

Silent Confirmation Agreement

Date :

Dear Sir/Madam,

Re : Your ref. :
L/C No. : issued on (the "L/C")
L/C Amount :
Tolerance : +/- %
Issued by : (the "L/C Issuing Bank")
Applicant :
Tenor of bill :
Expiry Date : in (the "L/C Expiry Date")

We, China Minsheng Banking Corp., Ltd. Hong Kong Branch (the "**Bank**"), with reference to the L/C, and in consideration of the fee and interest payable as set out herein, hereby undertake with you, the beneficiary of the L/C, to confirm the L/C on a silent basis [on first presentation for drawing] and to negotiate/discount the drafts and/or all other documents stipulated in the L/C (together the "**Documents**") presented to our counter (the "**Undertaking**").

The Undertaking is given subject to the following conditions:

1. all amendments to the L/C and/or Documents agreed prior to the date hereof have been notified to the Bank;
2. all proposed amendments to the L/C and/or Documents from the date hereof shall be notified to the Bank and subject to the approval by the Bank. The Bank reserves the right not to approve any proposed amendment(s) including but not limited to extension of the expiry date of the L/C and/or increase in the L/C amount and/or tenor of the bill drawn under the L/C and/or any other amendment that may affect the Bank's liability under the Undertaking; and
3. presentation of the Documents in strict compliance with the L/C terms drawn for up to the aggregated L/C amount and the agreed tolerance of ___% of the L/C amount being made on or before the expiry date as stipulated on the L/C.

If any of the above conditions are not fulfilled, the Undertaking shall be of no effect and the Bank shall have no liability or obligations under this agreement.

You shall pay to the Bank in advance an Undertaking Fee (the "**Fee**") calculated at _____ % per annum or such other rate as otherwise agreed by you and the Bank calculated on the amount of each L/C and the actual number of days elapsed in a year of 365 days from the date of acceptance of this agreement by you to the later of the L/C Expiry Date and the due date of the tenor of the bill drawn under the L/C (such fee shall be subject to the minimum amount of US\$). If the L/C Expiry Date

and/or due date of the tenor of the bill is extended, the Fee payable shall be adjusted accordingly and payable on the date that such extension takes effect.

In addition to the Fee, you shall pay to the Bank interest calculated at ___% per annum or such other rate as otherwise agreed by you and the Bank calculated on the amount of payment (s) made by the Bank under or pursuant to the L/C (the “**Interest**”).

The Interest on sight bills is to be levied up to the scheduled date of receiving payment from the L/C Issuing Bank, and the Interest on sight bills is payable on the date of L/C negotiation. The Interest on usance/term bills is to be levied up to the latest date on which the deferred reimbursement is scheduled to be paid and received by the Bank, and the Interest on usance/term bills is payable on the date of L/C negotiation.

Negotiation commission and all out of pocket expenses will be deductible from any payment made to you by the Bank at the date of negotiation. If any such fees, interest, commission, and out of pocket expenses are not so deducted, they will be due and payable on demand.

The Bank’s Undertaking will be on a non-recourse and funded basis. The Bank’s obligations under the Undertaking shall become effective from the date of acceptance of this agreement by you and shall expire on the later of the L/C Expiry Date and the due date of the usance/term of bill drawn under the L/C, or such other extended expiry date as agreed by the Bank.

If the Bank has effected payment to you under the L/C:

1. you will pay to the Bank or otherwise as the Bank may direct, all monies which you may have received, or credited for, in respect of the L/C or any underlying or ancillary claims; and
2. you will give all assistance required by the Bank for recovering any amount that falls due and remains unpaid under or pursuant to the L/C, and you shall permit the Bank, or upon request by the Bank to appoint the Bank and its nominee(s) to be the attorney for you, to take legal action in your name to recover such amount due and unpaid under or pursuant to the L/C provided that all such costs and expenses involved in the recovery and legal action will be borne by you unless you have fulfilled all the terms and conditions of this Agreement.

This agreement is subject to the General Agreement by Customer(s) and other agreement(s) previously signed and delivered by you to the Bank, if any. In case of conflict, terms of this agreement shall prevail to the extent of the conflict.

This agreement shall be governed by and construed in accordance with the laws of Hong Kong Special and Administrative Region of the People’s Republic of China (“**Hong Kong**”) and subject to the exclusive jurisdiction of the Hong Kong courts, provided that the Lender shall not be prevented from taking proceedings relating to any dispute in any other courts with jurisdiction, and, to the extent allowed by law, the Lender may take concurrent proceedings in any number of jurisdictions.

Please signify your acceptance and agreement of the above by signing and returning the duplicate of this agreement.

Yours faithfully,

For and on behalf of
China Minsheng Banking Corp., Ltd.,
Hong Kong Branch

We, being the beneficiary of the captioned L/C, hereby accept and confirm our agreement to the terms and conditions stated above.

Signed by:

Authorised signature(s) and Company Chop
Name:
Date: