

1. OBJECTIVE

The objective of the Audit and Examination Committee (AEC) is to review the financial condition of GMVB and its subsidiaries, the internal controls, the performance and findings of internal auditors and to recommend appropriate remedial action regularly.

2. FUNCTIONS AND RESPONSIBILITIES

2.1 AEC shall carry out and report on the following to the Board: -

- a. Recommend to the Board on the appointment of External Auditors, the fee and other matters pertaining to the resignation or termination or change of External Auditors.
- b. Review with external auditors:
 - their audit plan;
 - their evaluation of the system of internal control;
 - their audit report;
 - their management letter and management's response; and
 - the assistance given by the management and staff to the external auditors.
- c. Carry out the following with regards to the internal audit function: -
 - Review the adequacy of scopes, functions and resources of the internal audit function and that it has the necessary authority to carry out its work;
 - Review and approve internal audit plan;
 - Review audit reports and consider adequacy of Management's actions taken on audit findings or recommendations;
 - Recommend to the Board or Nomination Committee of the Board on the appointment and termination of the Head of Audit & Examination;
 - Recommend to the Remuneration Committee of the Board on the remuneration of the Head of Audit & Examination; and
 - Review any appraisal or assessment of members of the internal audit function as well as decide on their remuneration package, excluding the Head of Audit & Examination.
- d. Receive and consider reports relating to the perpetration and prevention of fraud.
- e. Review the Company's compliance with the related Government regulations.
- f. Review the quarterly result and the year-end financial statement prior to their submission to the Board for its approval.
- g. For the review of the year-end financial statement presentation to the Audit Committee will be conducted by the external auditor, focusing particularly on: -
 - Any changes in or implementation of major accounting policy changes;
 - Adequacy of allowances against contingencies, bad and doubtful debts;
 - Significant and unusual events; and
 - Compliance with accounting standards and other legal requirements.

2. FUNCTIONS AND RESPONSIBILITIES (CONT'D.)

2.1 AEC shall carry out and report on the following to the Board (cont'd.): -

- h. Ensure the prompt publication of annual accounts.
- i. Discuss any problem and reservations arising from the interim and final audits, any matter, which the external auditors may wish to discuss (in the absence of management where necessary).
- j. Review any related party transactions and conflict of interest situation that may arise in the Company including any transaction, procedure or conduct that raises questions of management integrity.
- k. Preparation of an AEC report at the end of each financial year, which will be published in the Company's Annual Report. The report shall contain the following information:
 - The composition of the AEC, including name, designation and directorship of the members and whether the director is independent or otherwise;
 - The term of reference of AEC;
 - The number of AEC meetings held in the financial year and detail of attendance of each member; and
 - A summary of the activities of the AEC in the discharge of its functions and duties for the financial year.

2.2 The AEC shall update the Board on the issues and concerns discussed during the meetings including those raised by external auditors and where appropriate, make the necessary recommendation to the Board.

3. AEC MEETINGS AND ATTENDANCE

During the financial year ended 31 December 2013, the AEC held four (4) meetings. A record of the attendance of the AEC Members is as follows:

MEMBERS	NO. OF MEETINGS ATTENDED
Taufiq Ahmad @ Ahmad Mustapha bin Ghazali (Chairman)	4/4
Datin Husniarti binti Tamin	4/4
Eshah binti Meor Suleiman	4/4