

FRAUD DETECTION POLICY

BACKGROUND

The corporate fraud detection policy is established to facilitate the development of controls which will aid in the detection and prevention of fraud against Four Soft Limited (Company). It is the intent of the company to promote consistent organizational behavior by providing guidelines and assigning responsibility for the development of controls and conduct of investigations.

SCOPE OF POLICY

This policy applies to any fraud, or suspected fraud, involving employees as well as shareholders, consultants, vendors, contractors, outside agencies doing business with employees of such agencies, and/or any other parties with a business relationship with the Company

Any investigative activity required will be conducted without regard to the suspected wrongdoers' length of service, position/title, or relationship to the Company.

POLICY

Management is responsible for the detection and prevention of fraud, Misappropriations and other inappropriate conduct. Fraud is defined as the intentional, false representation or concealment of a material fact for the purpose of inducing another to act upon it to his or her injury. Each member of the management team will be familiar with the types of improprieties that might occur within his or her area of responsibility, and be alert for any indication of irregularity. Any fraud that is detected or suspected must be reported immediately to Chief Financial Officer who coordinates all investigations with the Legal Department and other affected areas, both internal and external.

ACTIONS CONSTITUTING FRAUD

The terms defalcation, misappropriation, and other fiscal wrongdoings refer to but not limited to:

- Any dishonest or fraudulent act
- Forgery or alteration of any document or account belonging to the Company.
- Forgery or alteration of a check, bank draft, or any other financial document.
- Misappropriation of funds, securities, supplies, or other assets.
- Impropriety in the handling or reporting of money or financial transactions.
- Disclosing confidential and proprietary information to outside Parties.
- Disclosing to other persons securities activities engaged in or contemplated by the Company.
- Accepting or seeking anything of material value from contractors vendors or persons providing services/materials to the Company.
- Destruction, removal or inappropriate use of records, furniture, fixtures, and equipment; And/or
- Any similar or related inappropriate conduct
- Profiteering as a result of insider knowledge of company activities

INVESTIGATION RESPONSIBILITIES

The Chief Financial Officer has the primary responsibility for the investigation of all suspected fraudulent acts as defined in the policy. If the investigation substantiates that fraudulent activities have occurred, the CFO will issue reports to appropriate designated personnel and on a regular

basis the CFO should update the Audit Committee as to the reporting process.

Decisions to prosecute or refer the examination results to the appropriate law enforcement and/or regulatory agencies for independent investigation will be made in conjunction with legal department and senior management, as will final decisions on disposition of the case.

CONFIDENTIALITY

The CFO treats all information received confidentially. Any employee who suspects dishonest or fraudulent activity will notify the CFO immediately, and should not attempt to personally conduct investigations or interviews/interrogations related to any suspected fraudulent act

Investigation results will not be disclosed or discussed with anyone other than those who have a legitimate need to know. This is important in order to avoid damaging the reputations of persons suspected but subsequently found innocent of wrongful conduct and to protect the Company from potential civil liability.

REPORTING PROCEDURES

The reporting individual should be informed of the following:

- Do not contact the suspected individual in an effort to determine facts or demand restitution.
- Do not discuss the case, facts, suspicions, or allegations with anyone unless specifically asked to do so by the Legal Department or the CFO.

ADMINISTRATION

The CFO is responsible for the administration, revision interpretation, and application of this policy. The policy will be reviewed annually and revised as needed.

APPROVAL

COMPLIANCE OFFICER

Date