

TERMS & CONDITIONS OF BUSINESS

1. DEFINITIONS

“L&C” means Law & Commerce Trust Limited which expression shall where the context so admits include its assigns and successors in title.

“Entity” means any company, trust, partnership or other structure established and administered by L&C.

“Application” means the application completed by the Owner in the Company Formation Questionnaire, including such other extra forms or documents or declaration, requesting the Provision of an Entity and/or Services from L&C.

“Appointees” means each person or company nominated by L&C (whether or not an affiliate of L&C) who may from time to time be or act as director, alternate director, secretary, assistant secretary, manager, accountant, registered agent, auditor, Agent, trustee, protector, officer or registered shareholder of the Entity (which expression shall include any of them).

“Owner” means the Beneficial Owner(s) whose names and signatures appear in the declaration provided to L&C (“Declaration”) together with the Application, which expression shall in the case of each individual include his heirs, personal representatives and assigns and shall in the case of more than one person mean such persons individually and collectively.

“Person” means an individual, corporate entity, partnership or association.

“Prohibited Activity” means those activities listed in clause 2.2 below.

“Prohibited Client” means any person described in clause 2.1 below.

“Services” means the provision by L&C of management, administration, registered agent and other ancillary services requested by the Owner.

In these Terms of Business references to a singular number shall include the plural number and visa versa.

2. UNACCEPTABLE BUSINESS

L&C will not provide Entities or Services to any persons whom it believes to be undertaking or involved directly or indirectly in any Prohibited Activity. L&C reserves the right to immediately cease to provide Services at any time without notice with regard to any Entity if an Owner is or becomes a Prohibited Client or is engaged in any Prohibited Activity.

2.1 Prohibited Clients are any persons:

- a) who lack legal capacity to enter into a binding contract under the laws of any applicable country; or
- b) who are undischarged bankrupts; have been disqualified from acting as a director in any jurisdiction or have been imprisoned or found guilty of any criminal offence; or
- c) who have been held by any court or regulatory authority to have acted in a fraudulent or dishonest manner in any civil proceedings; or
- d) who are subject to an embargo, by reason of their country of residence or nationality, or because they appear on any list of persons, imposed by the Security Council of the United Nations, the United States, the European Union, the United Kingdom, ASEAN or Malaysia.
- e) who are subject to or have adverse report on them, such reports being from credible sources, either available on public or not.

2.2 Prohibited Activities are:

a) any activity which is an offence or predicate offence of money laundering (which term shall be given the widest meaning attributed to it under the Malaysian law, the Anti-Money Laundering Act, 2001, and by international convention), including but not limited to receiving, investing, converting or distributing the proceeds from drug trafficking, terrorist activities; extortion; or criminal activities generally; or

b) activities as may be prescribed by L&C from time to time which include: trading in arms, weapons or munitions; industrial espionage; hazardous chemicals, biological matter or nuclear materials including the disposal of toxic waste or the dumping of such materials; activities leading to the abuse of refugees; pornography; pyramid sales; or

c) any activity which is illegal under the laws of the place of incorporation or establishment of the Entity or which may damage the good reputation of L&C.

3. INDEMNITY

The Owner shall hold free and harmless and indemnify and keep indemnified L&C, its directors, officers, employees, affiliates, Appointees and agents against all proceedings, suits, damages, fines, expenses, penalties and liabilities (including reasonable attorney fees and expenses) arising or brought against any of them in relation to the provision of the Entity and any Services except for gross negligence or wilful misconduct on the part of L&C.

4. PAYMENT OF FEES

4.1 Where deposit is placed, L&C is entitled to debit any fees or expenses due to its Appointees or to third parties named in relation to the Provision of the Entity or the Services from the bank account of the Entity.

4.2 The Owner shall pay to L&C the fees as stated in L&C's published Fee Quote, which is liable to change from time to time, or as may otherwise be mutually agreed in writing by L&C and the Owner.

4.3 The Owner shall ensure due payment of all fees, disbursements and expenses incurred or arising in connection with the Services to L&C and the Appointees and shall procure that the Entity discharges its liabilities promptly in full as they fall due.

4.4 L&C reserves the right to withhold the provision of the Services until all fees and expenses are paid in full. All Fees are payable annually in advance.

4.5 Where shares or a similar interest in an Entity have been issued and/or delivered to the Owner in advance of payment, then L&C shall retain all ownership rights in such shares or interest until the first annual fee (including any set up fee and incorporation costs and expenses) have been paid in full.

4.6 All orders for the Entity are final and binding. No refunds will be made by L&C once an order has been accepted by L&C.

4.7 The annual fee shall be due and payable in advance on each anniversary date of the acceptance of the original Application by L&C unless the Owner provides L&C 60 days' advance written notice of its decision not to continue with the Services.

4.8 Where the annual fees (and any related fees or expenses) remain unpaid for more than 30 days after L&C's invoice has been submitted, and L&C has received no notice as provided for in clause 4.7 from the Owner that the Services are to be discontinued, L&C may at its election terminate the Services without notice and obtain payment directly from any assets of the Entity and/or the Owner.

5. ACTIONS TO PROTECT THE ENTITY

5.1 L&C and the Appointees may, but shall have no obligation, to take such steps and may at the expense of the Entity take such legal or other professional advice as it considers appropriate to protect the interests and/or assets of the Entity.

5.2 The Owner shall keep the Entity at all times in sufficient funds to pay its liabilities as they become due.

5.3 At the request of L&C the Owner shall disclose or procure the disclosure to L&C or to the Appointees (or their respective affiliates) of any or all information concerning the Owner or the Entity, its assets, transactions and its business that L&C or the Appointees may require to discharge their obligations in relation to the Entity or to satisfy any request for information made to L&C's or the Appointees as they may be required to provide by applicable law.

6. OWNER'S OBLIGATIONS

6.1 By making this Application the Beneficial Owner(s) has agreed to enter into a contractual relation with L&C requesting the Provision of an Entity and/or Services and has agreed to be bound by the terms and conditions herein provided.

6.2 The Owner shall inform and keep L&C informed of the nature of the activities of the Entity and to inform L&C of any material changes in those activities.

6.3 The Owner confirms, undertakes and covenants that he is not acting in a fiduciary capacity for any other person or entity.

6.4 The Owner shall not, without obtaining the prior written consent of L&C, alienate, assign, sell, pledge or otherwise dispose of or encumber (each a "Transfer") the Owner's interests in the Entity or in any part thereof. In the absence of such consent any purported Transfer shall be invalid and of no effect. Any request made by the Owner to effect a Transfer must be accompanied by full details of the proposed Transfer and the names, addresses and personal information of the transferee which shall include but not be limited to providing a notarised or other validated copy of the passport of the proposed new beneficial owner. L&C reserves the right to request further information that it considers appropriate and may refuse to consent to such Transfer for any reason or for no reason at all.

6.5 At the request of L&C or the Appointees the Owner shall provide such information as may be required to permit L&C or the Appointees to prepare financial statements (if so required) for the Entity.

6.6 Where the Owner is supplied with a Power of Attorney allowing him or a third party with power to act for the Entity the Owner shall inform L&C in writing each time the power is exercised and advise L&C of the details of such action taken and the relevant transaction.

6.7 The Owner has agreed that in L&C conducting its due diligent exercise the Owner shall produce proof of identities, referees and any other information as requested by L&C.

6.8 Without prejudice to clause 15 below, the Owner has agreed that L&C may cease to provide the Services, upon such notice (or on no notice) as is practicable in the circumstances during the due diligent exercise or at any time thereafter.

7. INSTRUCTIONS AND REQUESTS

7.1 The Owner agrees to provide all instructions and requests to L&C and the Appointees in writing by letter, facsimile or email.

7.2 L&C and the Appointees accept no responsibility for loss or damage arising from the use of facsimile or email instructions, including failed or incomplete transmission, distortion or loss of privacy.

7.3 L&C and the Appointees shall be entitled provided they have no actual knowledge to the contrary to rely on any requests or instructions which appear to be from the Owner or his attorney in fact without responsibility for errors in delivery, transmission or receipt and without satisfying themselves that those instructions are in fact from the Owner and are given in good faith.

7.4 L&C and the Appointees may refuse to act upon any requests or instructions or any respect thereof if in their sole judgment such action (i) would or might make L&C and/or the Appointees subject to any civil or criminal liability; or (ii) would involve an investment or transaction which L&C and/or the Appointees consider could have an adverse impact on the reputation of L&C, the Appointees, their respective parents, subsidiaries, affiliates directors, officers or employees; or (iii) where the investment or transaction would be a Prohibited Activity; or (iv) where such investment or transaction would be in breach of L&C's and/or the Appointees' fiduciary or contractual obligations to the Entity or any third party.

7.5 If instructions are requested by L&C or the Appointees and no lawful instructions have been received by L&C or the Appointees within 30 days, or where the urgency of the matter requires within such lesser period as may be stated in the request, L&C or the Appointees may immediately proceed in any one or more of the following ways: take no further action on a particular matter, or take no further action at all in relation to the Entity or the Owner, or take such other action as seems appropriate or as it may be advised by its legal advisers to take and NO LIABILITY shall attach to RSML or the Appointees in respect of or arising out of any action or inaction that is in accordance with the above provisions.

7.6 If instructions are requested by L&C or the Appointees on three or more occasions (whether or not in relation to the same matter) and no lawful instructions have been received by L&C or the Appointee within 30 days, or where the urgency of the matter requires within such lesser period as may be stated in the requests, L&C or the Appointees may immediately proceed in any of the ways listed in paragraph 7.5 or any one or more of the following ways in so far as it has the legal capacity to do so: have the Entity dissolved; or effect a resignation of all or any of the Directors, Officers and/or Company Secretary of the Entity, or transfer all or any of the shares, capital or interest of the Entity into the name of the Owner; or appoint the Owner as the director, officer or trustee of the Entity, or take such other action as seems appropriate or as it may be advised by its legal advisers to take and NO LIABILITY shall attach to L&C or the Appointees in respect of or arising out of any action or inaction that is in accordance with the above provisions.

8. NO SANCTION OF ILLICIT ACTIVITIES

In offering and providing the Entity and/or the Services, L&C and the Appointees do not, nor is it to be interpreted as though they do in any way sanction, advocate or condone directly or indirectly the commission of any unlawful act or omission by any person or company in any jurisdiction or the use of the Entity or Services for any illegal or fraudulent purpose.

9. NO LIABILITY FOR PENALTIES

The Owner undertakes to ensure that all government duties, license fees, capital duties, or other taxes, filing fees or government fees of any nature relating to the Entity are paid expeditiously to L&C. Neither L&C nor the Appointees are liable for any penalties, fines, fees or other liabilities incurred by the Owner and/or the Entity in relation to the Entity and/or the Services and the Owner accepts full responsibility to pay these and indemnify L&C and the Appointees against any liability in respect of them.

10. NO LIABILITY FOR LOSS

L&C and the Appointees shall bear no responsibility to nor shall be liable to the Owner, the Entity or any third parties for any damage, loss or expense arising out of or caused by the use of the Entity and/or the provision of the Services.

11. CONFIDENTIALITY

L&C will maintain the confidentiality of information concerning the Entity its business and its assets and the identity of the Owner ("Information") and save as provided hereinafter shall not divulge the same without the consent of the Owner. Owner hereby authorises L&C to provide such Information to the Appointees as they may require to provide the Services and to third parties as may be required to open bank, brokerage or like accounts with financial institutions or to meet the needs of commerce or to protect the interests of the Entity. L&C reserves the right to divulge such Information to comply with questions raised by regulators or government authorities in any jurisdiction where L&C, the Appointee or the Entity is incorporated, has its place of establishment or conducts business or to respond to a subpoena or other legal process and the Owner hereby agrees that L&C may disclose such Information.

12. NOTICE

Any notice, given by L&C which is: delivered personally shall be deemed to have been given at the time of such delivery; sent by letter post in Malaysia shall be deemed to have been given 3 days after posting; sent by airmail letter shall be deemed to have been given 7 days after posting; by letter post outside Malaysia shall be deemed to have been given 15 days after posting or sent by facsimile shall be deemed to have been given at the time of dispatch or by E mail when an electronic receipt is displayed upon the sender's computer. Any notice given by the Owner shall be deemed to have been

given when received by L&C. Notice shall be valid if sent to the Owner's address (including an email address) on the Application or to such other address as provided by the Owner to L&C in writing from time to time.

13. LAW

13.1 These Terms of Business shall be governed by and construed in accordance with the laws of Malaysia and that any dispute arising out of the provision of the Entity and/or the Services or arising out of or in connection with these Terms of Business shall be governed by the laws of Malaysia and if brought by the Owner shall be subject to the exclusive jurisdiction of the Courts of Malaya and if brought by L&C to the non exclusive jurisdiction of the Courts of Malaya and the Owner irrevocably submits to the jurisdiction of the courts in Malaysia and waives any objection to proceedings in such courts on the grounds of lack of jurisdiction or on the grounds that the Proceedings have been brought in an inconvenient forum.

13.2 In the event that any term condition or provision of these Terms of Business is held to be a violation of any applicable law, statute or regulation the same shall be deemed to be deleted from these Terms of Business and shall be of no force and effect and these Terms of Business shall remain in full force and effect as if such term condition or provision had not originally been contained in these Terms of Business. Notwithstanding the above in the event of any such deletion the parties shall negotiate in good faith in order to agree the terms of a mutually acceptable and satisfactory alternative provision in place of the provision so deleted.

13.3 **Anti-money laundering legislation:** L&C is a "reporting institution" pursuant to the Anti-Money Laundering Act 2001, and in complying with the said Act L&C has the right to request for additional information and or document(s) from or pertaining to the Owner at anytime during which L&C provides the Services to the Owner.

14. MISCELLANEOUS

14.1 Where there is inconsistency, these Terms of Business supersede all prior Terms of Business and understandings whether oral or written with respect to such subject matter and except as provided in clause 14.2 no variation of these Terms of Business shall be effective unless reduced to writing and signed by or on behalf of a duly authorised representative of each of the parties to this Agreement.

14.2 L&C may unilaterally change the Terms of Business or add new ones at any time. All such changes shall be effective and binding within 10 days of the date that L&C provides the Owner notice of such change.

14.3 No exercise or failure to exercise or delay in exercising any right power or remedy vested in any party under or pursuant to these Terms of Business shall constitute a waiver by that party of that or any other right power or remedy. If L&C should elect to waive any of these Terms of Business, such waiver shall apply to that occasion only.

15. CESSATION OF SERVICES

15.1 L&C and the Appointees reserve the right to cease forthwith and without notice to provide the Services if the Owner shall fail to observe any provisions under these Terms of Business or if it comes to the attention of L&C that the Entity is being used for any Prohibited Activity or any activity not included in the statement of objectives of the Entity as set out on the Application.

15.2 L&C reserves the right to cease to provide the Services, upon such notice if prescribed as is practicable in the circumstances, if an Appointee is unable or unwilling to continue to provide Services in relation to the Entity and L&C is unable to replace such Appointee with a replacement Appointee satisfactory to L&C.

15.3 Upon the cessation of services, the Owner may appoint a new agent to replace L&C for the continuing provision of the Entity and or Services. The expenses incurred in the appointment of a new agent shall be borne by the Owner.