



UNIVERSE INTERNATIONAL HOLDINGS LIMITED
TERMS OF REFERENCE
OF THE NOMINATION COMMITTEE
(Adopted by the Board on 15th July 2005)

A. CONSTITUTION

- 1 The Nomination Committee (the "Committee") was established by the Board on 15th July 2005 pursuant to the Code on Corporate Governance Practices effective on 1st January 2005.

B. MEMBERSHIP AND QUORUM

- 1 The Nomination Committee shall be appointed by the Board and will comprise of a minimum of two members. The majority of Nomination Committee members shall be independent non-executive directors of the Company.
2. The quorum necessary for the transaction of business shall be two members. If only two members are in attendance, then both members shall be independent non-executive Directors. If more than two members are in attendance, then a majority of the members shall be independent non-executive Directors.
3. Questions arising in any meetings shall be decided by a simple majority of votes.

C. CHAIRMAN

- 1 The Board shall appoint the chairman of the Committee. The chairman has the responsibility of liaising with the Board.
- 2 In the absence of the chairman of the Committee, the remaining members present shall elect one of themselves to chair the meetings of the Committee.

D. MEETINGS

- 1 The Nomination Committee shall meet at such times as the chairman of the Nomination Committee shall require.
2. Any member of the Nomination Committee may request a meeting if he/she considers that one is necessary.

3. Meetings could be held in person, by telephone or by video conference. Members may participate in a meeting by means of a conference telephone or similar communications equipment by means of which all persons participating in they are capable of hearing each other.
4. The Chairman of the Board shall be in attendance with other senior management, if deemed appropriate and invited by the Committee.
5. The Company Secretary shall be the secretary of the Committee.

E. NOTICES OF MEETINGS

- 1 Meetings of the Committee shall be convened by the secretary of the Committee at the request of any of its members.
- 2 Notice of any meetings has to be given at least 14 days prior to any such meeting being held, unless all members unanimously waive such notice. Irrespective of the length of notice being given, attendance of a meeting by a member shall be deemed waiver of the requisite length of notice by the member.
- 3 An agenda of items to be discussed, together with supporting papers, shall be sent to the Committee members and to other attendees within a reasonable period of time prior to the date of the meeting.
- 4 Any member of the Committee shall be entitled, by notice to the secretary of the Committee, to include other matters relevant to the functions of the Committee in the agenda of a Nomination Committee meeting.

F. MINUTES OF MEETINGS

- 1 The secretary of the Committee (or his/her delegate) in attendance at the meetings of the Committee shall prepare minutes in sufficient detail of the proceedings and resolutions of all such meetings, including the names of those present and in attendance. The minutes should also include any concerns raised by any member of the Committee and/or dissenting views expressed.
- 2 The secretary of the Committee shall ascertain, at the beginning of each meeting, the existence of any conflicts of interest and minute them accordingly. The relevant member of the Committee shall not be counted towards the quorum and he/she must abstain from voting on any resolution of the Committee in which he/she and/or his/her associates have a material interest.
- 3 Draft and final versions of minutes of the Committee meetings shall be sent to all members of the Committee for their comments and records respectively, in both cases within a reasonable time after the meeting. Once they are agreed, the

secretary of the Committee shall circulate the minutes and reports of the Committee to all members of the Board.

- 4 Minutes of the Committee meetings shall be kept by the secretary of the Committee and shall be available for inspection by any member of the Committee and/or any Director of the Company at any reasonable time on reasonable notice.

G. ANNUAL GENERAL MEETING

- 1 The chairman of the Committee shall endeavour to attend the annual general meetings of the Company and be prepared to respond to any shareholder questions on the Committee's activities.
- 2 If the chairman of the Committee is unable to attend an annual general meeting of the Company, he shall arrange for another member of the Committee, or failing this, his duly appointed delegate, to attend in his place. Such person shall be prepared to respond to any shareholder questions on the Committee's activities.

H. REPORTING RESPONSIBILITIES

- 1 After each meeting, the chairman of the Committee shall report formally to the Board on all matters within its duties and responsibilities.
- 2 The Committee shall make whatever recommendations it deems appropriate to the Board on any area within its remit where action or improvement is needed.
- 3 The Committee shall, with the assistance of the secretary of the Committee, compile a report to shareholders on its role and activities to be included in the Company's Corporate Governance Report.

I. AUTHORITY

- 1 The Committee is authorized by the Board:
 - (a) to make full use of intermediary agencies to identify qualified candidates at the Company's expense; and
 - (b) to conduct interviews with prospective candidates for nomination.

J. DUTIES

- 1 The Committee shall be responsible for:-
 - (a) reviewing the structure, size and composition (including the skills, knowledge and experience) of the Board on a regular basis and making recommendations to the Board regarding any proposed changes;

- (b) identifying qualified individuals to become members of the Board and selecting or making recommendations to the Board on the selection of individuals nominated for directorships;
- (c) assessing the independence of independent non-executive Directors;
- (d) making recommendations to the Board on relevant matters relating to the appointment or re-appointment of Directors and succession planning for Directors and senior management.

K. OTHER

- 1 The Committee shall have access to sufficient resources in order to discharge its duties. In the event that the Committee determines that it has insufficient resources, it may make a request for additional resources to the Board through the Company Secretary.
- 2 All members of the Committee shall have access to the advice and services of the secretary of the Committee with a view to ensuring that procedures of the Committee and all applicable rules and regulations are followed.
- 3 Any member of the Committee may require access to outside legal or other independent professional advice in connection with his/her duties at the Company's expense. All such requests shall be processed in accordance with the Company's procedures for seeking independent professional advice by Directors.
- 4 Every member of the Committee shall give sufficient time and attention to his/her duties as a member of the Committee. He/she shall give the Company the benefit of his skills and expertise through regular attendance and active participation.

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