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The Board of Directors
Quill Capita Management Sdn Bhd
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21 November 2006

Dear Sirs

Re: Taxation of Quill Capita Trust and unit holders

This letter has been prepared for inclusion in the Prospectus dated 11 December 2006 to be issued in connection with the offer of units in Quill Capita Trust.

The purpose of this letter is to provide prospective purchasers of units in Quill Capita Trust with an overview of the Malaysian tax consequences of acquisition, ownership and disposal of these units.

The Malaysian tax position is based on the interpretation of the Malaysian tax laws and provisions as they stand at present. Please note that these interpretations of the Malaysian tax laws and provisions may be subject to change, possibly with a retrospective effect.

All prospective investors should not treat the contents of this letter as advice relating to taxation matters and are advised to consult their own professional advisers concerning their respective investments. Particularly, prospective purchasers that are not Malaysian tax residents, should take into account the tax laws of their respective countries of residence and the existence of any tax treaty which their country of residence may have with Malaysia.

Taxation of Quill Capita Trust

Quill Capita Trust is treated as a unit trust for Malaysian tax purposes. The taxation of Quill Capita Trust is therefore governed principally by Sections 61, 61A and 63C of the Income Tax Act, 1967 ("the Act").



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Income of a Real Estate Investment Trust ("REIT"), where subject to income tax, will be subject to tax at the rate of 28% (prevailing rate). The taxable income of a REIT, which is distributed to unit holders in the same basis period, will be exempted from income tax at the REIT level.

Undistributed income of a REIT is taxable at the prevailing tax rates. This is proposed to be changed with effect from the Year of Assessment 2007 under the 2007 Budget Proposals (see 2007 Budget Proposals below).

Capital gains from the realisation of investments by Quill Capita Trust will not be subject to income tax.

Taxable dividend income earned by Quill Capita Trust would have suffered a tax deduction at source at the prevailing rate of 28%. The tax deducted will be available for set off either wholly or partly against the tax liability of Quill Capita Trust. Any excess over the tax liability will be refundable to Quill Capita Trust.

Interest income or profit earned by Quill Capita Trust from the following is exempt from tax:-

- any savings certificates issued by the Government; or
- securities or bonds issued or guaranteed by the Government; or
- debentures, other than convertible loan stock, approved by the Securities Commission; or
- Bon Simpanan Malaysia issued by the Central Bank of Malaysia; or
- bonds or securities issued by Pengurusan Danaharta Nasional Berhad; or
- bonds other than convertible loan stocks, issued by any company listed in Malaysia Exchange of Securities Dealing and Automated Quotation Berhad; or
- a bank or financial institution licensed under the Banking and Financial Institutions Act 1989 or Islamic Banking Act 1983.

Income received by Quill Capita Trust from sources outside Malaysia will be exempt from tax.

Pursuant to Stamp Duty (Exemption) (No 4) Order 2004, all instruments of transfer of real property to a REIT approved by the Securities Commission are exempted from stamp duty. In addition to that, all instruments of deed of assignment executed between a REIT approved by the Securities Commission and the disposer relating to the purchase of real property are also exempted from stamp duty under Stamp Duty (Exemption) (No. 27) Order 2005. This would result in savings for Quill Capita Trust, which in turn may be applied to income producing activities for the benefit of the unit holders.



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Taxation of unit holders

Unit holders are categorized into residents and non-residents for tax purposes. Resident unit holders will be taxed at their respective tax rates on the taxable income distributed in the same period. Non-resident unit holders will be subject to withholding tax at the prevailing tax rate of 28% on the taxable income distributed. Exempt income received by Quill Capita Trust (other than income exempted at Quill Capita Trust level due to distribution of income in the same basis period) that are distributed would be exempt in the hands of the unit holders. Under the 2007 Budget Proposals, the categories have been refined further, each with different tax rates (see 2007 Budget Proposals below).

Unit splits by Quill Capita Trust will be exempted from Malaysian tax in the hands of the unit holders.

Any gains realised by the unit holders (other than financial institutions, insurance companies and those dealing in securities) from the transfers or redemptions of the units are generally treated as capital gains which are not subject to income tax in Malaysia.

Resident unit holders

As a general rule, companies are tax resident in Malaysia where their management and control of its business or any of its businesses are exercised in Malaysia. Companies will also be viewed as Malaysian tax resident if at any time during the basis year the management and control of its affairs are exercised in Malaysia by its directors or other controlling authority. An individual is resident in Malaysia for a particular basis year of assessment if he or she is in Malaysia for a period of 182 days or more. An individual could still be tax resident if he or she is in Malaysia for less than 182 days subject to he or she meeting the other tests within the Act. The tests of residency mentioned herein are also subject to modifications by articles on residency in double taxation agreements, where applicable.

Unit holders are taxed on the amount of taxable income distributed to them.

Individuals and other non-corporate unit holders who are resident in Malaysia will be subject to income tax at scale rates. The prevailing scale rates range from 1% to 28%.

Corporate unit holders would be taxed at the prevailing tax rate of 28% on the amount of taxable income of Quill Capita Trust distributed to them. Corporate unit holders with paid-up capital in the form of ordinary shares of RM2.5 million and below will be subject to a tax rate of 20% on chargeable income of up to RM500,000. For chargeable income in excess of RM500,000, the prevailing rate of 28% is still applicable.

Where the income distributed to unit holders was subject to tax in Quill Capita Trust, the income distributed will carry with it a tax credit. Unit holders will be entitled to utilise the tax credit as a set off against the tax payable by them.



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Non-Resident unit holders

Unit holders who are not resident in Malaysia, for tax purposes, will be subject to Malaysian income tax (the prevailing rate is 28%) which will be withheld at source by Quill Capita Trust. Where the income distributed has been subjected to tax in Quill Capita Trust, there would be no further withholding of tax. Non-resident unit holders may also be subject to tax in their respective jurisdictions and depending on the provisions of the relevant tax legislation and any double tax treaties with Malaysia, the Malaysian tax suffered may be creditable in the foreign tax jurisdictions.

2007 Budget Proposals

Notwithstanding the above, we would highlight that pursuant to the Malaysian 2007 Budget proposals announced by the Prime Minister and Minister of Finance on 1 September 2006, the following proposals (“2007 Budget proposals”) affecting REITs have been proposed :

- i. Non-corporate investors that receive distributions from REITs listed on Bursa Malaysia will be subject to a final withholding tax at the rate of 15% for 5 years;
- ii. Foreign institutional investors (meaning a pension fund, collective investment scheme and such other persons approved by the Minister of Finance) that receive distributions from REITs listed on Bursa Malaysia will be subject to a final withholding tax at the rate of 20% for 5 years;
- iii. Local corporate investors will be subject to the existing tax treatment and tax rates;
- iv. Foreign corporate investors will be subject to a final withholding tax at the rate of 27%;
- v. REITs will be exempted from tax on all its income provided that at least 90% of its total income is distributed to the investors;
- vi. Where the 90% distribution is not complied with, the undistributed chargeable income of the REITs will be subject to income tax at the prevailing tax rates; and
- vii. For the Year of Assessment 2007, the prevailing tax rate for a company, trust body, an executor of an estate of an individual who was domiciled outside Malaysia at the time of his death and a receiver appointed by the court is proposed to be reduced to 27%, and to 26% in the Year of Assessment 2008.

16. TAXATION OF QCT (Cont'd)



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Please note that the above proposals are subject to changes or amendments in the legislation giving effect to the above 2007 Budget proposals. It is proposed that the above 2007 Budget proposals (i) and (ii) are to be effective from 1 January 2007 and the 2007 Budget proposals (iv), (v), (vi) and (vii) are to be effective from the Year of Assessment 2007.

Yours faithfully

A handwritten signature in black ink, appearing to read 'Chew Theam Hock', written over a horizontal line.

Chew Theam Hock
Executive Director

17. ADDITIONAL INFORMATION

17.1 General

- (a) No Units will be allotted or issued on the basis of this Prospectus later than twelve (12) months after the date of this Prospectus.
- (b) In addition to the initial Units of 1,000 at the issue price of RM0.80 per Unit, QCT issued 232,500,000 Units at RM0.80 to the Vendors as part of the purchase consideration for the Acquisitions.
- (c) The Issue Units will rank pari passu in all respects with the other existing issued Units of QCT including the voting rights and the Issue Units will be entitled to all distributions that may be declared subsequent to the date of this Prospectus.
- (d) The amount payable in full upon application for the IPO is RM0.84 per Issue Unit, subject to the Final Retail Price as set out in Section 4.3.4 of this Prospectus.
- (e) 238,691,000 Units of the Fund will be admitted to the Official List. Unitholders can obtain information on the current development, reports and NAV per Unit of the Fund from the Bursa Securities' website, www.bursamalaysia.com upon the Fund's listing on Bursa Securities.

In accordance with the Deed and REITs Guidelines, we are required, on a weekly basis, to carry out a valuation of QCT's investments in real estate-related assets and non-real estate assets and announce the NAV of the Fund to Bursa Securities. We must also give the SC an interim financial report no later than 2 months after the end of the period it covers.

If you require further information on QCT, you may contact us at:

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- (f) As at LPD, our Directors confirm that our financial conditions and operations are not affected by any of the following factors:
 - (i) known trends, demands, commitments, events or uncertainties that have had or that we reasonably expect to have, a material favourable or unfavourable impact on our financial performance, liquidity, position and operations;
 - (ii) material commitments for capital expenditure; and
 - (iii) unusual, infrequent events or transactions or any significant economic changes that have materially affected our financial performance, position and operation.

17. ADDITIONAL INFORMATION (Cont'd)

17.2 Material Contracts

Saved as disclosed below, there are no other material contracts (including contracts not reduced into writing), not being contracts entered into in the ordinary course of business, which have been entered into that relates to QCT within two (2) years preceding the date of this Prospectus:

- (a) The deed dated 9 October 2006 constituting QCT, entered into between QCM and Mayban Trustees, for the benefit of the Unitholders;
- (b) Conditional SPA for Quill Building 1 – DHL 1 dated 17 October 2006 between QPSB and the Trustee whereby the Trustee agreed to purchase Quill Building 1- DHL 1 for the consideration of RM52,100,000 which was satisfied by way of cash payment for the sum of RM9,500,000 and by way of the issuance of 53,250,000 units in the REIT for the amount of RM42,600,000;
- (c) Conditional SPA for Quill Building 2 – HSBC dated 17 October 2006 between QLSB and the Trustee whereby the Trustee agreed to purchase Quill Building 2 – HSBC for the consideration of RM107,500,000 which was satisfied by way of cash payment for the sum of RM30,000,000 and by way of the issuance of 96,875,000 units in the REIT for the amount of RM77,500,000;
- (d) Conditional SPA for Quill Building 3 – BMW dated 17 October 2006 between QESB and the Trustee whereby the Trustee agreed to purchase Quill Building 3 – BMW for the consideration of RM59,400,000 which was satisfied by way of cash payment for the sum of RM24,000,000 and by way of the issuance of 44,250,000 units in the REIT for the amount of RM35,400,000;
- (e) Conditional SPA for Quill Building 4 – DHL 2 dated 17 October 2006 between QPSB and the Trustee whereby the Trustee agreed to purchase Quill Building 4 – DHL – 2 for the consideration of RM57,000,000 which was satisfied by way of cash payment for the sum of RM26,500,000 and by way of the issuance of 38,125,000 units on the REIT for the amount of RM30,500,000;
- (f) The Underwriting Agreement for Retail Offering dated 18 October 2006 entered into between the Vendors, the Trustee, QCM and the Managing Underwriter for the underwriting of 12,090,000 Units under the Retail Offering at an underwriting commission and a managing underwriting commission of 0.70% and 0.30% respectively, based on the Retail Price for each Unit being underwritten and subject to the terms and conditions set out therein;
- (g) The Underwriting Agreement for the Institutional Tranche dated 18 October 2006 entered into between the Vendors and the Managing Underwriter for the underwriting of 83,384,000 Units under the Institutional Tranche at an underwriting commission and a managing underwriting commission of 0.70% and 0.30% respectively, based on the price at RM0.89 for each Unit being underwritten and subject to the terms and conditions set out therein; and
- (h) The property management agreement dated 17 November 2006 entered into between Knight Frank (Ooi & Zaharin Sdn Bhd), the Trustee and us pursuant to which the property manager will provide certain property management services for the subject properties.

Other than the Acquisitions, there are no other transaction, directly or indirectly, relating to any real estate purchased or to be purchased out of the proceeds of the IPO within the preceding two (2) years from the date of this Prospectus.

17. ADDITIONAL INFORMATION (Cont'd)

17.3 Consents

- (a) The written consents of the Trustee, Adviser, Managing Underwriter & Sole Bookrunner, Issuing House, Solicitors, Property Manager, Reporting Accountant, Tax Consultant, Registrar, Principal Banker, Company Secretaries, Independent Property Valuer and Independent Property Consultant to the inclusion in this Prospectus of their names in the manner and form in which such names appear in this Prospectus have been given before the issue of this Prospectus and have not subsequently been withdrawn.
- (b) The written consent of the Reporting Accountants to the inclusion in this Prospectus of their letter on profit estimate, forecast and projections as well as the letter relating to the Pro Forma Balance Sheet and their names in the manner, form and context in which they appear have been given before the issue of this Prospectus and have not subsequently been withdrawn.
- (c) The written consent of the Tax Consultants to the inclusion in this Prospectus of their letter on taxation of QCT and their names in the manner, form and context in which it appear in this Prospectus have been given before the issue of this Prospectus and have not subsequently been withdrawn.
- (d) The written consent of the Independent Property Valuer and the Independent Property Consultant to the inclusion in this Prospectus of their Valuation Certificates and their Independent Property Market Report and their names in the manner, form and context in which it appear in this Prospectus have been given before the issue of this Prospectus and have not subsequently been withdrawn.

17.4 Directors' Declaration

This Prospectus has been seen and approved by our Board and they collectively and individually accept full responsibility for the accuracy of all information contained herein and confirm, having made all enquiries which are reasonable in the circumstances, that to the best of their knowledge and belief, there are no other facts, the omission of which would make any statement herein misleading.

The information pertaining to Mayban Trustee, Property Manager and SSR were provided by the management and/or directors of Mayban Trustee, Property Manager and SSR. The responsibility of our Board and the Vendors is therefore restricted to the accurate reproduction of such relevant information as included in this Prospectus.

17.5 Documents Available For Inspection

Copies of the following documents may be inspected without charge, at our registered office and/or registered office of the Trustee, during normal business hours for a period of twelve (12) months from the date of this Prospectus:

- (a) valuation reports dated 24 February 2006 prepared by Messrs CH Williams Talhar & Wong Sdn Bhd on the Subject Properties;
- (b) valuation certificate as included in Section 14 of this Prospectus;
- (c) letter dated 21 November 2006 prepared by the Reporting Accountants on consolidated profit estimate, forecast and projections for FYE 31 December 2006 to 31 December 2009 and the Pro Forma Consolidated Balance Sheets of QCT together with bases and assumptions as included in Sections 9.6 and 9.8 of this Prospectus respectively;
- (d) independent property market report dated 6 November 2006 prepared by Messrs CH Williams Talhar & Wong Sdn Bhd as referred to in Section 15;

17. ADDITIONAL INFORMATION (Cont'd)

- (e) letter dated 21 November 2006 prepared by Messrs KPMG, as referred to in Section 16 of this Prospectus;
- (f) material contracts referred to in Section 17.2 of this Prospectus;
- (g) the writ and cause papers in respect of the material litigation of the Trustee as referred to in Section 12.6 of this Prospectus; and
- (h) letters of consent as referred to in Section 17.3 of this Prospectus.

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18. RELATED PARTY TRANSACTIONS / CONFLICTS OF INTEREST

18.1 Existing Related-Party Transactions

The Acquisitions are deemed related party transactions due to the following relationships:

- (i) The purchase consideration for the Subject Properties was settled by cash and issuance of Units to the Vendors. QRH, a company connected to the Vendors by virtue of common directors and substantial shareholders is also our substantial shareholder.

The common shareholders and directors of the Vendors and QRH as at LPD are as disclosed below:

Name of Company	Directors and substantial shareholders	Direct shareholding	
		No. of shares of RM1.00 each	%
QPSB	Dato' Michael Ong Leng Chun	750,000	50.00
	Dato' Low Moi Ing	750,000	50.00
QLSB	Dato' Michael Ong Leng Chun	1,250,000	50.00
	Dato' Low Moi Ing	1,250,000	50.00
QESB	Dato' Michael Ong Leng Chun	750,000	50.00
	Dato' Low Moi Ing	750,000	50.00
QRH (<i>our substantial shareholder</i>)	Dato' Michael Ong Leng Chun	1	50.00
	Dato' Low Moi Ing	1	50.00

- (ii) The resulting Vendors' unitholdings in the Fund pursuant to the IPO are as follows:

	Direct		Indirect	
	No. of Units	% ⁽¹⁾	No. of Units	%
QPSB	28,142,000	11.79	-	-
QLSB	29,837,000	12.50	-	-
QESB	13,629,000	5.71	-	-
Substantial shareholders of the Vendors:				
Dato' Michael Ong Leng Chun	-	-	71,608,000 ⁽²⁾	30.00
Dato' Low Moi Ing	-	-	71,608,000 ⁽³⁾	30.00

Notes:

- (1) Based on the enlarged unitholdings of 238,691,000 units after the proposed issuance of 1,000 Promoter Units and the IPO.
- (2) Deemed interested by virtue of his substantial shareholdings in the Vendors by extending the application of Section 6A of the Act to the Units.
- (3) Deemed interested by virtue of her substantial shareholdings in the Vendors by extending the application of pursuant to Section 6A of the Act to the Units.
- (iii) QCSB which is related to the Vendors by virtue of common directors and substantial shareholders had entered into an agreement dated 3 October 2006 to lease and to rent 31,584 sq ft or approximately 27% of the total net lettable area of 117,198 sq ft of Quill Building 3 - BMW at a gross rental rate arrived at on an armslength basis within the range which is currently payable by the other tenants of the Subject Properties. The aforementioned rental commenced from 1 September 2006.

18. RELATED PARTY TRANSACTIONS / CONFLICTS OF INTEREST (Cont'd)

The directors and shareholders of QCSB are as follows:

Name of Company	Directors and substantial shareholders	Direct shareholding	
		No. of shares of RM1.00 each	%
QCSB	Dato' Michael Ong Leng	500,000	50.00
	Chun Dato' Low Moi Ing	500,000	50.00

(iv) In addition to financial and legal due diligence, we also engaged specialist consultants to conduct a physical due diligence audit ("PDDA") of the Subject Properties to assess the physical condition of the properties. The scope of the PDDA covered both land and building matters including but not limited to:

- Land encroachment investigations;
- Civil and structural surveys;
- Dilapidation assessments; and
- Mechanical and electrical equipment inspections.

CapitaLand Commercial Project Management Pte Ltd ("CCPM"), an indirectly wholly-owned subsidiary of CapitaLand Limited, was one of the consultants appointed for the PDDA. CCPM's scope of work included amongst others, coordinating and managing the various specialist consultants in their respective area of work, assessing and identifying additional investigation works to be done based on findings of one or more specialist consultants, and compiling all final reports from specialist consultants. CCPM was paid a one-time fee of RM80,000 for the services rendered.

For future acquisition, divestment or other corporate exercises undertaken by QCT, we may similarly engage CCPM and/or other companies related to CapitaLand Limited to provide the abovementioned or other services. All such transactions shall be entered into on an arms-length basis on normal commercial terms.

18.2 Potential Related-Party Transactions

18.2.1 Right of First Refusal given to Quill Group of Companies

As mentioned in Section 7.4(g), the Conditional SPAs state that the Quill Group of Companies will be given a right of first refusal for a period of seven (7) years from the completion date to undertake any development, construction, renovation or fit-out works in relation to or in connection with the Subject Properties.

18.2.2 Rights of First Refusal for Property Acquisition

On 20 November 2006, our shareholders entered into an agreement which grants QCT a right of first refusal to purchase any Commercial Building proposed to be disposed or purchased by our shareholders, their respective Related Corporations and/or any First Refusal Parties over a period of five (5) years commencing from the date of Listing.

In respect of a Commercial Building which is the subject matter of a right of first refusal granted to a third party in any lease or tenancy agreement ("First Right"), whether granted before the date of this Prospectus or subsequent to the date of this Prospectus, our shareholders shall and where applicable, CR and QRH shall procure their respective Related Corporations and/or any of the First Refusal Parties to, as the case may be, grant QCT a right of second refusal ranking after the First Right.

18. RELATED PARTY TRANSACTIONS / CONFLICTS OF INTEREST (Cont'd)

The right of first refusal and the right of second refusal described above will however lapse in relation to any of our shareholders when that shareholder ceases to hold at least twenty per cent (20%) of our total equity interest but only from and after the date which is six (6) months after such cessation of shareholding.

Notwithstanding the terms of the rights of first refusal or second refusal stated above, our shareholders have also agreed amongst themselves that in respect of a Commercial Building which is the subject matter of an open tender, our shareholders, their respective Related Corporations and/or any of the First Refusal Parties shall not participate in the open tender unless we, on behalf of QCT, have indicated that it does not wish to participate in the said open tender. We shall indicate QCT's interest to participate in the tender upon the written request of any of our shareholders within five (5) days of the date of receipt of such written request failing which QCT shall be deemed not to be interested to participate in the tender.

The right of first refusal, the right of second refusal and the restrictions on open tender described above will not be applicable to a Commercial Building which is the subject matter of or which is proposed to be acquired to be a subject matter of (i) a joint venture or a proposed joint venture with third party or parties; or (ii) a fund or proposed fund managed by CapitaLand Limited and/or its subsidiaries and CFL and/or its subsidiaries.

18.3 Potential Conflicts Of Interest

One of our major shareholders, CR, is a wholly-owned subsidiary of CFL which in turn is wholly-owned by CapitaLand Limited. CapitaLand Limited/CFL Group manages and holds substantial unitholdings in three (3) existing REITs in Singapore namely CapitaCommercial Trust, CapitaMall Trust and Ascott Residence Trust. CapitaLand Limited/CFL Group is engaged in the investment in, and the development and management of, among others, Commercial Properties and property funds. Upon Listing, CCID (a company related to CapitaLand Limited/CFL Group) and/or its nominees, will hold 30% of the enlarged Units in QCT. In addition, three (3) of our Board members and our key management are nominated by the CapitaLand Limited/CFL Group. As a result, the strategies and activities of QCT may be influenced by the overall interests of CapitaLand Limited and the CFL Group. There can be no assurance that conflicts of interest may not arise between QCT, ourselves and CapitaLand Limited/CFL in the future. Further, as stated in paragraph (b) below, the activities by CFL Group as the manager of CapitaCommercial Trust and CapitaMall Trust shall not be regarded as Restricted Activities.

Another of our shareholder, QRH, is related to the Quill Group of Companies by virtue of common directors and shareholders. The Quill Group of Companies is involved in marketing, designing and building built-to-suit properties for MNCs and may compete with QCT for tenants/ lessees in the Cyberjaya area.

The potential conflict of interest may be mitigated by the following arrangements:

(a) Non-competition of open-tender

As described in Section 18.2.2 above, our shareholders have agreed that in respect of a Commercial Building which is the subject matter of an open tender, our shareholders, their respective Related Corporations and/or their respective First Refusal Parties shall not participate in the open tender unless QCT has indicated that it does not wish to participate in the said open tender. QCT shall indicate its interest to participate in the tender upon the written request of any of our shareholders within five (5) days of the date of receipt of such written request failing which QCT shall be deemed not to be interested to participate in the tender.

18. RELATED PARTY TRANSACTIONS / CONFLICTS OF INTEREST (Cont'd)

(b) Non-competition in relation to Restricted Activities

Our shareholders have agreed that during a period of five (5) years commencing from the date of Listing : (i) CR and its Related Corporations; or (ii) QRH, its Related Corporations and the First Refusal Parties shall not shall not, whether directly or indirectly, carry on the “Restricted Activities” save with the prior consent of all shareholders.

“Restricted Activities” means sponsoring or acting as the manager of, another REIT or any listed or unlisted companies or any other form of vehicles that competes or will compete for the acquisition of Commercial Buildings but shall exclude acting as the manager of and the acquisition of Commercial Buildings for and on behalf of CapitaCommercial Trust and CapitaMall Trust. Further, our shareholders, their respective Related Corporations and/or any of the First Refusal Parties shall also not be taken to be taking part in a Restricted Activity solely because (a) it holds or purchases on behalf of a fund managed by it the issued shares or units of a company or trust listed on any stock exchange which invests in the Authorised Investment(s) as set out in the REITs Guidelines and (b) it holds shares not exceeding twenty per cent (20%) of the total issued shares in the capital of a company which acts as the manager of another trust or any listed or unlisted companies or any other form of vehicles that competes or will compete for the acquisition of Commercial Buildings.

The restriction on non-competition as described above will however lapse in relation to any of our shareholders when that shareholder ceases to hold at least twenty per cent (20%) of our total equity interest but only from and after the date which is six (6) months after such cessation of shareholding.

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19. APPROVALS AND CONDITIONS

19.1 Approvals And Conditions

The SC vide its letters dated 18 September 2006 and 29 September 2006 approved the IPO. The conditions imposed by the SC and the status of compliance are as follows:

Details of conditions imposed	Status of compliance
(i) QCM clearly disclose in the Prospectus the following: -	
a) the growth plans of QCT in the medium term and long term, such as acquisitions of additional real estates;	Duly complied with as disclosed in Section 6.2.2(a) of this Prospectus.
b) the risks and ways to mitigate the risks of having a single-tenant occupying the relevant properties;	Duly complied with as disclosed in Section 8.2.2 of this Prospectus.
c) gross rental income of the entire QCT portfolio;	Duly complied with as disclosed in Sections 3.3.1, 7.2(b), 9.1 and 9.3 of this Prospectus.
d) information with regard to the required amalgamation by Majlis Daerah Sepang of Lots PT 12075 (presently Lot 32990), PT 12076 (Quill Building 1 – DHL 1) (presently Lot 32991) and PT 12074 (presently Lot 32989) (Quill Building 4 – DHL 2), and the actions taken/ to be taken to ensure that the amalgamation is complied with; and	Duly complied with as disclosed in Sections 3.2.3, 7.3.1 and 7.3.4 of this Prospectus.
e) detailed information pertaining to the 1.6 acres of the Master Land of Quill Building 2 – HSBC which is to be retained by QLSB and the actions taken/ to be taken to ensure that the subdivision is carried out.	Duly complied with as disclosed in Sections 3.2.3 and 7.3.2 of this Prospectus.
(ii) QCM or its advisers to provide evidence of compliance with Clause 4.02(4) of the REITs Guidelines on adequacy of resources, prior to the registration of the prospectus of QCT;	Duly complied with.
(iii) QCM to maintain the 30% Bumiputera equity requirement at all times;	Noted and will be complied with at all times.
(iv) QCM or its advisers to submit an operational audit report of QCM's operation pertaining to QCT to the SC 6 months after QCT is launched and listed. The appointment of the auditors and scope of work shall be subject to the SC's clearance;	To be complied with.
(v) SC's approval for the proposed candidates for the Board and Chief Executive Officer of QCM is subject to no adverse reports received against the candidates pursuant to vetting conducted on the said candidates;	Noted.
(vi) QCM or its advisers must inform the SC the date of appointment of the Chief Executive Officer and the Board within 2 weeks after the appointment is made effective;	Duly complied with.

19. APPROVALS AND CONDITIONS (Cont'd)

	Details of conditions imposed	Status of compliance
(vii)	The listing of QCT must be completed within 6 months from the date of the SC's approval letter dated 18 September 2006. SC's approval is deemed to lapse if QCM fails to do so within the stipulated timeframe;	Noted and will be complied with.
(viii)	QCM or its advisers to inform the SC the listing date of QCT prior to the listing of the fund;	To be complied with.
(ix)	QCM or its advisers to inform the SC upon completion of conditions (i)(d) and (i)(e) above and upon completion of the proposal; and	To be complied with.
(x)	QCM, Mayban Trustees and QCT to fully comply with all the relevant requirements in the REITs Guidelines, the Guidelines for Islamic REIT, the SCA and any notices that are issued from time to time (where relevant).	Complied with, where applicable, and save for the waivers granted by the SC as set out in Section 19.3 of this Prospectus.

19.2 Further Approval Granted By The SC

The delegation of the registrar function by us to the SSR has been approved by the SC.

19.3 Waivers**(i) Waiver from Paragraph 12.01(2) of the REIT Guidelines**

Paragraph 12.01(2) of the REITs Guidelines provides that the acceptable formula for calculation of fees, payable to the trustee and the management company shall be based on the fund's net asset value including the management fee and the trustee fee on the relevant day.

The SC has granted us a waiver from compliance with the above requirement and has approved the basis for calculation of the Manager's fees and the Trustee's fees as described in Section 10.2(a) and 10.2(b) of this Prospectus, respectively.

(ii) Waiver from Paragraph 4.02(1)(a) of the REIT Guidelines

Paragraph 4.02 (1)(a) of the REITs Guidelines provides that the management company (except where the management company is licensed by the SC) must be a subsidiary of the following:

- (i) a company involved in the financial services industry in Malaysia;
- (ii) a property-development company;
- (iii) a property-investment holding company; or
- (iv) any other institution which the SC may permit.

19. APPROVALS AND CONDITIONS (Cont'd)

The SC has granted us a waiver from compliance with the above requirement and has approved our shareholding structure as follows:

Shareholders	Principal Activities	% Held
CR	Investment holding company	40.00
QRH	Investment holding	30.00
Coast Capital Sdn Bhd (Bumiputera investor)	Investment company	30.00

(iii) Waiver from Schedule F, Paragraph 4.0 (16) (ii) of the REIT Guidelines

Schedule F, Paragraph 4.0 (16) (ii) of the REITs Guidelines states that the prospectus must include specific disclosures on real estate, including brief particulars about the tenancies which include their average current rent, net income and assessment of future income.

The SC has granted us a waiver from compliance with the above requirement subject to the disclosure of gross rental income for the entire portfolio of QCT in this Prospectus.

(iv) Waiver from Paragraph 8.03(1) of the REIT Guidelines

Paragraph 8.03(1) of the REITs Guidelines provides that underwriting arrangements must be in place before the offering of units is made (for offerings to the general public and restricted issues/offers).

Notwithstanding the above, the SC has granted a waiver from having to comply with Clause 8.03(1) of the REIT Guidelines in respect of the Restricted Offer for Sale portion which will not be underwritten. An irrevocable undertaking dated 6 October 2006 has been obtained from CCID that it and/or its nominees will subscribe for the Restricted Offer for Sale Units.

19.4 Other Approval

The state authority of Selangor has vide its letter dated 2 November 2006 given its consent for the transfer of the Subject Properties to Mayban Trustees (as the Trustee for QCT) and the subsequent charging of the Subject Properties by Mayban Trustees to the security agent for the CP/MTN Programme.

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20. SALIENT TERMS OF THE DEED

The Deed is a complex document and the following is a summary only. Certain salient terms of the Deed are summarised in other sections of this Prospectus. Recipients of this Prospectus and all prospective investors in the Units should refer to the Deed itself to confirm specific information or for a detailed understanding of the Fund. The Deed is available for inspection at the principal place of business of the Managers at Suite 11.01A, Level 11, Menara Citibank, No. 165, Jalan Ampang, 50450 Kuala Lumpur, Malaysia and the principal place of business of Mayban Trustee Berhad at 34th Floor Menara Maybank, 100 Jalan Tun Perak, 50050 Kuala Lumpur.

20.1 The Deed

QCT is a real estate investment trust constituted by the Deed, as entered into between the Trustee and us on 9 October 2006. The Deed came into effect on 12 October 2006 when it was registered with the SC.

Each Unitholder and all persons claiming through it shall be entitled to the benefit of and shall be bound by the terms and conditions of the Deed and any supplementary deed as if it had been a party thereto and as if the Deed contained covenants on the part of each Unitholder to observe and be bound by all the provisions thereof and an authorisation by each Unitholder to do all such acts and things as the Deed may require the Trustee or the Manager (as the case may be) to do. The Deed does not establish either the Trustee or the Manager as the agent of the Unitholders and does not create any other relationship other than that which is established by the provisions of the Deed.

Pursuant to the Deed, the Trustee shall hold the Deposited Property upon trust for the Unitholders and the Deposited Property so held shall be segregated from the general assets of the Trustee. The rights of the Unitholders under the Deed are divided into Units.

The Deed is governed by, and shall be construed in accordance with, the laws of Malaysia.

20.2 Rights Of Unitholders

The Units confer on the Unitholder the rights to receive distributions, the right to participate in accordance with the Deed in any increase in the value of any of the investments comprised in the Deposited Property and such other rights, benefits, entitlements and privileges as are conferred on them or attached to them by the provisions of the Deed. These other rights include:

- (a) receiving interim and annual reports of the Fund;
- (b) requesting the Manager to furnish them with an extract from the Record of Depositors in so far as it relates to their particulars and number of Units held by them;
- (c) convening, attending and voting at meetings of Unitholders; and
- (d) participating in the winding up of QCT.

However, the rights of Unitholders are limited as follows –

- (a) a Unitholder has no equitable or proprietary interest in the Deposited Property and is not entitled to the transfer to it of any Deposited Property or any part of the Deposited Property or of any estate or interest in the Deposited Property or in any part of the Deposited Property;
- (b) the right of a Unitholder in the Deposited Property and under the Deed is limited to the right to require the due administration of the Fund in accordance with the Deed including, without limitation, by suit against the Trustee or the Manager; and

20. SALIENT TERMS OF THE DEED (Cont'd)

- (c) without limiting the generality of the foregoing, each Unitholder acknowledges and agrees that:
- (i) he will not commence or pursue any action against the Trustee or the Manager seeking an order for specific performance or for injunctive relief in respect of the Deposited Property or any part of the Deposited Property and hereby waives any rights it may otherwise have to such relief;
 - (ii) if the Trustee or the Manager breaches or threatens to breach its duties or obligations to a Unitholder under the Deed, that Unitholder's recourse against the Trustee or the Manager is limited to a right to recover damages or compensation from the Trustee or the Manager in a court of competent jurisdiction; and
 - (iii) damages or compensation is an adequate remedy for such breach or threatened breach.
- (d) A Unitholder may not (whether at a meeting of Unitholders or otherwise):
- (i) interfere or seek to interfere with the rights, powers, authority or discretion of the Manager or the Trustee or restrict the exercise of any discretion expressly conferred on the Manager or Trustee under the Deed or the determination of any matter which, under the Deed, requires the agreement of either or both of the Manager and the Trustee;
 - (ii) exercise any right in respect of the Deposited Property or any part of the Deposited Property or lodge any caveat or other notice affecting the Deposited Property or any part of the Deposited Property;
 - (iii) require that any Authorised Investment forming part of the Deposited Property be transferred to a Unitholder; and
 - (iv) give any directions to the Manager or Trustee, unless such directions are duly given pursuant to a resolution duly passed at a duly convened meeting of Unitholders, and PROVIDED ALWAYS THAT such directions shall not require the Manager or Trustee to do or omit doing anything which may result in the Fund failing or ceasing to comply with the Relevant Laws and Requirements.

20.3 Limitation Of Liability Of Unitholders

The liability of each Unitholder in its capacity as such is limited to the Unitholder's investment in the Fund. A Unitholder is not required to indemnify the Trustee or the Manager or a creditor of either or both of them against any liability of the Trustee or the Manager in respect of the Fund.

20.4 Issue Of Units

The Manager is to ensure that any method of offering of Units for the Initial Listing includes an offering of Units to the general public. Where the method of offering includes an offer for sale of existing Units, the Manager is to ensure that all expenses of such offer for sale is borne by the offerors and not the Fund. Applications for new Units to be issued for the IPO shall be made in accordance with this Prospectus. The Manager shall have the absolute discretion as to whether to allot and issue any Units pursuant to an application without assigning any reasons for its decision.

20. SALIENT TERMS OF THE DEED (Cont'd)

Units shall be created and issued at the issue price as stated in this Prospectus for the IPO. Subject to the Relevant Laws and Requirements, the Manager shall determine the issue price, on market-based principles, taking into account the best interests of the Fund and Unitholders. A Unit shall be deemed to have been issued to the person entitled to such Unit when the name of such person has been entered onto the Record of Depositors. No certificates for the Units shall be issued to any subscribers or purchasers of Units pursuant to this Prospectus.

The Manager may from time to time recommend to the Trustee any subsequent issuance of Units by any method permitted under the REITs Guidelines subject to the approval of the SC and any other relevant regulatory authority (where required) and the approval of the Trustee and shall be carried out in accordance with the Relevant Laws and Requirements, including any requirements for Unitholders' approval.

20.5 Suspension Of Issue Of Units

The Manager or the Trustee may, with the prior written approval of the other and subject to the listing requirements of Bursa Securities, suspend the issue of Units during:

- (a) any period when Bursa Securities or any other relevant recognised stock exchange is closed (otherwise than for public holidays) or during which dealings are restricted or suspended;
- (b) the existence of any state of affairs which, in the opinion of the Manager and the Trustee might seriously prejudice the interests of the Unitholders as a whole or of the Deposited Property;
- (c) any breakdown in the means of communication normally employed in determining the price of any Deposited Property or (if relevant) the current price thereof on Bursa Securities or any other relevant stock exchange or when, for any reason, the prices of any of such Deposited Property or assets being considered for acquisition cannot be promptly and accurately ascertained;
- (d) any period when remittance of money which will or may be involved in the realisation of any Deposited Property or in the payment for such Deposited Property cannot, in the opinion of the Manager and the Trustee, be carried out at normal rates of exchange;
- (e) in relation to any general meeting of the Unitholders, the period of 48 hours before such general meeting or any adjournment thereof;
- (f) any period where the issuance of Units is suspended pursuant to any order or direction issued by Bursa Securities or any other authorised regulatory body; or
- (g) when the business operations of the Manager or the Trustee in relation to the Fund are substantially interrupted or closed as a result of, or arising from, pestilence, acts of war, terrorism, insurrection revolution, civil unrest, riots, strikes or acts of God.

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20. SALIENT TERMS OF THE DEED (Cont'd)

20.6 Vendor Units

Whether in the case of the issue of Units to vendors of Authorised Investments in conjunction with the IPO or subsequently, the Manager may only offer Units to vendors as consideration (in whole or in part) for Authorised Investments proposed to be acquired by the Fund at a price determined by the Manager and approved by the Trustee if the following conditions are met:

- (a) the terms and conditions of the acquisition are approved by an ordinary resolution of the Unitholders (in cases subsequent to the IPO only);
- (b) neither the Manager nor the person to whom the Units are to be issued nor any associated person of that person votes in relation to the above ordinary resolution; and
- (c) the acquisition is approved by the SC and any other relevant regulatory authority (where required), notwithstanding that the approved limit of the size of the Fund will not be breached after the proposed issue of Units to the vendors.

20.7 Investments Of QCT

- (a) Subject to observance of the investment limits as may be established or prescribed by the SC from time to time for a listed REIT and the REIT Guidelines, the Fund may invest in any Authorised Investments.
- (b) The Trustee must take into its custody, or under its control (in the event of delegation of custody), the Deposited Property and hold the Deposited Property for the Unitholders in accordance with the Deed and the Relevant Laws and Requirements. The Deposited Property shall be registered in the name of the Trustee for and on behalf of the Unitholders, or to the order of the Fund.
- (c) The principal investment policy of the Fund is to acquire and invest primarily in properties used or predominantly used for commercial purposes (including but not limited to office, business/technology park, data processing centre, car park and retail but specifically excluding Real Estate which is in the nature of retail shopping mall) primarily in Malaysia.

The Fund shall not at any time be involved in the following activities:

- (a) the extension of loans or other credit facilities by the Fund;
- (b) investments in or loans to the Manager or the Trustee or any related corporation of the Manager or the Trustee;
- (c) forward purchase or sale of any currency or money including Ringgit Malaysia or any foreign exchange contracts of whatsoever nature, except in the circumstances permitted under the REITs Guidelines;
- (d) property development, except in the circumstances permitted by the REITs Guidelines;
- (e) investment or reinvestment otherwise than in an Authorised Investment or for the taking in exchange of property which is not an Authorised Investment; or
- (f) any other activity which does not comply with the REITs Guidelines and where no waiver from the SC is obtained to exempt compliance with the relevant guideline.

20. SALIENT TERMS OF THE DEED (Cont'd)

20.8 Concerning The Trustee

The Trustee is responsible for the safe custody of the Deposited Property. Any Authorised Investment forming part of the Deposited Property, whether in bearer or registered form, is to be paid or transferred to or to the order of the Trustee forthwith on receipt by the Manager and is to be dealt with as the Trustee may think proper for the purpose of providing for the safe custody of the same.

The Trustee may act as custodian of the Deposited Property itself or the Trustee may delegate this role to another person as custodian or joint custodians (with the Trustee if acting as custodian or with any other custodian appointed by the Trustee) of the whole or any part of the Deposited Property and (where the Trustee is custodian) may appoint or (where the Trustee appoints a custodian) may empower such custodian or joint custodian (as the case may be) to appoint with the prior consent in writing of the Trustee, sub-custodians. Any such delegation can only be carried out by the Trustee in compliance with the REITs Guidelines and the Trustee shall remain responsible for the actions and omissions of any delegate as though they were its own actions and omissions.

The Trustee shall not be under any obligation to institute, acknowledge service of, appear in, prosecute or defend any action, suit, proceedings or claim in respect of the provisions of the Deed or in respect of the Deposited Property or any part thereof or any corporate or Unitholders' action which in its opinion would or might involve it in expense or liability, unless the Manager shall so request in writing, and shall so often as required by the Trustee furnished it with an indemnity satisfactory to it against any such expense or liability.

Except if and so far as otherwise expressly provided in the Deed, the Trustee as regards all the trusts, powers, authorities and discretions vested in it has absolute and uncontrolled discretion as to the exercise of the same, whether in relation to the manner or as to the mode of and time for such exercise, and in the absence of fraud, negligence, wilful default, breach of the Deed or breach of trust the Trustee shall not be in any way responsible for any loss, costs, damages or inconvenience that may result from the exercise or non-exercise of the same.

For other salient terms of the duties, responsibilities and covenants of the Trustee as provided in the Deed, please also refer to Section 12.2 of this Prospectus.

20.9 Limitation Of Liability And Indemnity Of The Trustee

A liability arising under the Deed and any such documents shall be limited to and can be enforced against the Trustee only to the extent to which the Trustee can satisfy such liability out of the Deposited Property. Subject as herein expressly provided and the Relevant Laws and Requirements and without prejudice to any right of indemnity at law given to the Trustee, the Trustee shall be entitled for the purpose of indemnity against any actions, costs, claims, damages, expenses or demands to which it may be put as Trustee to have recourse to the Deposited Property or any part thereof:

- (a) if the same are not caused by any fraud, negligence, recklessness, wilful act or omission, breach of trust or breach of contractual duty on the part of the Trustee or by its failure to show the degree of care, due diligence and vigilance required of a trustee in the execution or performance of its obligations under the Deed and/or any other documents in relation thereto; or
- (b) where a majority of not less than $\frac{3}{4}$ of all Unitholders for the time being, voting at a meeting summoned for the purpose releases the Trustee with respect to specific acts or omissions.

20. SALIENT TERMS OF THE DEED (Cont'd)

20.10 Concerning The Manager

The Manager may only be engaged in the following business:

- (a) the business of managing investment portfolio and administering unit trust funds;
- (b) the business of marketing and distributing unit trust funds; and
- (c) the business of providing investment advisory services.

The Manager shall, subject to the provisions of the Deed and the Relevant Laws and Requirements, carry out all activities as it may deem necessary for the management of the Fund and its business, including but not limited to undertaking the following activities:

- (a) develop a business plan for the Deposited Property in the short, medium and long term with a view to maximising income;
- (b) purchase, transfer, acquire, hire, lease, license, exchange, dispose of, convey, surrender or otherwise deal with any Authorised Investment in furtherance of the investment policy and prevailing investment strategy of the Fund; and
- (c) supervise and oversee the management of Deposited Property (including but not limited to lease audit, systems control, data management and business plan implementation) in accordance with the provisions of the Deed.

Unless otherwise expressly provided in the Deed, the Manager shall as regards all the powers, authorities and discretions vested in it have absolute and uncontrolled discretion as to the exercise thereof whether in relation to the manner or as to the mode of and time for the exercise thereof and in the absence of fraud, negligence, wilful default or breach of the Deed, the Manager shall not be in any way responsible for any loss, costs, damages or inconvenience that may result from the exercise or non-exercise thereof.

For other salient terms of the duties, responsibilities and covenants of the Manager as provided in the Deed, please also refer to Section 11.9 of this Prospectus.

20.11 Limitation Of Liability And Indemnity Of The Manager

The Manager shall not be under any liability except such liability as may be assumed by it under the Deed nor shall the Manager be liable for any act or omission of the Trustee.

Subject as expressly provided in the Deed and without prejudice to any right of indemnity at law given to the Manager, the Manager shall be entitled for the purpose of indemnity against any actions, costs, claims, damages, expenses or demands to which it may be put as Manager to have recourse to the Deposited Property, save where such action, cost, claim, damage, expense or demand is occasioned by the fraud, negligence, wilful default or breach of the Deed by the Manager.

20.12 Retirement, Removal And Replacement Of The Manager And Trustee

Please refer to Sections 11.10 of this Prospectus (in relation to the retirement, removal and replacement of the Manager) and Sections 12.4 of this Prospectus (in relation to the retirement, removal and replacement of the Trustee).

20.13 Expenses Of QCT

The Deed establishes an administration fund (the "Administration Fund") in which the Trustee shall be entitled, from time to time, to retain such sum (if any) from the Deposited Property as the Trustee may determine, in consultation with the Manager, to be necessary for the defrayment of expenses arising from the administration of the Fund. Any sum for the time being held in the Administration Fund may be invested in such manner as the Trustee and the Manager may agree and any income derived therefrom shall be treated as income of the Fund. Any sum or any investment for the time being constituting part of the Administration Fund shall continue to be treated as part of the Deposited Property. There shall be payable out of the Administration Fund (if applicable) or the Deposited Property in addition to any other charges or fees expressly authorised by the Deed by way of direct payment or reimbursement of the Manager or the Trustee, all fees, costs, charges and expenses properly and reasonably incurred in carrying out the duties of the Manager and the Trustee, including but not limited to:

- all outgoings (including fees, costs, charges and expenses) which are necessary or desirable for the investment, management, administration or operation of the Fund and the Deposited Property including but not limited to rates, development and redevelopment costs, quantity surveyors' fees, property manager's fees, subdivision and building costs, property taxes and any other statutory or regulatory charges, utility charges, repairs, alterations and maintenance, normal building operating expenses, insurance, computer related charges, energy charges, wages and salaries, cleaning charges and costs and expenses incurred in conducting baseline studies, costs and expenses incurred for any decontamination of the Deposited Property or any Investment or for compliance with any agreements relating to the Deposited Property or any service charges, quit rent, assessment, land charges, licence fees, landscaping costs, administrative fees, land premium, regularisation fees, reasonable travel and accommodation expenses and, to the extent permitted by the Relevant Laws and Requirements, marketing and promotional charges incurred in relation to any Investment or in connection with the Fund;
- the cost of engaging or employing any expert or independent adviser and the fees and expenses of such expert or independent adviser;
- all stamp duty and other charges and duty payable from time to time on or in respect of the Deed;
- all issuing fees, costs and expenses, underwriting fees and expenses, placement fees and expenses and brokerage in connection with any subscription or sale of Units by any issue manager, underwriter or placement agent appointed in relation to any issue of Units;
- all fees, charges and expenses incurred in connection with the investigation, research, negotiation, acquisition, development, registration, custody, holding, management, supervision, repair, maintenance, valuation, sale of or other dealing with an Investment (or attempting or proposing to do so) and the receipt, collection or distribution of income or other Investments notwithstanding that such fees, charges and expenses may be incurred by or payable to the Manager or any related party of the Manager;
- all fees, costs and expenses incurred by the Manager and the Trustee in establishing, forming and terminating the Fund and, to the extent permitted by Relevant Laws and Requirements, the initial and subsequent marketing, promotion, advertising and sale of Units, including the fees and expenses of any consultants and marketing and sales agents appointed by the Manager;
- general and administrative expenses as well as other miscellaneous expenses relating to Real Estate;
- such other costs and expenses that the Trustee accepts as being directly related and necessary to the business of the Fund.

20. SALIENT TERMS OF THE DEED (Cont'd)

20.14 Modification Of The Deed

All modifications to the Deed must be made through a deed supplementary to the Deed and will take effect only upon registration of the supplementary deed with the SC. The Manager must submit any such supplementary deed to the SC for such registration pursuant to the SCA. In addition to the foregoing, any material change to the investment objectives of the Fund must be approved by resolution passed by not less than two-thirds of all Unitholders for the time being (or such other majority as may be required under the REITs Guidelines from time to time), given at a meeting of Unitholders duly convened and held.

20.15 Termination And Winding-Up Of QCT

The Trustee shall terminate the Fund where:

- (a) at a duly convened meeting of Unitholders a Special Resolution is passed that the Fund be terminated; or
- (b) the Manager is in liquidation or where the Trustee is of the opinion that the Manager has ceased to carry on business or has, to the prejudice of the Unitholders, failed to comply with any provision or covenant of the Deed or contravened any provisions of any relevant laws, guidelines or regulatory requirements, and at a meeting duly summoned in accordance with Section 110 of the SCA, an Extraordinary Resolution is passed that the Deed be terminated; or
- (c) the Manager notifies the Trustee in writing that less than 100,000,000 Units (or such minimum number permitted by the SC and Bursa Securities) are held by Unitholders and recommends that the Fund be terminated; or
- (d) if at any time during the life of the Fund, the Manager, after consultation with the Trustee, is of the opinion that changes in the economic climate or taxation law have caused or are likely to cause the Unitholders to be detrimentally affected, the Manager requests the Trustee to summon a meeting of Unitholders and place a Special Resolution before such a meeting, setting out the action they recommend at the meeting to endorse to meet such changes, and the meeting decides to terminate the Fund; or
- (e) if the quotation of the Units is suspended for 90 consecutive Market Days or more, or if the Fund is delisted; or
- (f) if the IPO does not take place within 3 months from the date of this Prospectus.

Upon termination of the Fund (other than due to the events in paragraph (a) and (b) above) the Trustee shall as soon as practicable sell, call in and convert into money the Deposited Property, and divide the proceeds of such sale, calling in and conversion less all proper costs and disbursement, commissions, brokerage fees, fees payable to the Manager and the Trustee on termination of the Fund and other outgoings including costs of final distribution of capital and income and all proper provisions for liabilities, among the Unitholders in proportion to the number of Units which they hold respectively at the date of the decision to terminate the Fund provided that the Trustee may at its discretion make a partial distribution of capital from time to time and the Trustee and Manager shall on termination of the Fund be deemed as preferential creditors as provided in the Act. The Trustee may postpone the sale, calling in and conversion of any part of the investment and property comprised in the Fund for such time as it thinks it desirable so to do in the interest of the Unitholders and shall not be responsible for any loss attributable to such postponement except to the extent that such loss may be attributable to the Trustee's own neglect or default. Further, the Trustee may also retain in its hands or under its control for as long as it thinks fit such part of the Fund as in its opinion may be required to meet any outgoings of the Fund or any of the investments thereof provided that any investments or monies so retained to the extent that they are ultimately found not to be so required shall remain subject to the Fund for conversion and distribution.

20. SALIENT TERMS OF THE DEED (Cont'd)

If the determination events in paragraph (a) or (b) occur, the Trustee must apply to the Court for an order confirming the Unitholders' resolution. The Court may confirm the resolution if the Court is satisfied that it is in the interests of the Unitholders to do and may make orders for the winding-up of the Fund, which orders must be carried out by the Trustee.

The Fund shall nevertheless terminate (even when none of the events stated in paragraphs (a) to (f) above occur) at the expiration of a period of twenty-one (21) years after the death of the last survivor of the issue now living of his majesty, the current Yang di Pertuan Agung of Malaysia or until such further period as the law may permit.

20.16 Meetings Of Unitholders

Either the Trustee or the Manager may convene a meeting of Unitholders by giving notice to the Unitholders in accordance with the Deed and such notice shall specify the general nature of the business to be transacted. The Manager shall within 21 days after an application has been delivered to the Manager at its registered office, being an application by not fewer than 50, or 1/10 in number, whichever is lesser, of all Unitholders, summon a meeting of Unitholders:

The Manager is entitled to receive notice of and to attend and speak at any meeting of the Unitholders but there shall be no voting rights in respect of Units which it, its nominees or its Related Corporations hold or is deemed to hold and none of them shall be counted in the quorum for such meeting, regardless of the party who requested a meeting and the matter(s) that are laid before the meeting.

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