

14. OTHER GENERAL INFORMATION

14.1 Share Capital

1. No Shares will be allotted on the basis of this Prospectus later than twelve (12) months after the date of this Prospectus.
2. There are no founder, management or deferred Shares in the Company.
3. A director is not required to hold any qualification Share in the Company.
4. There is only one (1) class of shares in the Company, namely ordinary shares of RM0.10 each, all of which rank pari passu with one another.

14.2 Articles of Association

1. The provisions of the Articles of Association of the Company in respect of the arrangements for the transfer of Shares of the Company and the restrictions on their free transferability are as follows:-

Article 9

Subject to the provisions of the Act, the Central Depositories Act and the Rules, no person shall be recognised by the Company as holding any share upon any trust, and the Company shall not be bound by or be compelled in any way to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share or (except only as by these Articles, the Act, the Central Depositories Act or the Rules otherwise provided) any other right in respect of any share except an absolute right to the entirety thereof in the registered holder.

Article 11

Subject to the provisions of the Act, the Central Depositories Act and the Rules if any share certificate shall be defaced, worn out, destroyed, lost or stolen, it may be renewed on such evidence being produced and a letter of indemnity (if required) being given by the shareholder, transferee, persons entitled, purchaser, member-company of the Exchange or on behalf of its/their client/s as the directors of the Company shall require, and (in case of defacement or wearing out) on delivery up of the old certificate, and in any case on payment of such sum not exceeding RM3/- per certificate and any stamp duties levied by the Government concerned as the directors may from time to time require. In the case of destruction, loss or theft, a shareholder or person entitled to whom such renewed certificate is given shall also bear the loss and pay to the Company all expenses incidental to the investigations by the Company of the evidence of such destruction or loss.

Article 29

(B) Subject to the Act, the Central Depositories Act and the Rules, any security or class of securities of the Company which have been deposited with the Central Depository shall be transferable and such transfer shall be by way of book entry by the Central Depository in accordance with the Rules and, notwithstanding Sections 103 and 104 of the Act but subject to Section 107C(2) of the Act and any exemption that may be made from compliance with Section 107C(1) of the Act, the Company shall be precluded from registering and effecting any transfer of such securities.

Article 30

There shall be no restriction on the transfer of fully paid securities in the case of a limited liability company except where required by law.

14. OTHER GENERAL INFORMATION (cont'd)

Article 31

- (B) The transfer of any securities or class of securities of the Company which have been deposited with the Central Depository shall be effected in accordance with the Act, the Central Depositories Act and the Rules and for in respect of such securities, these Articles shall not be applicable to the extent that they are inconsistent with the relevant provisions of the Act, the Central Depositories Act or the Rules. Subject to the Act, the Central Depositories Act and the Rules, any Member may transfer all or any of his securities in such manner or form as may from time to time be approved by the Exchange.

Article 32

No share shall in any circumstances be transferred to any infant, bankrupt or person of unsound mind. An instrument of transfer must be in respect of only one class of security.

Article 34

The directors may, in their discretion, refuse to register a transfer of any share (not being a fully paid share) and they may also refuse to register a transfer of any share on which the Company has a lien. As for Deposited Security, the Central Depository may refuse to register any transfer of Deposited Security that does not comply with the Central Depositories Act and the Rules.

Article 36

The registration of transfers may be suspended at such times and for such periods as the directors may from time to time determine, PROVIDED ALWAYS THAT such registration shall not be suspended for more than thirty (30) days in any year or such other period as may be prescribed by the Exchange. At least twelve (12) clear market days notice shall be given to the Central Depository stating the period and the purpose or purposes of such closure. At least three (3) market days prior notice shall be given to the Central Depository to prepare the appropriate Record of Depositors provided that where the Record of Depositors is required in respect of corporate actions at least seven (7) market days prior notice shall be given to the Central Depository.

Article 37

(A) Where:-

- (i) the securities of the Company are listed on an Approved Market Place; and
- (ii) the Company is exempted from compliance with Section 14 of the Central Depositories Act or Section 29 of the Securities Industry (Central Depositories) (Amendment) Act 1998, as the case may be, under the Rules in respect of such securities.

the Company shall, upon request of a securities holder, permit a transmission of securities held by such securities holder from the register of holders maintained by the Register of the Company in the jurisdiction of the Approved Market Place (hereinafter referred to as the "Foreign Register") to the register of holders maintained by the Register of the Company in Malaysia (hereinafter referred to as the "Malaysian Register") PROVIDED THAT there shall be no change in the ownership of such securities.

- (B) For the avoidance of doubt, the Company shall not allow any transmission of securities from the Malaysian Register into the Foreign Register.

14. OTHER GENERAL INFORMATION (cont'd)

Article 38

Subject to the provisions of the Act, the Central Depositories Act and the Rules, the executors or administrators of a deceased Member shall be the only persons recognised by the Company as having any title to the shares registered in the name of such Member, but nothing herein contained shall release the estate of a deceased holder from any liability in respect of any shares which had been held by him.

Article 39

Any person becoming entitled to shares in consequence of the death, bankruptcy, insolvency or lunacy of any Member (herein referred to as a person entitled by transmission) shall on producing to the Company such evidence as may be reasonably required by the directors to prove his title be entitled to be registered as a Member in respect of the shares or instead of being registered himself to make such transfer as such deceased, bankrupt or insolvent person could have made. **PROVIDED ALWAYS THAT** where the shares are Deposited Securities, subject to the Rules, the person becoming so entitled may elect either to register himself as holder of the share or to have some person nominated by him registered as transferee thereof. The Article is hereinafter referred to as the Transmission Article.

Article 40

If any person so becoming entitled shall elect to be registered himself he shall deliver or send to the Company a notice in writing signed by him and stating that he so elects, **PROVIDED THAT** where the shares is a Deposited Security and the person becoming entitled elects to have the share transferred to him, the aforesaid notice shall be served by him on the Central Depository. If he shall elect to have another person registered he shall testify his election by executing to that other person a transfer of the share. All the limitations, restrictions and provision of these Articles relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or bankruptcy of the Member had not occurred and the notice or transfer were a transfer signed by that Member.

Article 41

A person becoming entitled to a share by reason of the death or bankruptcy of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not before being registered as a Member in respect of the share be entitled in respect of it to exercise any right conferred by Membership in relation to meetings of the Company. **PROVIDED ALWAYS THAT** the directors may at any time give notice requiring any such person to elect either to be registered himself or to transfer the share and if the notice is not complied with within ninety (90) days the directors may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the share until the requirements of the notice have been complied with.

2. The provisions of the Company's Articles of Association dealing with the voting and borrowing powers of the directors are as follows:-

Article 47

- (A) The directors may from time to time at their discretion raise or borrow any sum or sums money for the purposes of the Company.
- (B) The directors may exercise all the powers of the Company to guarantee payment of money payable under contracts or obligations of any subsidiary company or companies with or without securities.

14. OTHER GENERAL INFORMATION (cont'd)

Article 48

- (A) Subject to the restriction contained in Article 48 (B), the directors may secure the repayment of any debt, liability or obligation of the Company or any of its subsidiary or associated companies in such manner and upon such terms and conditions in all respects as they think fit and in particular by the issue of bonds notes perpetual or redeemable debentures or debenture stock or any mortgage charge or other security on the undertaking or the whole or any part of the property of the Company (both present and future) including its uncalled capital for the time being.
- (B) The directors shall not borrow any money or mortgage or charge any of the Company's or its subsidiary companies' undertaking, property, or any uncalled capital, or issue debentures and other securities, whether outright or as security for any debt, liability or obligations of an unrelated third party.

Article 49

Any bonds notes debentures debenture stock or other securities may be issued at a discount, premium or otherwise and with any special privileges as to redemption surrender drawings allotment of shares attending and voting at General Meeting of the Company appointment of directors and otherwise.

3. The provisions of the Articles of Association dealing with changes in capital and variations of class rights which are as stringent as those provided in the Act are as follows:-

Article 45

The Company may by Ordinary Resolution:

- (A) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;
- (B) cancel any shares which at the date of the passing of the resolution in that behalf have not been taken or agreed to be taken by any person and diminish the amount of its share by the amount of the shares so cancelled or
- (C) utilise its share premium account and/or retained profits to provide the consideration for the purchase of the Company's own shares,
- (D) by subdivision of its existing shares, or any of them divide its capital or any part thereof into shares of smaller amount than is fixed by its Memorandum of Association and so that as between the holders of the resulting shares one or more of such shares may by the resolution by which the subdivision is effected be given any preference or advantage as regards dividend, capital, voting or otherwise over the other or any other of such shares,

and may by Special Resolution:

- (E) reduce its share capital, any capital redemption reserve fund or any share premium account, in any manner and with and subject to any incident authorised and consent required by law; or
- (F) issue further preference capital ranking equally with, or in priority to preference shares already issued.

14. OTHER GENERAL INFORMATION (cont'd)

4. The provisions of the Articles of Association dealing with the remuneration of the directors are as follows:-

Article 79

The fees payable to the directors shall be such fixed sum (not being a commission on or percentage of profits or of turnover) as shall from time to time be determined by an Ordinary Resolution of the Company and shall (unless such resolution otherwise provides) be divisible among the directors as they may agree, or, failing agreement, equally, except that any director who shall hold office for part only of the period in respect of which such remuneration is payable shall be entitled only to rank in such division for a proportion of remuneration related to the period during which he has held office.

Article 80

Any director who is appointed to any executive office including the office of Chairman or who serves on any committee or who otherwise performs services which in the opinion of the directors are outside the scope of the ordinary duties of a director, may be paid such extra remuneration by way of salary, commission on or percentage on profits or otherwise as the directors may determine but not a commission on or percentage of turnover.

Article 81

The fees payable to the directors shall not be increased except pursuant to a resolution passed at a General Meeting convened by a notice specifying the intention to propose such increase.

Article 82

The share qualification for a director may be fixed by the Company in general meeting and unless and until so fixed no such qualification shall be required.

14.3 Directors and Substantial Shareholders

1. The names, addresses and occupations of the directors are set out in section I on "Corporate Directory" of this Prospectus.
2. No directors or key management or technical personnel is or has been involved in any of the following events, whether in or outside Malaysia:-
 - (a) A petition under any bankruptcy or insolvency laws filed against such person or any partnership in which he was or is a partner or any corporation of which he was or is a director or key personnel;
 - (b) A conviction in a criminal proceeding or is a named subject of a pending criminal proceeding; or
 - (c) The subject of any order, judgment or ruling of any court, tribunal or governmental body of competent jurisdiction permanently or temporarily enjoining him from acting as an investment adviser, dealer in securities, director or employee of a financial institution or engaging in any type of business practice or activity.

14. OTHER GENERAL INFORMATION (cont'd)

3. For the FYE 31 December 2001, a total sum of RM1,102,175 was paid to the directors of IFCA as remuneration for their service in all capacities to the Company and its subsidiary companies. For the FYE 31 December 2002, a total sum of RM1,216,274 was paid to the directors of IFCA. The directors fall within the following remuneration bands:-

Remuneration Band (RM)	Number of Directors	
	FYE 31.12.2001	FYE 31.12.2002
0 – 150,000	1	0
150,001 – 400,000	1	2
400,001 – 550,000	1	1

No remuneration was paid or is payable to two (2) of the directors of IFCA who are non-executive directors.

4. Based on the Register of Directors' Shareholdings of IFCA as at the date of this Prospectus, the direct and indirect interests of the Directors in the issued share capital of the Company before and after the Public Issue are as follows:-

Director	Before Public Issue				After Public Issue				After Full Exercise of ESOS ⁴			
	Direct		Indirect		Direct		Indirect		Direct		Indirect	
	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%
Yong Keang Cheun	6,620,930	3.25	186,960,572 ¹	91.75	6,620,930	2.40	186,960,572 ¹	67.69	8,073,830 ⁴	2.25	188,413,472 ²	52.47
Yong Kian Keong	3,055,810	1.50	190,525,692 ²	93.50	3,055,810	1.11	190,525,692 ²	68.98	4,508,710 ⁴	1.26	191,978,592 ³	53.47
Ho Chee Siong	-	-	-	-	674,600 ³	0.24	-	-	934,300 ⁴	0.26	-	-
Ch'ng Kong San	-	-	-	-	-	-	-	-	-	-	-	-
Chew See Chiew	-	-	-	-	-	-	-	-	-	-	-	-

Notes:-

- ¹ Deemed interested by virtue of his substantial shareholdings in IFCA (Asia) and his brother's shareholdings in IFCA
- ² Deemed interested by virtue of his substantial shareholdings in IFCA (Asia) and his brother's shareholdings in IFCA
- ³ Based on his entitlement pursuant to the allocation of Public Issue Shares to eligible employees of IFCA Group
- ⁴ Based on their respective ESOS allocations as follows:-

	<u>No. of ESOS Options</u>
Yong Keang Cheun	1,452,900
Yong Kian Keong	1,452,900
Ho Chee Siong	259,700

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14. OTHER GENERAL INFORMATION (cont'd)

5. Based on the Register of Shareholders of IFCA as at the date of this Prospectus, the direct and indirect interests of the substantial shareholders and Promoter in the issued share capital of the Company before and after the Public Issue are as follows:-

Shareholder/ Promoter	Nationality / Place of Incorporation	Before Public Issue		After Public Issue		After Full Exercise of ESOS ⁵	
		Direct No. of Shares	%	Direct No. of Shares	%	Direct No. of Shares	Indirect No. of Shares
IFCA (Asia) ¹	Malaysia	183,904,762	90.25	183,904,762	66.58	183,904,762	51.22
Yong Keang Cheun	Malaysian	6,620,930	3.25	6,620,930	2.40	8,073,830 ⁶	2.25
Yong Kian Keong	Malaysian	3,055,810	1.50	3,055,810	1.11	4,508,710 ⁶	1.26
Ooi Bee Bee	Malaysian	10,188,498	5.00	11,092,798 ⁴	4.02	11,454,598 ⁶	3.19

Notes:-

- ¹ The principal activity of IFCA (Asia) is investment holding and its directors and substantial shareholders are listed in section 8.1.1 of this Prospectus.
- ² Deemed interested by virtue of his substantial shareholdings in IFCA (Asia) and his brother's shareholdings in IFCA
- ³ Deemed interested by virtue of his substantial shareholdings in IFCA (Asia) and his brother's shareholdings in IFCA
- ⁴ Based on her entitlement of 904,300 Shares pursuant to the allocation of Public Issue Shares to eligible employees of IFCA Group.
- ⁵ An ESOS will be implemented in conjunction with the Company's listing on the MESDAQ Market. The shareholdings shown here are based on the number of Options to be granted to Yong Keang Cheun, Yong Kian Keong and Ooi Bee Bee. The details of the ESOS are elaborated in section 6.5 of this Prospectus.
- ⁶ Based on their respective ESOS allocations as follows:-

	No. of ESOS Options
Yong Keang Cheun	1,452,900
Yong Kian Keong	1,452,900
Ooi Bee Bee	361,800

14. OTHER GENERAL INFORMATION (cont'd)

6. Save as disclosed in section 6.24 on "Related Companies with Similar Trade" of this Prospectus, none of the directors or substantial shareholders of the Company or its subsidiary companies has any interest, direct or indirect, in any business carrying on a similar trade as the Company or its subsidiary companies.
7. Save as disclosed in section 6.25 on "Related-Party Transactions and Conflict of Interest" and section 14.6 on "Material Contracts", none of the directors of the Company has any interest, direct or indirect, in the promotion of or in any assets which have, within the two (2) years preceding the date of this Prospectus, been acquired or proposed to be acquired or disposed of or proposed to be disposed of by or leased or proposed to be leased to the Company or its subsidiary companies or in any contract or arrangement subsisting at the date of this Prospectus which is significant in relation to the business of the Company and its subsidiary companies taken as a whole.
8. Save for that disclosed in section 6.25 on "Related-Party Transactions and Conflict of Interest" and section 14.6 "Material Contracts", there are no contracts or arrangements subsisting at the date of this Prospectus in which any director or substantial shareholder of the Company is interested and which is significant in relation to the business of the Company or the Group taken as a whole.

14.4 General

1. Save as disclosed in section 14.6 on "Material Contracts", no property has been acquired or is proposed to be acquired, and no preliminary expenses are to be repaid, by the Company or its subsidiary companies in contemplation of the Public Issue.
2. The nature of the Company's business and the names of all corporations which are deemed to be related to the Company by virtue of Section 6 of the Act are disclosed in section 6.6 on "Information on IFCA Group" of this Prospectus.
3. The time of the opening of the Application is set out in the section 15 on "Procedure for Application and Acceptance" of this Prospectus.
4. The amount payable in full on application is RM0.20 per Share.
5. Save as disclosed under section 6.3, no person has an option or is entitled to be given an option to subscribe for any Shares, stocks or debentures of the Company or its subsidiary companies.
6. Save as disclosed in this Prospectus, no capital of the Company or its subsidiary companies has been issued or is proposed to be issued as partly or fully paid-up otherwise than for cash, within the two (2) years preceding the date of this Prospectus.
7. Save as disclosed in this Prospectus, no capital of the Company or its subsidiary companies has been issued or is proposed to be issued for cash, within the two (2) years preceding the date of this Prospectus.
8. The name and address of the auditors are set out in the section 1 on "Corporate Directory" of this Prospectus.
9. Apart from the subsidiary companies of the Company disclosed in section 6.6 of this Prospectus, the Group has not established any place of business outside Malaysia.
10. The manner in which copies of this Prospectus together with the official Application Forms and envelopes may be obtained is set out in the section 15 on "Procedure for Application and Acceptance" of this Prospectus.

14. OTHER GENERAL INFORMATION (cont'd)

11. Save as disclosed in this Prospectus, there are no persons who, directly or indirectly, jointly or severally, exercise control over the corporation and particulars of the proportion of the voting capital held.

14.5 Expenses and Commission

1. Save as disclosed in this Prospectus, there have been no commissions, discounts, brokerages or other special terms granted or paid by IFCA or its subsidiary companies within the two (2) years preceding the date of this Prospectus in connection with the issue or sale of any Shares or debentures of the Company or its subsidiary companies for subscribing or agreeing to subscribe or procuring or agreeing to procure subscription for any Shares or debentures of IFCA or its subsidiary companies and no director or proposed director or Promoter or expert is entitled to receive any such payment.
2. Expenses incidental to the listing of and quotation for the entire issued and paid-up share capital of the Company on the MESDAQ Market amounting to approximately RM1.8 million will be borne by the Company.
3. No amount or benefit has been paid or given within the two (2) years preceding the date hereof, nor is it intended to be so paid or given, to any Promoter, save as disclosed in this Prospectus.

14.6 Material Contracts

1. Save as disclosed below, there are no contracts which are or may be material (not being contracts entered into in the ordinary course of business) which have been entered into by the Company or its subsidiary companies within the two (2) years preceding the date of this Prospectus:-
 - i. IFCA had on 29 July 2002 entered into a conditional sale and purchase agreement with IFCA (Asia) to acquire the Johor Property for a purchase consideration of RM750,000, which was satisfied by the issuance of 750,000 new IFCA ordinary shares of RM1.00 each at par;
 - ii. IFCA had on 29 July 2002 entered into a conditional sale and purchase agreement with IFCA (Asia) to acquire the Penang Property for a purchase consideration of RM427,000, which was satisfied by the issuance of 427,000 new IFCA ordinary shares of RM1.00 each at par;
 - iii. IFCA had on 29 July 2002 entered into 12 conditional sale and purchase agreements with IFCA (Asia) to acquire the Selangor Property for a total purchase consideration of RM4,600,000, which was satisfied by the issuance of 4,600,000 new IFCA ordinary shares of RM1.00 each at par;
 - iv. Underwriting Agreement dated 6 June 2003 between IFCA and OSK for the underwriting of 72,430,000 Public Issue Shares. Underwriting commission is payable by the Company at the rate of 2.5% of the Issue Price of RM0.20 per Share for 44,810,000 Shares under the Public Issue. For the remaining balance of 27,620,000 Shares under the pink form allocation, the Underwriter will only be paid the same rate of commission for any of the remaining Shares of 27,620,000 that is not taken up or duly applied for by the eligible directors and employees of IFCA Group.

14. OTHER GENERAL INFORMATION (cont'd)

- v. Placement agent agreement dated 6 June 2003 was entered into between IFCA and OSK whereby OSK agreed to act as Placement Agent for the placement of 42,810,000 Issue Shares to selected investors, for a placement fee of 1.5% of the Issue Price of RM0.20 per share, and an arrangement fee is also payable by the Company at the rate of 0.35% of the Issue Price of RM0.20 per Share for 72,430,000 Shares pursuant to the Public Issue;
- vi. A sponsorship agreement dated 21 May 2003 was entered into whereby IFCA appointed OSK to act as Sponsor in relation to IFCA's proposed listing on the MESDAQ Market from the date of the Agreement until one (1) year from the date of the Company's listing on the MESDAQ Market, for a total fee of RM30,000 per annum;
- vii. Service agreement dated 21 May 2003 between IFCA and Yong Keang Cheun in relation to the appointment of Yong Keang Cheun as CEO of IFCA;
- viii. Service agreement dated 21 May 2003 between IFCA and Yong Kian Keong in relation to the appointment of Yong Kian Keong as Deputy CEO of IFCA.

14.7 Material Litigation, Capital Commitment and Contingent Liabilities

- 1. The Company and its subsidiary companies are not engaged in any litigation or arbitration, including those pending and threatened and those settled, concluded or avenue for appeal exhausted in the one (1) year preceding the date of this Prospectus, either as plaintiff or defendant, which has a material effect on the financial position of the Company, and the directors do not know of any proceedings which might materially and adversely affect the financial position or business of the Company.
- 2. Neither the Company nor its subsidiary companies has any material capital commitment or outstanding contingent liabilities as at 16 June 2003.

14.8 Salient Terms of Other Material Agreements

The salient terms of material agreements have been disclosed under the section 6.25 on "Information on IFCA Group – Related-Party Transactions and Conflict of Interest" and section 14.6 on "Material Contracts".

Apart from the above, the following are other agreements entered into by the Group including those entered into in the ordinary course of business as at the date of this Prospectus. Save as disclosed below, there are no other material agreements which are valid and subsisting entered into by the Group.

- 1. Salient terms in the Master Distributorship and Reseller Agreement dated 26 July 2002 between IFCA and IFCA Software
 - (i) The Company grants to IFCA Software ("the Distributor") a non-exclusive and non-transferable right to:
 - (a) market, resell and distribute the Products (as defined in the said agreement) to the End-Users (as defined in the said agreement) to any countries other than Malaysia and PRC;
 - (b) install the Products into such equipment or computer hardware belonging to the End-User;

14. OTHER GENERAL INFORMATION (cont'd)

- (c) subject to the prior written approval of the Company, to enhance, adapt, port, merge, translate, integrate, modify, assemble and customise such Products so as to suit the requirements of the End-User in using the Products in its business;
- (d) furnish maintenance and support for the Products to the End-Users;
- (e) use and reproduce the Master Copy (as defined in the said agreement) of the Products for testing with customer systems, demonstration to prospective customers, support and maintenance, back-up and archive purposes, and use at the place of business of the Distributor;
- (f) market and appoint Resellers (as defined in the said agreement) in any countries other than Malaysia and PRC; and
- (g) use the trademarks of the Company in the marketing of the Products by the Distributor, such use of the trademarks of the Company to be in such manner as may be approved by the Company,

upon the terms and conditions contained in the said agreement.

- (ii) The Company appoints the Distributor as its distributor of the Products for the purpose specified in paragraph 1 (i) above and the Distributor accepts the grant of the right as set out in paragraph 1 (i) above and the appointment as distributor upon the terms and conditions of the Master Distributorship and Reseller Agreement.
- (iii) The Distributor agrees that the right granted in paragraph 1 (i) is non-exclusive and therefore the Company expressly reserves the right to sell and deliver the Products to any other person in any countries other than Malaysia and PRC, and nothing in the Master Distributorship and Reseller Agreement shall obligate the Company to impose any restriction upon the marketing, reselling, distribution or use of the Products by a distributor or reseller of the Products appointed by the Company or customers of the Company who purchases the Products directly from the Company.
- (iv) The Company agrees to provide its services for customisation, modification, programming, parameterisation, configuration and/or integration of the Product for the purposes and use of each End-User ("Customisation Services"), in accordance with the terms contained in the said agreement. The Company warrants that all Customisation Services shall be performed with due diligence, skill and care and in accordance with the terms of the Master Distributorship and Reseller Agreement.
- (v) The parties acknowledge and agree that the Licensed Material (as defined in the said agreement), all promotional materials and all copies thereof shall at all times, notwithstanding the termination of the Master Distributorship and Reseller Agreement, remain the sole and exclusive property of the Company and title thereto remains vested at all times in the Company. All applicable rights, including, but not limited to, patents, copyrights, trademarks, and trade secrets, in the Licensed Material will remain vested in the Company and the Distributor shall not sell, rent, lease, transfer, publish, disclose, display or otherwise make available the Licensed Material or copies thereof to any person without the prior approval of the Company.
- (vi) The term of the Master Distributorship and Reseller Agreement commences upon execution of the said agreement and shall remain valid for a period of two (2) years from the date of the said agreement.

14. OTHER GENERAL INFORMATION (cont'd)

2. Salient terms in the eight (8) Local Distributorship Agreements each dated 26 July 2002 between IFCA and its Malaysian subsidiary companies:-

- (i) The Company grants to the subsidiary ("the Distributor") a non-exclusive and non-transferable right to:
 - (a) market, resell and distribute the Products (as defined in the said agreement) to the End-Users (as defined in the said agreement) in Malaysia;
 - (b) install the Products into such equipment or computer hardware belonging to the End-User;
 - (c) subject to the prior approval of the Company, to enhance, adapt, port, merge, translate, integrate, modify, assemble and customise such Products so as to suit the requirements of the End-User in using the Products in its business;
 - (d) furnish maintenance and support for the Products to the End-Users;
 - (e) use and reproduce the Master Copy (as defined in the said agreement) of the Products for testing with customer systems, demonstration to prospective customers, support and maintenance, back-up and archive purposes, and use at the place of business of the Distributor; and
 - (f) use the trademarks of the Company in the marketing of the Products by the Distributor, such use of the trademarks of the Company to be in such manner as may be approved by the Company,

upon the terms and conditions contained in the said agreement.

- (ii) The Company appoints the Distributor as its distributor of the Products for the purpose specified in paragraph 2 (i) above and the Distributor accepts the grant of the right as set out in paragraph 2 (i) above and the appointment as distributor upon the terms and conditions of the Local Distributorship Agreement.
- (iii) The Distributor agrees that the right granted in paragraph 2 (i) is non-exclusive and therefore the Company expressly reserves the right to sell and deliver the Products to any other person in Malaysia, and nothing in the Local Distributorship Agreement shall obligate the Company to impose any restriction upon the marketing, reselling, distribution or use of the Products by a distributor or reseller of the Products appointed by the Company or customers of the Company who purchases the Products directly from the Company.
- (iv) The Company agrees to provide its services for customisation, modification, programming, parameterisation, configuration and/or integration of the Product for the purpose and use of each End User ("Customisation Services"), in accordance with the terms contained in the said agreement. The Company warrants that all Customisation Services shall be performed with due diligence, skill and care and in accordance with the terms of the Local Distributorship Agreement.
- (v) The parties acknowledge and agree that the Licensed Material (as defined in the said agreement), all promotional materials and all copies thereof shall at all times, notwithstanding the termination of the Local Distributorship Agreement, remain the sole and exclusive property of the Company and title thereto remains vested at all times in the Company. All applicable rights, including, but not limited to, patents, copyrights, trademarks, and trade secrets, in the Licensed Material will remain vested in the Company and the Distributor shall not sell, rent, lease, transfer, publish, disclose, display or otherwise make available the Licensed Material or copies thereof to any person without the prior approval of the Company.

14. OTHER GENERAL INFORMATION (cont'd)

- (vi) The term of the Local Distributorship Agreement commences upon execution of the said agreement and shall remain valid for a period of one (1) year from the date of the said agreement. Thereafter, the agreement shall be automatically renewed for an additional period of one (1) year subject to the following:-
 - (a) the Distributor shall not be in breach of any of its obligations under the agreement; and
 - (b) the agreement has not been otherwise terminated in accordance with the terms of the agreement.
- 3. A purchase order dated 19 April 2003 entered into between MK Land Holdings Bhd ("MKL") and IFCAS wherein MKL has agreed to engage IFCAS to upgrade the existing software of MKL, convert and migrate MKL's data and manage the project and also agreed to purchase from IFCAS various other software, at a consideration of RM638,000, with the following material terms:-
 - (a) payment terms for system software are 50% upon signing of purchase order, 50% upon installation and delivery; and
 - (b) payment terms for standard application software, data conversion/professional service are 40% upon signing of purchase order, 30% upon installation and delivery of standard application software, 10% one month after installation and delivery of standard application software, 10% two months after installation and delivery of standard application software, 10% three months after installation and delivery of standard application software.

14.9 Public Take-Overs

During the last financial year and the current financial year, there have been:-

- (a) No public take-over offers by third parties in respect of the Company's and its subsidiaries' shares; and
- (b) No public take-over offers by the Group in respect of other companies' shares.

14.10 Consents

- 1. The written consents of the Adviser, Sponsor, Underwriter, Placement Agent, Auditors and Reporting Accountants, Solicitors, Principal Banker, Registrars, Company Secretary, Issuing House, Valuers and Independent Market Researcher to the inclusion in this Prospectus of their names in the form and context in which their names appear have been given before the issue of this Prospectus and have not subsequently been withdrawn.
- 2. The written consent of the Auditors and Reporting Accountants to the inclusion in this Prospectus of their name, Accountants' Report, and letter relating to the Proforma Consolidated Balance Sheets in the form and context in which they are contained in this Prospectus has been given before the issue of this Prospectus and has not subsequently been withdrawn.

14.11 Insurance Policies

The Group has purchased the following types of insurance policies:-

- 1) Group Hospital and Surgical Insurance policy - covering medical bills incurred should any of its employees be hospitalised due to accident or illness. The sum insured determined by the Company is per the seniority of the employees.

14. OTHER GENERAL INFORMATION (cont'd)

- 2) Private Car Insurance Policy – Insurer will pay the cost of repairs or pay in cash the amount of the loss or damage, or reinstate or replace the vehicle if the Company vehicle is damaged or lost.
- 3) Fire Insurance Policy for all its buildings and fittings in the event of any physical loss, destruction or damage to the property caused by fire and lightning, for a period of twelve months, subject to yearly renewals.

14.12 Documents for Inspection

Copies of the following documents may be inspected at the registered office of the Company during office hours for a period of twelve (12) months from the date of this Prospectus:-

1. Memorandum and Articles of Association of the Company;
2. Material contracts as set out in section 14.6 of this Prospectus and material agreements as set out in section 14.8 of this Prospectus;
3. Directors' Report and Accountants' Report as included herein;
4. Reporting Accountants' letter relating to the Proforma Consolidated Balance Sheets as included herein;
5. Audited accounts of IFCA, IFCAS, NOSB, IFCAT, PTSB, IFCA (Sabah), IFCA (Penang), IFCA (Sarawak) and IFCA (JB) for the past five (5) financial years ended 31 December 2002;
6. Valuation certificates as included herein together with the Valuation Reports as referred to therein;
7. Consent letters; and
8. Any reports and statements extracted by experts referred to in this Prospectus.

14.13 Responsibility Statements

This Prospectus has been seen and approved by the directors and Promoter of IFCA and they collectively and individually accept full responsibility for the accuracy of the information given and contained herein and confirm that, after having made all reasonable enquiries, and to the best of their knowledge and belief, there are no false or misleading statements or other facts, the omission of which would make any statement herein false or misleading.

The Adviser acknowledges that, based on all available information and to the best of its knowledge and belief, this Prospectus constitutes a full and true disclosure of all material facts concerning the Issue.