

FAR EAST HOTELS AND ENTERTAINMENT LIMITED

遠東酒店實業有限公司

(Incorporated in Hong Kong with limited liability)

(Stock Code: 0037)

Terms of Reference of the Nomination Committee

Constitution

1. The Board of Directors (the "Board") of Far East Hotels And Entertainment Limited (the "Company") has established a committee known as the Nomination Committee with authority and duties as described below.

Membership

2. The members of the Nomination Committee shall be appointed by the Board and shall consist of not less than three members. The majority of the members of the Nomination Committee shall be independent non-executive directors of the Company.
3. The Chairman of the Nomination Committee shall be appointed by the Board.

Secretary

4. The Company Secretary of the Company shall be the secretary of the Nomination Committee.

Meetings

5. The Nomination Committee shall meet at least once a year and otherwise as required.
6. The quorum for a Nomination Committee shall be two members, including at least one independent non-executive director.
7. Only members of the Nomination Committee have the right to attend and vote at the meetings.

8. Notice of any meetings of the Nomination Committee has to be given 7 days prior to any such meeting being held, unless all members unanimously waive such notice.
9. Members of the Nomination Committee may participate in a meeting of the Nomination Committee by means of conference telephone or similar communication equipment by means of which all persons participating in the meeting can hear each other and participating in a meeting pursuant to this provision shall constitute presence in person at such meeting.
10. Full minutes of the Nomination Committee should be kept by the secretary of the Nomination Committee.

Authority

11. The Nomination Committee is authorized by the Board:
 - (a) to deal with all matters in relation to the appointment of members of the Board, including making recommendation to the Board for such steps to be taken to comply with relevant requirements under the Rules Governing the Listing of Securities of The Stock Exchange of Hong Kong Limited (the “Listing Rules”); and
 - (b) to seek any relevant information and all requisite resources (including without limitation, professional advice) from the Company or from external resources at the cost of the Company (provided that such cost is reasonable and properly incurred) and to do all such things as to enable the Nomination Committee to discharge its duties and responsibility.

Duties

The Nomination Committee shall have the following duties:

12. To review the structure, size and composition (including the skills, knowledge and experience) of the Board at least annually and make recommendations on any proposed changes to the Board to complement the Company's corporate strategy, with due regard to the board diversity policy.

13. To identify individuals suitably qualified to become members of the Board and to select or make recommendations to the Board on the selection of, individuals nominated for directorship.
14. To assess the independence of independent non-executive directors.
15. To make recommendations to the Board on relevant matters relating to the appointment or re-appointment of directors and succession planning for directors, in particular the chairman and the chief executive.
16. To ensure that the Chairman of the Nomination Committee, or in the absence of the chairman, another member of the Nomination Committee or failing this his duly appointed delegate, to be available to answer questions at the annual general meeting of the Company.
17. To do any such thing to enable the Nomination Committee to discharge its powers and functions conferred on it by the Board.
18. To conform to any requirement, direction and regulation that may from time to time be prescribed by the Board or contained in the constitution of the Company or imposed by the Listing Rules (including the code provisions of the Code on Corporate Governance Practices (thereafter known as the Corporate Governance Code and Corporate Governance Report with effect from 1 April 2012)) or applicable laws.

Reporting responsibility

19. The Nomination Committee shall report to the Board on its decisions and recommendations.

Availability and Update of the Terms of Reference

20. These terms of reference shall be updated and revised as and when necessary in light of changes in circumstances and changes in regulatory requirements (e.g. The Listing Rules) in Hong Kong.

Updated in September 2013