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"MUAFAKAT KEDAH"

Our Ref.: UUM/ COB/SBM/P-4

Date:

Dr.Ir.H.Abdul Kholik Hidayah, M.P.
Vice Head III
Universitas 17 Agustus 1945 Samarinda
Jl. Ir. H. Juanda 80 Samarinda

RE: LETTER OF INTENT

The above matter is referred.

1. Universiti Utara Malaysia (UUM) and Universitas 17 Agustus 1945 Samarinda have mutually endeavoured in their best interest to negotiate in good faith to work and co-operate with one another and to deploy their respective expertise, knowledge and resources to conduct programme(s)/course of studies to be subsequently covenanted and agreed upon, UUM now submits this Letter of Intent to Universitas 17 Agustus 1945 Samarinda.
2. This is a Letter of Intent and shall be subjected to the following terms and conditions:
 - (i) nothing in this Letter of Intent shall be taken and construed as the acceptance of any proposal of any kind whatsoever by UUM or [INDONESIA UNIVERSITY] offer to enter into a binding contract of whatsoever nature, as the case may be;
 - (ii) there shall be no nexus of contractual relationship(s) and obligation(s) either expressly or by implication between UUM and Universitas 17 Agustus 1945 Samarinda];
 - (iii) this Letter of Intent shall be strictly on without prejudice basis and the parties hereto have not intended nor deemed the same to be a contract and shall not give rise to any right(s) and liability(s) under a contract;
 - (iv) whatsoever contractual relationship(s) or obligation(s) between UUM and Universitas 17 Agustus 1945 Samarinda that may arise shall only be subject to UUM's affirming the contract vide a Memorandum of Understanding/Memorandum of Agreement to be executed and formalised upon the terms and conditions as mutually agreed subsequently within SIX/TWELVE (6/12) months within the date hereof;
 - (v) this Letter of Intent shall automatically expire and be determined forthwith upon the effluxion of the SIX/TWELVE (6/12) months period as herein stated save and unless a Memorandum of Understanding/Memorandum of Agreement is devised, executed and sealed, incorporating the terms and conditions to be mutually agreed by the parties hereto;
 - (vi) this Letter of Intent serves only as a record of the parties' intention and does not constitute or create and is not intended to constitute or create obligation(s) under domestic or international law and will not give rise to any legal process and will not

be deemed to constitute or create any legally or enforceable obligation(s), whether express or implied;

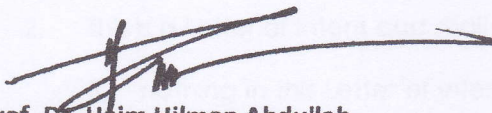
(vii) this Letter of Intent shall not give rise to any financial obligation(s) by one party to the other; and

(viii) the Memorandum of Understanding/Memorandum of Agreement as envisaged in sub clause 3 (iv) above-mentioned shall subject to a condition precedent of the sanction and/or approval of the UUM's Board of Directors and/or the Malaysian Ministry of Education and/or a Minister of the Malaysian Cabinet as the case may be. In the event the said sanction and/or approval is rejected and/or denied then the intent shall be aborted forthwith and shall not give rise to any legal process and will not be deemed to constitute or create any legally binding or enforceable obligations, express or implied on UUM either under domestic or international law.

Thank You.

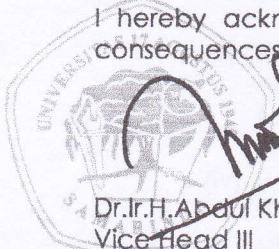
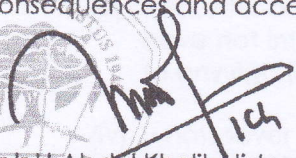
"Scholarship, Virtue, Service"

Yours Faithfully



Prof. Dr. Haim Hilman Abdullah
Dean, School of Business Management
Universiti Utara Malaysia
06010 UUM Sintok
Kedah Darul Aman

I hereby acknowledge receipt and fully comprehend and understand the nature and consequences and accept the same.



Dr. Ir. H. Abdul Kholik Hidayah, M.P.
Vice Head III
Universitas 17 Agustus 1945 Samarinda

Witness,



Dr. H. K. Prihartono AH., Drs., S.Sos., S.Kom., M.M
President of AIC Indonesia