

## PREPAYMENT AGREEMENT

We refer to the Letter of Credit ("L/C") and/or Standby Letter of Credit ("Standby L/C") and/or Bank Guarantee ("Guarantee") to be issued by us upon your request in favour of \_\_\_\_\_ for the sum of \_\_\_\_\_ with expiry on \_\_\_\_\_ ("Secured Obligations"). By this letter, it is hereby agreed as follows:

- 1 You hereby irrevocably and unconditionally authorise us to apply the funds in your Account No. maintained with us (the "Account") as listed below in full prepayment of your liabilities and outstandings (whether actual or contingent) owed or owing to us ("Outstandings") under the Secured Obligations or any documents relating thereto (together with the L/C and/or Standby L/C and/or Guarantee, the "Secured Documents"):

Account No.:

Prepayment Amount:

Prepayment date:

You undertake to ensure that there shall be sufficient funds in the Account to enable us to complete the above transaction.

- 2 The prepayment made under this letter shall be deemed to be a full settlement of your and our obligations to each other under the Secured Documents, subject only to the following:

- (a) If in the event that we are required by law, regulation or a court to return part or all of the Prepayment Amount, our rights to claim the same from you and your obligation to pay the same to us shall be reinstated and you shall indemnify us for any loss, cost or expense that we may incur thereby.

- (b) If the L/C and/or Standby L/C and/or Guarantee has expired or has ceased to be valid without any claim being made on us, and it is, at our sole discretion, clear that we do not have any further liability under the Secured Documents, we will refund to you on or around \_\_\_\_\_ the sum of \_\_\_\_\_ and we shall not have any further liability to you.

If we are required to make or have made any partial payment under the Secured Documents, the sum to be refunded by us to you shall be reduced accordingly by such partial payment.

If there is a dispute in relation to the L/C and/or Standby L/C and/or Guarantee even after the expiry of the L/C and/or Standby L/C and/or Guarantee, our obligation to refund to you shall be postponed until such dispute has been satisfactorily resolved and we shall deduct from the refund sum any loss, payment, cost and expense that we may have incurred in connection with such dispute.

- 3 Without prejudice our rights and remedies that we may have under any other documents (including not limited to the "General Conditions for Accounts" as amended from time to time), you hereby:

- (a) authorise us to debit any of your accounts with all levy, charges, fees and commissions payable to us as specified in any schedule of fees published by

us from time to time for our issuance of the L/C and/or Standby L/C and/or Guarantee and all other services related thereto; and

- (b) agree to indemnify us on demand (on a full indemnity basis) against all liabilities, losses, damages, demands, claims, expenses and costs (including legal fees), proceedings or actions which we may suffer or incur in connection with or arising out of our provision of services in accordance with this letter.

This letter shall be governed by the law of Hong Kong SAR.

Please confirm your agreement herein by signing and returning to us forthwith the duplicate of this letter.

Yours faithfully,

\_\_\_\_\_  
China Minsheng Banking Corp., Ltd., Hong Kong Branch  
Date:

[on duplicate]  
We confirm our agreement to the above:

For and on behalf of  
[ ]

\_\_\_\_\_  
Authorized Signatory(ies)  
Date: