MUHIBBAH ENGINEERING (M) BHD
(Company No: 197201001137 (12737-K)
(Incorporated in Malaysia)

NOMINATING COMMITTEE TERMS OF REFERENCE

The Board of Directors of Muhibbah Engineering Berhad ("Company") had established a Nominating Committee ("Committee') on 21st February 2002. The Committee shall be governed by the following terms of reference:

Composition

(i) The Committee shall comprise at least three members, wholly of non-executive directors, a majority of whom must be independent Directors. The Chairman of the Committee, who is an independent director, shall be appointed by the Board; and
(ii) If the number of members of the Committee is reduced below three for reasons of resignation, death or otherwise, the Board of Directors of the Company shall appoint such number of new members as may be required to make up the minimum numbers of three members within a time period of three (3) months.

Authority

The Committee is granted the authority:

(i) To have the resources which are required to perform its duties;
(ii) To be able to obtain independent professional or other advice;
(iii) To have full and unrestricted access to any personal information pertaining to the candidates; and
(iv) To perform reference checks and conflict of interest checks on potential candidates.

Functions

a) To review regularly the Board structure, size and composition and make recommendations to the Board with regards to any adjustments that are deemed necessary.
b) To propose and identify new nominees for appointment to the Board of Directors.
c) To assess Directors on an on-going basis, the effectiveness of the Board as a whole, the Committees of the Board and the contribution of each individual Director.
d) To recommend to the Board, candidates for all directorships to be filled by the shareholders or the Board.
e) To recommend to the Board, Directors to fill the seats on Board Committees.
f) To review annually the Board's mix of skills and experience and other qualities including core competencies which non-executive Directors should bring to the Board. This should be disclosed in the Annual Report.
g) To recommend to the Board for continuation (or not) in service of executive Director(s) and Directors who are due for retirement by rotation.
h) To consider, in making its recommendations, candidates for directorships proposed by the Chief Executive Officer and, within the bounds of practicability, by any other senior executive or any Director or shareholder.
i) To orientate and educate new Directors as the nature of the business, current issues within the Company and the corporate strategy, the expectations of the Company concerning input from the Directors and the general responsibilities of Directors.
j) To review the term of office and performance of the Audit Committee and each of its members annually to determine whether the Audit Committee and members have carried out their duties in accordance with their terms of reference.

Meetings

The Committee is to meet at least once a year, or at any time deemed appropriate by the Board of Directors or Committee to discharge its duties. The quorum for any meeting of the Committee shall be two. The Committee may invite any person to be in attendance at any particular Nominating Committee Meeting to assist it in its deliberation. Circular Resolutions signed by all the members shall be valid and effective as if it had been passed at a meeting of the Nominating Committee.

Secretary and Minutes

The Secretary of the Committee shall be the Company Secretary. The minutes of proceedings of the Committee shall be kept by the Secretary at the registered office of the company, and shall be open to the inspection of any member of the Committee or any member of the Board of Directors. Minutes of each meeting shall be tabled to the Board of Directors.