



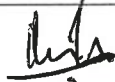
UPDATE CONCERNING SUIT 668 OF 2017

1. The Independent Panel was appointed by Aljunied-Hougang Town Council on 16 February 2017 with the following among other powers:
 - a. [TOR 2.1.1] To review the Report on improper Payments by KPMG LLP dated 31 October 2016 and any other report(s) issued or which may subsequently be issued by KPMG LLP concerning improper past payments (the "**KPMG Reports**") and take such action as the Independent Panel thinks is in the best interests of AHTC. For the avoidance of doubt, the Independent Panel shall have the power to consult with and/or instruct KPMG LLP or its legal advisors to clarify or carry out such further work into such matters in the KPMG Reports as the Independent Panel considers necessary.
 - b. [TOR 2.1.5] To engage or employ agents, advisers, accountants, consultants, experts, lawyers and any employees whatsoever as may be deemed appropriate and/or necessary (including but not limited to KPMG LLP, the Independent accountants appointed by AHTC pursuant to the Order of Court in CA 114 of 2015, or its legal advisors) for carrying out the powers or discharging the duties herein.
2. The Independent Panel was appointed on the following basis:

[TOR 1.6] The Members of the Independent Panel shall not be remunerated by AHTC, but such expenses as may reasonably be incurred by them in connection with the exercise of the powers provided herein shall be paid directly or reimbursed by AHTC, and in particular the reasonable remuneration of:

 - a. legal advisers and accounting or other experts engaged for the purpose of pursuing arbitration or Court proceedings; and
 - b. Secretary to the Independent Panel if required.
3. On 17 February 2017, the Court of Appeal granted a consent order on the basis of AHTC's letter of undertaking dated 19 February 2017 referring to its resolution and the terms of reference. The consent order is attached, together with the undertaking, resolution and terms of reference.
4. The Independent Panel's decision to appoint Shook Lin & Bok and to initiate legal proceedings based on certain of the findings of KPMG LLP are recorded in the Independent Panel's resolutions of 2 June 2017 and 12 July 2017. Both these resolutions are attached.
5. After Suit 668 of 2017 was initiated, PRPTC commenced its own and separate suit. The Independent Panel was not involved in PRPTC's suit. PRPTC is responsible for the engagement of its own solicitors. PRPTC appointed M/s Drew & Napier LLC to act for it.
6. For case management purposes, the High Court fixed the hearing of PRPTC's suit together with that of AHTC.
7. The trial of Suit 668 of 2017 ended on 30 October 2018, with oral closing fixed for 2 days in March 2019.
8. Once Suit 668 of 2017 concludes, Shook Lin & Bok will submit its bill to AHTC. AHTC has indicated that the bill should be taxed (i.e. reviewed for reasonableness) by the High Court and this will be done in due course. To date, Shook Lin & Bok has not been paid any professional fees by AHTC. AHTC has only met certain disbursements, in particular for its portion of the hearing fees.

Dated 31 October 2018

		
Philip Jeyaretnam SC Chairman	N Sreenivasan SC Member	Ong Pang Thye Member