

### 13. BY-LAWS OF THE PROPOSED ESOS

#### 1. DEFINITIONS

In these By-Laws, except where the context otherwise requires, the following words shall bear the following meanings:

Act	:	The Companies Act, 1965, as amended from time to time, and any re-enactment thereof
Associate	:	The meaning ascribed to this expression in Section 6A(5) of the Act
Board	:	The Board of Directors of the Company
Date of Acceptance	:	The date whereupon the Option Committee shall receive the written notice accepting an Offer from an Eligible Executive in accordance with Clause 8 hereof
Date of Offer	:	The date when an Offer is made in writing to any Eligible Executive
Effective Date	:	The commencement date of the Scheme as determined under Clause 5.1 hereof
Eligible Executive	:	An executive employee and Executive Director who is eligible to be granted an Option under the Scheme pursuant to Clause 4.1 hereof
Executive Director	:	A director of Silver Bird who is involved in the day-to-day management of one or more companies within the Silver Bird Group and is on the payroll of one or more companies within the Silver Bird Group
Silver Bird or Company	:	Silver Bird Group Berhad (Company No.277977-X) a public company incorporated in Malaysia
Silver Bird Group or Group	:	Silver Bird and its subsidiary companies as defined in Section 5 of the Act (other than those subsidiaries that are dormant)
KLSE	:	Kuala Lumpur Stock Exchange
Market Day	:	A day from Monday to Friday (inclusive), other than a day on which the market is declared officially closed by the KLSE, and on which the Shares are traded on the KLSE
Maximum Allowable Allotment	:	The maximum number of new Shares that can be offered and allotted to an Eligible Executive falling within a particular category of Eligible Executive as provided in Clause 6.1
Number of Shares Granted	:	The number of new Shares comprised in all subsisting Options and unexpired Offers granted to an Eligible Executive, together with the number of new Shares subscribed for by an Eligible Executive under Options granted to him.
Offer	:	A written offer from the Option Committee to any Eligible Executive in accordance with the provisions of Clause 7 hereof

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Option	:	The right of an Option Holder to subscribe for new Shares pursuant to the contract constituted by acceptance, in the manner indicated in Clause 8 hereof, of an Offer
Option Certificate	:	The certificate confirming the grant of the Option to an Eligible Executive and the Option Price together with the number of new Shares comprised in the Option
Option Committee	:	The committee appointed by the Board to administer the Scheme pursuant to Clause 17 hereof
Option Holder	:	An Eligible Executive who has accepted an Offer in accordance with Clause 8 hereof
Option Period	:	A period commencing from the date which the Option Committee shall prescribe when giving an Offer, being a date that falls not more than twenty-four (24) months from the Date of Offer, and expiring on the last day of the Scheme, including any renewal thereof, as stipulated in and in accordance with Clause 5 hereof
Option Shares	:	The new Shares comprised in an Option which may be subscribed by the Option Holder on the exercise of the Option and where the context so requires shall include any balance or part thereof
Option Price	:	The price to be paid for each Share under an Option as determined in accordance with Clauses 3 and 15 hereof
SC	:	The Securities Commission established under the Securities Commission Act 1993
Scheme	:	The scheme for the grant of Options to Eligible Executives on the terms and conditions as herein set out, such scheme to be known as "SILVER BIRD GROUP BERHAD EXECUTIVES' SHARE OPTION SCHEME"
Shares	:	Ordinary share(s) of RM0.50 each in the Company

**2. MAXIMUM NUMBER OF SHARES AVAILABLE UNDER THE SCHEME**

- 2.1 The aggregate of the number of new Shares allotted and new Shares which may be allotted pursuant to the exercise of Options granted under the Scheme shall not exceed ten per cent (10%) of the issued and paid-up share capital of the Company at any one time.
- 2.2 Notwithstanding Clause 2.1 hereof, in the event the Company purchases its own Shares and resolves to cancel all or part of the Shares so purchased, thereby diminishing its issued and paid-up share capital, the Options granted prior to the adjustment of its issued and paid-up share capital shall remain valid and exercisable in accordance with the terms and conditions of these By-Laws. If the aggregate of the number of Shares comprised in such Options is greater than 10% of the paid-up share capital of the Company, the Option Committee shall not make any further Offers.

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2.3 The Company will during the subsistence of the Scheme keep available sufficient authorised and unissued Shares to satisfy all Options which may be exercisable from time to time during the tenure of the Scheme.

**3. OPTION PRICE**

3.1 The price at which the Option Holder is entitled to subscribe for a new Share under an Option shall be calculated in the following manner:

3.1.1 Where the Option is granted before the Company is listed on the KLSE then the price at which the Option Holder is entitled to subscribe for the Shares shall not be less than the price of the Shares set for the initial public offering of the Shares for the purpose of listing of the Company on the KLSE (IPO price).

3.1.2 Where the Option is granted on or after the Company is listed on the KLSE, the price at which the Option Holder is entitled to subscribe for the Shares shall be the higher of:

(i) the weighted average market price of the Shares for the five (5) Market Days immediately preceding the Date of Offer, subject to the discretion of the Option Committee to grant a discount of not more than 10% on the said weighted average market price; or

(ii) the par value of the Shares;

subject to such adjustments as stipulated under Clause 15 herein.

**4. ELIGIBILITY**

4.1 A person eligible to be granted Options under the Scheme must be an executive employee or an Executive Director of at least eighteen (18) years of age who is a Malaysian citizen, falling within any of the categories of executives as set out in Clause 6.1, who has been confirmed in service and served at least a continuous period of one (1) year in the Silver Bird Group, as at the Date of Offer. Where such an employee or Executive Director is serving under an employment contract, such employment contract must have duration of at least five (5) years. In addition, for an employee of any of the subsidiaries of the Company, the employee must have completed at least one (1) year continuous service following the date such company is deemed to be a subsidiary of the Company, provided that the subsidiary is not dormant.

Such persons shall be considered Eligible Executives provided always that eligibility to participate does not confer on an Eligible Executive a claim or right to participate in the Scheme and the selection of any Eligible Executive to participate in the Scheme shall be at the discretion of the Option Committee.

4.2 No Options shall be granted to an Executive Director of the Company unless the specific grant of such Options and the related amount of Shares offered to that Executive Director should have previously been approved by the shareholders of the Company in a general meeting.

4.3 Executive Directors who represent the Government or Government institutions/agencies and Government employees who are serving in the public service scheme as defined under Article 132 of the Federal Constitution are not eligible to be granted Options under the Scheme.

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- 5.1 The Scheme shall be in force for a period of five (5) years commencing from the date of the letter to the SC from the Company's adviser in respect of the Scheme confirming that:
- (i) the Company has fulfilled the SC's conditions of approval for the Scheme and that these By-Laws do not contravene the SC's guidelines on employees share option schemes, save as waived or otherwise agreed by the SC; and
  - (ii) the Company has obtained all other relevant approvals for the Scheme and has fulfilled all conditions imposed therein.
- 5.2 The Company may in its absolute discretion apply to the relevant authorities for their approvals for, and propose to the shareholders of the Company that they approve, the extension of the duration of the Scheme for a further five (5) years after the date the Scheme is due to expire. If such approvals are not obtained by the date falling six (6) months before the date the Scheme is due to expire, the Company shall duly inform the Option Holders so that the Option Holders may exercise all unexercised Options before the expiry of the Scheme, if they so wish. For the avoidance of doubt, the Scheme can be renewed only once for another period of five (5) years.
- 5.3 The Company may terminate the continuation of the Scheme at any time, provided the Company has:
- (i) obtained the approval of the SC for the termination of the Scheme;
  - (ii) obtained the consent of its shareholders at a general meeting, wherein at least a majority of the shareholders present should vote in favour of the termination; and
  - (iii) obtained the written consent of all the Option Holders who have yet to exercise their Options either in part or in whole.
- 5.4 In the event of a termination of the Scheme, no further Offers shall be made by the Option Committee from the effective date of such termination and all Offers outstanding but not accepted by Eligible Executives and Options unexercised or partially exercised as at the said effective date shall be deemed to have been terminated.

**6. BASIS OF ALLOTMENT AND MAXIMUM ALLOWABLE ALLOTMENT OF SHARES**

- 6.1 The maximum allotment for any Eligible Executive during the existence of the Scheme shall be subject to the number set opposite the respective categories of employees as stated below:

STAFF GRADE	DESCRIPTION	MAX ALLOWABLE ALLOTMENT ('000 Shares)
Executive Directors	Executive Directors	2000
SM3	General Manager	1000
M1	Senior Manager	500
M2-M3	Managers	250
E1-E2	Assistant Manager & Executives	120
E3-NE1	Junior Executives & Supervisors	60

**13. BY-LAWS OF THE PROPOSED ESOS (Cont'd)**

- 6.2 In the event of a promotion of an Eligible Executive, he shall be eligible upon confirmation in the promoted category/grade to be granted the Maximum Allowable Allotment corresponding to the promoted category/grade, provided always that the actual number of Shares shall be subject to an Offer being made by the Option Committee. The Option Committee has the discretion not to make further additional allotments in the event that the balance of the limit as set out in Clause 2 together with the Options which have been offered but have lapsed under these By-Laws are not sufficient to make additional allotments meaningful.
- 6.3 The criteria for allotment and Offer of Shares is by performance, grade, loyalty and length of service of the Eligible Executive and the Option Committee shall be entitled in its sole and absolute discretion, taking into consideration the above, to determine the number of Shares to be offered to the Eligible Executive PROVIDED THAT:
- (i) not more than 50% of the Shares which are available to be allotted under the Scheme, are allotted to Eligible Executives who are Executive Directors and members of the senior management of the Silver Bird Group, "senior management" being defined as Eligible Executives under staff grade SM3; and
  - (ii) not more than 10% of the Shares which are available to be allotted under the Scheme, are allotted to any Eligible Executive who, either singly or together with one or more of his Associates, holds 20% or more of the issued and paid up capital of Silver Bird.

**7. OFFER**

- 7.1 After the Effective Date, the Option Committee may at its discretion at any time and from time to time as it deems fit during the period referred to in Clause 5.1, give an Offer of an Option to any Eligible Executive in accordance with Clause 6 and the number of Option Shares allocated to the Option shall be as determined by the Option Committee in its sole and absolute discretion taking into consideration the criteria for allotment as set out in Clause 6.3.
- 7.2 Subject to the other Clauses of these By-Laws, the actual number of new Shares which may be offered to the Eligible Executive shall be in multiples of one thousand (1,000) new Shares, but subject to a minimum of one thousand (1,000) new Shares and a maximum of the Maximum Allowable Allotment in respect of such Eligible Executive.
- 7.3 Nothing herein shall prevent the Option Committee from making more than one (1) Offer to each Eligible Executive after the first Offer has been made at any time provided always that the total aggregate number of Shares to be so offered to each Eligible Executive, after taking into account the Number of Shares Granted shall not exceed the Maximum Allowable Allotment of such Eligible Executive as set out in Clause 6.1 above.
- 7.4 If an Eligible Executive shall fall into more than one (1) category of Eligible Executives stipulated in Clause 6.1 above and the amounts of the Maximum Allowable Allotment under such categories are different, then the Maximum Allowable Allotment for such Eligible Executive shall be the higher or highest of the respective Maximum Allowable Allotments.
- 7.5 If an Eligible Executive is under the employment of any one or more companies in the Silver Bird Group, the Option Committee may, at its discretion at any time as it deems fit, make a subsequent Offer to such Eligible Executive, provided that the aggregate number of Shares to be so offered to that Eligible Executive, after taking into account the Number of Shares Granted, shall not exceed the Maximum Allowable Allotment in respect of such Eligible Executive at the time each subsequent Offer is made to such Eligible Executive.
- 7.6 Any Offer made by the Option Committee is personal to the Eligible Executive to whom the Offer is made and is non-assignable.

**13. BY-LAWS OF THE PROPOSED ESOS (Cont'd)**

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**8. ACCEPTANCE OF OFFER**

- 8.1 An Offer made by the Option Committee to an Eligible Executive under Clause 7 above shall be valid for a period of fourteen (14) days from the Date of Offer and shall be accepted within such period by the Eligible Executive to whom the Offer is made by a written notice to the Option Committee in such form as may be prescribed by the Option Committee for such acceptance, accompanied by a payment to the Company of a nominal non-refundable consideration of Ringgit Malaysia One (RM1.00). The day of receipt by the Option Committee of such written notice shall constitute the Date of Acceptance.
- 8.2 If the Offer is not accepted by the Eligible Executive in the manner aforesaid, such Offer shall upon the expiry of the aforesaid period of fourteen (14) days automatically lapse and shall be null and void and of no effect. The Option Committee at its sole and absolute discretion may offer for subscription at any subsequent point of time in accordance with these By-laws, Shares comprised within any Offer which has lapsed.
- 8.3 Within fourteen (14) days of the Date of Acceptance in accordance with the provisions of this Clause, the Option Committee shall issue to the Option Holder the Option Certificate in such form as may be determined by the Option Committee.
- 8.4 The Offer shall automatically lapse and be null and void in the event of the death of the Eligible Executive or the Eligible Executive ceasing to be employed for any reason whatsoever by the Silver Bird Group prior to the acceptance of the Offer by the Eligible Executive.

**9. NON-TRANSFERABILITY**

- 9.1 An Option shall be personal to the Option Holder and cannot be assigned, transferred or otherwise disposed of in any manner whatsoever save as provided for in Clause 19.1(iii). Any purported dealings with the Option in any other manner whatsoever shall be void.

**10. EXERCISE OF OPTION**

- 10.1 Subject to the provisions of Clause 19 herein, an Option is only exercisable on any working day of the Company during the Option Period by the Option Holder during his lifetime and while he is employed by the Silver Bird Group. For the purposes of these By-Laws, if at any time a notice is given to or by the Option Holder to cease employment in the Silver Bird Group, his employment shall be deemed to be terminated and cease on the date of the notice.
- 10.2 Subject to Clauses 10.3 - 10.6, 11 and 12 hereof, the maximum number of Shares that may be subscribed for by an Option Holder at any time and from time to time during the Option Period shall be set out in the Option Certificate issued to him.

Where an Eligible Executive is serving under an employment contract, the contract shall be for a duration of at least five (5) years. In this regard, any remaining unexercised Options can be exercised upon expiry of the employment contract if the remaining duration of the contract is less than five (5) years from the date on which the Options are granted.

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- 10.3 The Option Holder shall notify the Company in writing of his intention to exercise the Option in such form as may be prescribed by the Company. The Option may be exercised in respect of such lesser number of Option Shares as the Option Holder may decide to exercise provided that the number of Option Shares to be subscribed for shall be in multiples of and not less than one thousand (1,000) Shares. Such partial exercise of the Option shall not preclude the Option Holder from exercising the Option as to the balance thereof at any time in the future but within the Option Period and on the terms of these By-Laws.
- 10.4 Every notice to exercise the Option shall be submitted to the Company Secretary during the hours when the Company Secretary's office is open for business. To be valid, such notice must specify the Central Depository System account number of the Option Holder and must be accompanied by the relevant Option Certificate and a remittance (calculated in accordance with Clause 3 hereof) made by a personal cheque drawn on a bank operating in Malaysia or a Banker's Draft, Cashier's Order, Money Order or Postal Order, all issued by a bank operating in Malaysia or by the Malaysian post office, as the case may be, for the full amount of subscription monies in relation to the number of Option Shares in respect of which the written notice is given. Subject to any resolution that may have to be passed by the shareholders of the Company in general meeting pursuant to the Articles of Association of the Company and/or the Act in respect of the allotment and issue of the Option Shares, the Company shall, within 10 Market Days of the receipt of such notice and remittance from the Option Holder or such other period as may be prescribed by KLSE, allot the relevant number of new Shares to the Option Holder, despatch a notice of allotment to the Option Holder, issue an Option Certificate for the remaining Option not exercised and deposit the new Shares in the Option Holder's Central Depository System account accordingly subject to the provisions of the Articles of Association of the Company.
- The new Option Certificate in respect of that part of the Option which the Option Holder had elected not to exercise shall be in such form as the Option Committee may from time to time prescribe and shall state, inter alia, the remaining number of Option Shares which remain capable of being subscribed.
- 10.5 Notwithstanding anything to the contrary herein, if an Option Holder is at any time subject to a disciplinary proceeding (whether or not such disciplinary proceeding may give rise to a dismissal or termination of service of such Option Holder), the Option Committee shall have the right at its discretion to suspend the right of that Option Holder to exercise his Option pending the outcome of such disciplinary proceeding. Notice to that effect shall be duly served on him. The right of suspension as stated in this Clause may be exercised by the Option Committee on such terms and conditions as the Option Committee shall deem appropriate having regard to the nature of the charges made or brought against such Option Holder PROVIDED ALWAYS THAT if such Option Holder is subsequently found to be not guilty of the charges which gave rise to such disciplinary proceeding, the Option Committee shall reinstate the rights of such Option Holder to exercise such Option provided that the Option Period has not expired.
- 10.6 An Option shall automatically lapse and thereafter be null and void upon the expiry of the Option Period applicable thereto.

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**13. BY-LAWS OF THE PROPOSED ESOS (Cont'd)**

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**11. DIVESTMENT FROM THE SILVER BIRD GROUP**

- 11.1 If an Option Holder is in the employment of a company in the Silver Bird Group which, after the Date of Offer, ceases to be in the Silver Bird Group, then such Option Holder shall cease to be entitled to exercise all unexercised Option(s) which were granted to him under the Scheme unless decided otherwise by the Option Committee in its sole and absolute discretion.

**12. TAKEOVER OFFER AND SCHEME OF RECONSTRUCTION**

- 12.1 Notwithstanding Clause 10.2 hereof, in the event:

- (i) of a takeover offer being made for the Company by a general offer or otherwise and such offer becoming or being declared unconditional, each Option Holder shall be entitled (but not obliged) to exercise in whole or in part any Option to which he is entitled within a period of six (6) months from the date on which such offer became or was declared unconditional subject to Clause 12.1(ii) hereof provided that such exercise is within the Option Period. After the expiry of the said period of six (6) months, the Option Holder may, subject to the provisions of these Clauses, exercise his unexercised or partially unexercised Options within the relevant Option Period set out in Clause 10.2 hereof;
- (ii) any person becomes entitled or bound to exercise his rights of compulsory acquisition over the Shares under the provisions of the Act and such person gives notice to each Option Holder that he intends to exercise such rights on a specified date, the Option Holder shall be entitled (but not obliged) to exercise in whole or in part any Options to which he is entitled until the expiry of such specified date, provided that such exercise is within the Option Period. Upon the expiry of the specified date, all Options, to the extent that they remain unexercised, shall automatically lapse and shall become null and void;
- (iii) the court sanctions a compromise or arrangement between the Company and its members proposed for the purpose of, or in connection with, a scheme for reconstruction of the Company or its amalgamation with any other company or companies under the provisions of the Act, each Option Holder shall be entitled (but not obliged) to exercise in whole or in part any Option to which he is entitled at any time and from time to time during the period commencing on the date upon which the compromise or arrangement is sanctioned by the court and ending with the date upon which it becomes effective, provided that such exercise is within the Option Period. Upon the compromise or arrangement becoming effective, all Options, to the extent that they remain unexercised, shall automatically lapse and shall become null and void.

- 12.2 There is no obligation on the part of the Company or the Directors or the Option Committee to ensure that any offer that may be made pursuant to the above shall be extended to an Option Holder in respect of any new Shares that may be issued pursuant to the exercise of an Option under the Scheme or any unsubscribed new Shares comprised in an Option.



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13. BY-LAWS OF THE PROPOSED ESOS *(Cont'd)*

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13. RIGHTS ATTACHED TO SHARES

13.1 The new Shares to be allotted upon any exercise of an Option will upon allotment rank *pari passu* in all respects with the existing issued and paid-up Shares including rights to dividends, rights, allotments or other distributions except that they shall not be entitled to any dividends, rights, allotments or other distributions declared, made or paid, the Record Date for which is before the date the Option is exercised.

For the purpose hereof:

- the term "Record Date" means the date, as prescribed by the Company, as at the close of business on which the shareholders must be registered as members of the Company in order to participate in any dividends, rights, allotments or other distributions;
- the term "the date the Option is exercised" means the date the Option Holder submits to the Company Secretary the relevant Option Certificate(s) in the manner specified by the Option Committee to exercise the Option together with the relevant payment therefor.

13.2 Under no circumstances whatsoever shall any Eligible Executive ceasing to hold an office or employment by virtue of which he is or may be eligible to participate in the Scheme be entitled to any compensation for any loss of any right or benefit or prospective right or benefit under the Scheme which he might otherwise have enjoyed whether such compensation is claimed by way of damages for wrongful dismissal or other breach of contract or by way of compensation for loss of office or otherwise howsoever.

14. NO RETENTION PERIOD

14.1 No retention period shall be imposed on the new Shares arising from the exercise of the Options. An Option Holder may deal with new Shares allotted and issued to him in any way he pleases; however, Option Holders should note that new Shares are intended for them to hold as investments for long-term yield rather than for realisation to yield immediate profit.

15. ALTERATION OF SHARE CAPITAL

15.1 In the event of any alteration in the capital structure of the Company during the period the Scheme is in force, whether by way of capitalisation of profits or reserves, rights issues, reduction of capital, subdivision, consolidation or otherwise howsoever taking place, an adjustment may be made to:

- (i) the Option Price; and/or
- (ii) the number of new Shares in relation to an Option which has not been exercised; and/or
- (iii) if the Option Committee deems necessary, the method of exercise of the Option

so that such adjustments shall result in the Option Holder becoming entitled to the same proportion of the issued and paid-up capital of the Company as that to which he was entitled to prior to such alteration. Such adjustment, other than on a capitalisation issue, shall be the subject of a confirmation in writing to be given by the Company's auditors, acting as experts and not as arbitrators, that, in their opinion, such adjustment is fair and reasonable.

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- 15.2 Upon any adjustment being made pursuant to this Clause, which adjustment shall be made on the day immediately following the Record Date for the event giving rise to the adjustment, the Option Committee shall within thirty (30) days notify the Option Holder (or his legal personal representative where applicable) in writing informing him of the Option Price thereafter in effect, the number of new Shares thereafter to be issued on the exercise of the Option and, if the Option Committee deems necessary, the method of exercise of the Option. The Option Certificate issued prior to such adjustment shall be deemed to be amended accordingly.
- 15.3 The provisions of this Clause will not apply where an alteration in the capital structure of the Company arises from:
- (i) the purchase and/or cancellation by the Company of its own Shares as referred to in Clause 2.2 above;
  - (ii) the issue of securities as consideration for an acquisition, or to be placed with placees or as a special issue to Bumiputras nominated by the Ministry of International Trade and Industry or Ministry of Finance or other government authority, or
  - (iii) the issue of Shares upon the exercise of Options under the Scheme or of any conversion rights attached to securities convertible into new Shares including and not limited to warrants.
- 15.4 Any adjustment to the Option Price will be rounded downwards to the nearest one (1) sen and no adjustment shall be made in which the adjustment would be less than one (1) sen or which would result in the Option Price being below par.
- 15.5 Any adjustment to the number of Option Shares will be rounded downwards to the nearest one (1) Share and no adjustment shall be made in which the adjustment would be less than one (1) Share.

**16. QUOTATION OF SHARES**

- 16.1 Within ten (10) Market Days of the receipt of a notice and remittance from the Option Holder under Clause 10.4 hereof, or such other period as may be prescribed by KLSE, the Company will apply to the KLSE for the listing of and quotation for such new Shares and will use its best endeavours to obtain permission for such listing and quotation.
- 16.2 The Option Committee, the Board and the Company shall not under any circumstances or for any reason whatsoever be held liable for any costs, expenses, charges, losses and damages whatsoever and howsoever arising in any event relating to the delay on the part of the Company in allotting and issuing new Shares or in procuring the KLSE's permission for the listing of and quotation for such new Shares.

**13. BY-LAWS OF THE PROPOSED ESOS (Cont'd)**

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**17. ADMINISTRATION**

17.1 The Scheme shall be administered by the Option Committee comprising such persons from the Board and/or senior management of the Company as shall be appointed from time to time by the Board. The Board shall have the discretion as it deems fit to approve, rescind and/or revoke the appointment of any person(s) in the Option Committee. The Option Committee shall be vested with such powers and duties as are conferred upon it by the Board and these By-Laws. In addition, the Option Committee may, for the purpose of administering the Scheme, do all acts and things and enter into any transactions, agreements deeds, documents or arrangements, make rules and regulations or impose terms and conditions which the Option Committee may in its discretion consider to be necessary or desirable for giving full effect to the Scheme.

**18. AMENDMENT AND/OR MODIFICATION TO THE SCHEME**

18.1 Subject to the approvals of the SC and the KLSE, the terms and conditions of the Scheme and these By-Laws may from time to time be modified and/or amended by resolution of the Board, without the approval of the Company in general meetings provided that such amendment or modification shall not:

- (i) prejudice the subsisting rights of any Option Holder without his prior consent; or
- (ii) alter any of the following to the advantage of the Eligible Executives and/or Option Holders;
  - (1) the categories of persons eligible to be granted Options and the basis of determining eligibility as set out under Clause 4.1;
  - (2) Clause 2.1;
  - (3) the Maximum Allowable Allotment;
  - (4) the amount payable on application or acceptance of an Offer, the basis for determining the price of an Option and the period in or after which payments may be paid, as set out in Clauses 3.1, 8.1 and 10.4
  - (5) the time limit for the Scheme as set out in Clause 5.1;
  - (6) the voting, dividend, transfer and other rights attaching to the new Shares as set out in Clause 13.1.

18.2 The Option Committee shall give written notice within thirty (30) days of any amendment to the Scheme to all the Option Holders.

**19. TERMINATION OF THE OPTION**

19.1 In the event of the cessation or termination of employment of an Option Holder with the Silver Bird Group, prior to the exercise of an Option, such Option or the balance thereof shall terminate and cease to be valid PROVIDED THAT:

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- (i) if, after the Date of Acceptance, whether before or during the Option Period the Option Holder retires from service with any company comprised in the Silver Bird Group in accordance with such company's relevant scheme of service, the Option Holder may be permitted, at the sole and absolute discretion of the Option Committee, to exercise the Option for such number of Shares as remain comprised in the Option PROVIDED THAT such exercise is within the Option Period;
- (ii) if the Option Holder ceases to be employed by the Silver Bird Group on grounds of ill-health or he is retrenched in a redundancy exercise (provided always that any such retrenchment or termination of the Option Holder's employment is not due to or on grounds of conduct inconsistent with the expressed or implied conditions of service of the Option Holder), the Option Holder may exercise the Option for such number of Shares as remain comprised in the Option within twelve (12) months, or such other period to be determined at the sole and absolute discretion of the Option Committee, of such cessation from employment PROVIDED THAT such exercise is within the Option Period; or
- (iii) if the Option Holder dies after the Date of Acceptance, whether before or during the Option Period, the legal personal representative of the Option Holder may be permitted, at the sole and absolute discretion of the Option Committee, to exercise the Option for such number of Shares as remain comprised in the Option PROVIDED THAT such exercise is during the Option Period.

19.2 Except for the instances referred to in Clause 19.1 above, if the Option Holder ceases for whatever reason to be employed in the Silver Bird Group prior to his exercise of the Option or upon the bankruptcy of the Option Holder or the occurrence of any other event which results in the Option Holder being deprived of the legal or beneficial ownership of such Option, then such unexercised Option shall become null and void, without any claim against the Company, with immediate effect from the date notice of such disqualifying event is received from the Option Holder or is given by the Company, unless the Board at the recommendation of the Option Committee resolve and determine otherwise.

19.3 In the event of the liquidation of the Company, all unexercised or partially exercised Options shall automatically lapse and thereafter be null and void.

**20. DISPUTES**

20.1 In case any dispute or difference shall arise between the Option Committee and an Eligible Executive as to any matter or thing of any nature arising hereunder, then the Option Committee shall determine such dispute or difference by a written decision (without any obligation to give any reason thereof) given to the Eligible Executive. The said decision shall be final and binding on the parties.

**21. COMPENSATION**

21.1 No Eligible Executive or Option Holder shall bring any claim against the Company or Option Committee or any other party for compensation or damages arising from the suspension of his right to exercise his Option or his Option ceasing to be valid or the Scheme being terminated pursuant to the provisions of these By-Laws.

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13. **BY-LAWS OF THE PROPOSED ESOS (Cont'd)**

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22. **INSPECTION OF THE AUDITED ACCOUNTS**

- 22.1 Subject to the Articles of Association of the Company, all Option Holders shall be entitled to inspect the latest available published audited accounts of the Company on any Market Day during the normal working hours of the Company Secretary's office.

23. **COSTS AND EXPENSES**

- 23.1 Save as otherwise provided for in the Scheme and the Articles of Association of the Company, all fees, costs and expenses incurred in relation to the Scheme, including but not limited to the fees, costs and expenses relating to the issue and allotment of the Option Shares pursuant to the exercise of any Option, shall be borne by the Company.

24. **NOT A TERM OF EMPLOYMENT**

- 24.1 The Scheme shall not form part of or constitute or in any way be construed as a term or condition of employment of any Eligible Executive. The Scheme shall not confer or be construed to confer on an Eligible Executive any special rights or privileges over the Eligible Executive's terms and conditions of employment in the Silver Bird Group under which the Eligible Executive is employed.

25. **PARTICIPATION IN OTHER EMPLOYEES' SHARE OPTION SCHEME**

- 25.1 Any Eligible Executive who participates in the Scheme shall not be eligible to participate in any other employee share option scheme that may be established by any company in the Silver Bird Group, whether prior or subsequent hereto, so long as such Eligible Executive remains an Option Holder of any of the Options under the Scheme.
- 25.2 Any employee who has participated in the employee share option scheme currently in operation of one company and who moves to another company within the Silver Bird Group is not allowed to participate in the Scheme so long as he remains an option holder under the employee share option scheme of the former company.

26. **ARTICLES OF ASSOCIATION**

- 26.1 The provisions of these By-Laws shall be subject to the Articles of Association of the Company and in the event of a conflict between the provisions of these By-Laws and the Articles of Association of the Company, the provisions of the Articles of Association of the Company shall prevail.

**13. BY-LAWS OF THE PROPOSED ESOS (Cont'd)**

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27. MISCELLANEOUS

27.1 In these By-Laws, where the context so admits:

- (i) words importing any gender include all genders;
- (ii) words importing the singular number include the plural number and vice versa;
- (iii) where an act is required to be done within a specific number of days after or from a specified date, the period is inclusive of and ends on the day so specified;
- (iv) any reference to statutes or rules made thereunder shall include all amendments which may be enacted from time to time;
- (v) the headings to these By-Laws are for convenience of reference only and do not form part of these By-Laws nor shall they affect the interpretation of the same; and
- (vi) references to Clauses are to the clauses of these By-Laws.

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