

TERMS OF REFERENCE

1. CONSTITUTION OF THE INDEPENDENT PANEL

1.1 Aljunied-Hougang Town Council (“**AHTC**”) hereby appoints the following persons as agents of AHTC who shall sit as members of a panel (hereinafter referred to as the “**Independent Panel**”) to exercise the powers provided herein:

1.1.1 Mr Philip Jeyaretnam SC;

1.1.2 Mr N Sreenivasan SC; and

1.1.3 Mr Ong Pang Thye.

(each person, a “**Member**” and collectively, the “**Members**”)

1.2 The Member named in paragraph 1.1.1 above shall be the Chairman of the Independent Panel.

1.3 In the exercise of the powers provided herein, the Members of the Independent Panel:

1.3.1 Shall strive to act in the best interests of AHTC;

1.3.2 Shall remain independent and impartial at all times;

1.3.3 Are entitled to seek and consider the views of AHTC, the Housing & Development Board (“**HDB**”) and/or any other relevant person. AHTC and HDB shall be entitled to provide their views to the Independent Panel for the Independent Panel’s consideration; and

1.3.4 Shall not take any direction or instruction from any officer of AHTC, HDB or any other person.

1.4 Neither the Independent Panel nor the Members are in the position of an adjudicator, or carrying out a judicial or arbitral function. Nonetheless, a Member shall resign in the event that circumstances personal to the Member concerned that may give rise to justifiable doubts as to his independence or impartiality occur in the course of his appointment. For the avoidance of doubt, the Members are appointed in their personal capacities, and the fact that other persons in their organisations have been or may be engaged by or have any dealing with AHTC or HDB including on matters potentially relevant to the work of the Independent Panel would not of itself give rise to a justifiable doubt.

1.5 In the event that a Member (“**Affected Member**”) dies, becomes *de jure* or *de facto* unable to perform his function properly, or resigns for whatever reason, the Chairman shall select a replacement Member from amongst Mr Goh Joon Seng, Mr Tan Kok Quan SC, Ms Eng Chin Chin and Mr Owen Hawkes and the Chairman’s selection of the replacement

Member shall be final. In the event that the Affected Member is the Chairman, the replacement Member shall be selected jointly by AHTC and HDB and that replacement Member shall be the Chairman.

- 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:

1.6.1 legal advisers and accounting or other experts engaged for the purpose of pursuing arbitration or Court proceedings; and

1.6.2 a Secretary to the Independent Panel if required.

2. POWERS OF THE INDEPENDENT PANEL

- 2.1 The Independent Panel shall have the full powers to do the following for and in the name of AHTC and on behalf of AHTC:

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.

2.1.2 Without prejudice to the generality of paragraph 2.1.1 above, to do all such acts, matters and things including making any demand, commencing, prosecuting, carrying on, defending, settling, adjusting, withdrawing, compromising, compounding, discontinuing, filing appeals or interpleading in respect of all disputes, suits, actions and proceedings (including mediation, arbitration, and Court proceedings) and making any report to relevant authorities in connection with or arising out of the transactions, acts or things considered in the KPMG Reports.

2.1.3 For the avoidance of doubt, Clause 2.1.2 above includes (but is not limited to) the present ongoing arbitrations between AHTC and its former Managing Agent, FM Solutions & Services Pte Ltd in SIAC Arbitration No. 6 of 2016 and No. 310 of 2016.

2.1.4 To acknowledge, sign, execute, complete, deliver and accept any and all documents, agreements, instruments and deeds (including but not limited to any amendments and/or supplements to such documents) that may be deemed appropriate and/or necessary in connection with or arising out of the transactions, acts or things considered in the KPMG Reports.

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.

- 2.1.6 To request the attendance and cooperation of parties internal and external of AHTC to provide or obtain information or documents necessary to carrying out the powers or discharging the duties herein.
- 2.1.7 To provide updates and reports to AHTC and HDB on the progress of its work and exercise of its powers or performance of its duties herein at such times and in such manner as the Independent Panel deems fit.
- 2.1.8 To apply to Court for directions where it is appropriate and/or necessary for carrying out the powers or discharging the duties herein, including but not limited to where conflicting views are received pursuant to paragraph 1.3.3 above or where no agreement is reached on the appointment of a replacement Member under paragraph 1.5 above.
- 2.1.9 To do any and all such other things as may be incidental to the above.

3. PROCEEDINGS OF THE INDEPENDENT PANEL

- 3.1 Any Member of the Independent Panel may at any time summon a meeting of the Independent Panel.
- 3.2 Notice of a meeting shall be given to all Members of the Independent Panel at least one (1) clear day before the day of each meeting. In the case of an emergency meeting, as long a notice as practicable shall be given.
- 3.3 The Members of the Independent Panel may meet together in person or by telephone conference, video conference or any other form of audio or audio-visual instantaneous communication by which all persons participating in the meeting are able to hear and be heard by all other participants for the despatch of business, adjourn and otherwise regulate their meetings as they think fit.
- 3.4 The Independent Panel shall make decisions by a majority of votes of the Members. A determination by such a majority of the Members shall for all purposes be deemed a determination of the Independent Panel. In case of an equality of votes (whether due to abstention or any other reason), the Chairman shall have a second or casting vote. Except where there is an irreconcilable conflict of interest (which cannot be resolved prior to a decision to be made by the Independent Panel), the Chairman shall not abstain from exercising his vote or second (or casting) vote.
- 3.5 A resolution in writing, signed by all the Members of the Independent Panel, shall be as valid and effectual as if it had been passed at a meeting of the Independent Panel duly convened and held. Any such resolution may consist of several documents in like form, each signed by one or more Members, and may be received by electronic mail or facsimile transmission.
- 3.6 The Independent Panel is not required to keep or maintain minutes or records of meetings nor to provide reasons for decisions made.

4. RATIFICATION

- 4.1 AHTC hereby ratifies and confirms and agrees to ratify and confirm all documents, deeds, acts matters and things that the Independent Panel shall do or purport to do relating to or in connection with the exercise of the powers provided herein.

5. ASSISTANCE AND COOPERATION

- 5.1 AHTC shall direct its members, officers, employees and agents to render all assistance and cooperation to the Independent Panel that the Independent Panel may at any time require for carrying out the powers or discharging the duties herein. For the avoidance of doubt, the Independent Panel shall not be required to convey its requests for assistance, information or documents through any member or officer of AHTC.

6. INDEMNITY

- 6.1 AHTC hereby indemnifies and irrevocably agrees to indemnify the Members and to keep them indemnified from and against any and all actions, claims, demands, proceedings, damages, liabilities, losses, costs, expenses which the Members may incur in the exercise, or the purported exercise in good faith, of any of the powers provided herein, and to keep the Members harmless in respect of all matters relating to or in connection with the exercise of the powers provided herein.

7. TERMINATION AND REVOCATION

- 7.1 The appointment hereunder and the powers provided herein are irrevocable save with Court approval.

8. ACKNOWLEDGEMENT

- 8.1 AHTC acknowledges that nothing herein is intended to nor shall in any way limit, affect, prejudice or preclude the right of HDB, any governmental or regulatory authority or agency to take any action against AHTC or any other person as such authority or agency deems fit.
