy for FIDE Presidency

4. Invoice and Payment

4.1 Monies and Funding

- The Parties have agreed to sign a separate agreement between KCF Asia and ACA. As part of this Agreement, KCF Asia will allocate \$ 250 000 for each of the four (4) years commencing in 2013. KCF Asia will allocate these funds in 2013, 2014, 2015 and 2016. The first instalment, in the amount of \$250 000, will be made by November 10, 2013. The second instalment, in the amount of \$250 000, will occur by July 10, 2014.
- Installments for 2015 and 2016 will be agreed upon at a later date by the Parties and are contingent upon the outcome of the 2014 FIDE elections. Should GK not be elected President of FIDE in the 2014 elections, KCF Asia is under no obligation to allocate funds to ACA for the years of 2015 and 2016, and may not be held liable for any unallocated funds for the 2015 and 2016 years.
- No other monies, besides the above described fund allocations from KCF Asia to ACA within this Agreement, will be allocated from KCF Asia to ACA, unless agreed upon by the Parties.
- Any and all funds allocated from KCF Asia to ACA shall be allocated and disbursed by ACA for chess programs and chess development in East Asia.

The above described funding shall be transferred to the following account:

The funds provided by KCF Asia to ACA encapsulate all the various work done by ACA in compliance with this Agreement.

Expenses related to campaign travel, will be reimbursed according to invoices and corroborating documentation from the allocated campaign budget.

IL is solely responsible for his own income tax and any other taxes that may be imposed by the authorities in his country of residence, and any other country. GK will not subject to indemnification for any and all taxes imposed on IL as part of this Agreement.

5. Confidentiality

Save and except as otherwise required by law or for the purposes of carrying out the intent of this Agreement, the Parties hereto agree to hold secret and confidential and not to disclose or use for the benefit of themselves or any person, partnership, association, body or corporation whatsoever, any knowledge, information or data concerning the other Party's business, technology, proprietary information or products which may be communicated to them or which it may acquire by virtue of this Agreement (unless ascertainable from public information or trade sources).

The obligations of confidentiality set forth in this paragraph shall survive and remain in full force and effect notwithstanding any termination of this Agreement.

Without limiting the generality of the foregoing, the Parties agree not to disclose information to any person or entity, except employees, directors, auditors, and other professional representative who has a need to know same and who have executed a written confidentiality agreement (or is subject to binding rules of professional conduct) with obligations substantially similar to those herein.

7. Right of Termination

A Party shall be entitled to terminate this Agreement with five (5) days prior written notice, effective as of the date of receipt of written notice of termination, as follows:

- (i) The non-breaching Party shall have the right to terminate in the event the other Party is in material breach of its obligations under this Agreement and has failed to remedy such breach within thirty (30) (or longer if both Parties elects to do so on a case by case basis) calendar days after receiving a written demand for it to do so.
- (ii) The other Party shall have the right to terminate in the event the other Party becomes insolvent or makes any arrangement with or assignment for the benefit of its creditors or has a receiver appointed over the whole, or any part of its assets or becomes subject to any bankruptcy, liquidation or similar proceedings in any jurisdiction, either as part of a bona fide scheme of reorganization, reconstruction or amalgamation.

Such termination shall be given in writing to the official address that is stated under definitions in this Agreement.

8. Force Majeure

Neither party shall be liable to the other for any loss, damage cost, expenses or other claims for compensation arising as a direct or indirect result of breach or non-performance of its obligations under this Agreement due to any cause beyond either party's reasonable control.

This includes without limitation any act of God, war, military operations, riot, accident, failure or shortage of power supplies, abnormally inclement weather, fire, flood, hurricane, drought, explosion, lighting, strike, lock- out, trade dispute or labor disturbance.

9. Law and venue

This Agreement shall be governed by and construed in accordance with the laws of the State of New York, United States. The English version of this Agreement shall be deemed to be the original for the settling of disputes arising from the Agreement.

The Parties shall seek to solve through negotiations any dispute, controversy or claim arising out of or relating to this Agreement, or the breach, termination or invalidity hereof.

In the event any dispute, controversy or claim arising out of or in connection with this Agreement or the breach, termination or invalidity thereof cannot be resolved through such negotiations, then such matter shall be finally settled by the Courts of the State of New York, United States.

The language to be used in the Court proceedings and decisions shall be English.

Each Party hereby waives any rights of objection regarding the choice of governing law and venue for Court proceedings.

10. Entire Agreement

This Agreement, including any exhibits hereto, constitutes the entire understanding between the Parties with respect to its subject matter and all prior negotiations, representations, agreements and understandings, whether written or oral, are merged into, extinguished and completely expressed hereby.

This Agreement may not be amended except in writing. In addition, no waiver of any term or condition of this Agreement shall be valid or binding on either Party (“**Waiving Party**”) unless it is set forth in a written document specifically referring to this Agreement and duly signed by Waiving Party.

No failure or delay in exercising any right or remedy or requiring the satisfaction of any condition under this Agreement, and no act, omission or course of dealing between or among the Parties shall operate as a waiver of any right, remedy or condition. A waiver made in writing on one (1) occasion is effective only in that instance and only for the purpose stated. A waiver given once is not to be construed as a waiver on any future occasion or against any other person.

In Witness Whereof, the Parties hereto have mutually agreed that this Agreement is executed as of the date it is signed.

Date:

Place:

Garry Kasparov

Date:

Place:

Ignatius Leong