

THIS GUARANTEE AND INDEMNITY is made on the ___ day of _____ 20__

BY

(For a person) Name: _____
(Holder of _____ Identity Card/ Passport No. _____)
whose address is _____

(For a corporation) Company name: _____
(Business Registration No. / Company No. _____)
Address: _____

(the “**Guarantor**”)

IN FAVOUR OF

- (A) **CMB International Securities Limited** (Company No. 1373968), a company incorporated under the laws of Hong Kong, whose registered address is 45-46/F, Champion Tower, 3 Garden Road, Central, Hong Kong; (“**CMBIS**”); and
- (B) **CMB International Futures Limited** (Company No. 1482793), a company incorporated under the laws of Hong Kong, whose registered address is 45/F, Champion Tower, 3 Garden Road, Central, Hong Kong (“**CMBIF**”).

Re: Account Name: (CMBIS) _____ (CMBIF) _____
Account No: (CMBIS) _____ (CMBIF) _____

Client’s Name: _____
(For a person) Holder of _____ Identity Card / Passport No. _____
(For a corporation) Company No. _____
Address: _____

(Hereinafter referred to as the “**Client**”, where the context so permits, “Client” also includes authorized persons as defined in the Agreement.)

NOW THIS GUARANTEE WITNESSES as follows:-

1. DEFINITIONS AND INTERPRETATION

- 1.1 In this Guarantee the following expressions except where the context otherwise requires shall have the following meanings :-

"Account(s) " means all account(s) of whatsoever nature now or in the future opened and maintained in the name of the Client with any of the CMBI Group Companies in accordance with the Agreement(s) or other agreement(s) or document(s), and **"Account"** means any one of them;

"Agreement(s)" means the agreement made and/or to be made between the Client and any of the CMBI Group Companies and constituted by the written agreement made or to be made between the Company and any of the CMBI Group Companies and all schedules, appendices and attachments thereto, regarding the opening, maintenance and operation of the Account(s) as amended from time to time, including but not limited to the account opening form, Client Information Form, the terms and conditions contained therein and any authority given by the Client to any of the CMBI Group Companies with respect to the Account(s); and **"Agreement"** means any one of them;

"Client Information Form" means the client information form for the Account (including the declarations, information, notes and statements thereto) completed and signed by the Client as set out therein;

"CMBI Group Companies" means

CMBIS, CMBIF, its subsidiary, ultimate holding company, holding company and fellow subsidiary of such holding company, including but not limited to CMB International Capital Limited, CMB International Asset Management Limited, and such other company as CMBIS and/or CMBIF may from time to time add and notify the Client and "CMBI Group Company" means each or any one of them;

"Guarantee" means and includes this Guarantee and Indemnity and such other documents referred to therein and thereto (including any amendment or supplement made thereto from time to time);

"Hong Kong" means the Hong Kong Special Administrative Region; and

"Secured Indebtedness" means all moneys, sums, funds, amounts, debts, obligations and liabilities whatsoever and interest thereon, whether past, present or future and whether actual or contingent, now being or shall at any time and from time to time hereafter be or become due, owing, payable, liable, accrued, incurred or outstanding to CMBIS, CMBIF and all the CMBI Group Companies under or pursuant to this Guarantee including but not limited to all moneys, sums, funds, amounts, debts, fees, charges, expenses, costs, tax, levy, payments, obligations and liabilities whatsoever and interest thereon guaranteed or secured in Clause 2 and other provisions of this Guarantee;

- 1.2 References to statutory provisions shall where the context so admits or requires be construed as references to those provisions as respectively amended, consolidated, extended, or re-enacted or as their application is modified by other provisions from time to time and for the time being in force.
- 1.3 Unless the context otherwise requires, words importing the singular shall include the plural and vice versa; words importing persons shall include corporations and unincorporated associations and vice versa; and words importing the masculine gender shall include the feminine gender and the neuter gender and vice versa.

- 1.4 Unless the contrary intention appears, reference to clause is to clause of this Guarantee. Clause heading are inserted for convenience of reference only and shall be ignored in the interpretation of this Guarantee.
- 1.5 Reference to (or to any specified provision of) this Guarantee or any other document shall be construed as reference to this Guarantee, that provision or that document as in force for the time being and as amended in accordance with the terms thereof, or as the case may be, with the agreement of the relevant parties and (where such consent is, by the terms of this Guarantee or the relevant document, required to be obtained as a condition to such amendment being permitted) the prior written consent of CMBIS and/or CMBIF, as the case maybe.
- 1.6 The expressions "CMBIS", "CMBIF", "Client" and "Guarantor" shall, where the context permits, include their respective personal representative of estate, successor and permitted assign.
- 1.7 Where it is necessary for the true construction or interpretation of any provision herein so that the liability or obligation of any of the parties hereto shall continue after the termination of this Guarantee, such provision shall survive the termination of this Guarantee.

2. GUARANTEE AND INDEMNITY

- 2.1 In consideration of CMBIS entering into the Agreement with the Client, the Guarantor, as primary obligor and not merely as surety, hereby unconditionally and irrevocably guarantees, covenants and warrants the due, punctual and complete performance and fulfillment by the Client of any or all the terms, conditions, provisions of, and any or all the acts, liabilities, obligations, duties, whether past, present or future and whether actual or contingent, (a) under the Agreement and/or all other agreements, guarantees, indemnities, undertakings, warranties, representations, memoranda, contracts, instruments and documents made by the Client in favour of or with CMBIS and/or all rules, regulations, practices and procedures made, promulgated and implemented by CMBIS from time to time, and (b) in respect of any or all the loans, credits, advances, moneys, accounts, acceptances and otherwise in any manner whatsoever (in all cases whether alone or jointly with any other person, and in whatever style, name or form, and whether as principal or surety) and at any time and from time to time (whether past, present or future) made, assumed, given, entered into by CMBIS to, for or in favour of the Client, together with interest to date of payment at such rates and upon such terms as may from time to time payable by the Client.
- 2.2 In consideration of CMBIS entering into the Agreement with the Client, the Guarantor, as primary obligor and not merely as surety, hereby unconditionally and irrevocably guarantees and indemnifies CMBIS AND agrees to guarantee, indemnify, reimburse and pay CMBIS on demand, AND agrees to keep CMBIS fully and effectually indemnified, reimbursed and paid on demand of and against any or all of CMBIS's obligations, liabilities, losses, moneys, damages, expenses, charges, fees, penalties, legal costs and other costs whatsoever, whether past, present or future, whether actual or contingent, which are now or shall at any time and from time to time hereafter be or become due, payable, owing, liable, accrued or incurred in respect of, in relation and incidental to, arising out of or in connection with all or any of the following:-

- (a) breach, default, non-compliance, or failure or refusal to perform or fulfill by the Client of any or all the terms, conditions, provisions of, and any or all the liabilities, obligations, duties, whether past, present or future and whether actual or contingent, (i) under the Agreement and/or all other agreements, guarantees, indemnities, undertakings, warranties, representations, memoranda, contracts, instruments and documents made by the Client in favour of or with CMBIS and/or all rules, regulations, practices and procedures made, promulgated and implemented by CMBIS from time to time, and (ii) in respect of any or all the loans, credits, advances, moneys, accounts, acceptances and otherwise in any manner whatsoever (in all cases whether alone or jointly with any other person, and in whatever style, name or form, and whether as principal or surety) and at any time and from time to time (whether past, present or future) made, assumed, given, entered into by CMBIS to, for or in favour of the Client, together with interest to date of payment at such rates and upon such terms as may from time to time payable by the Client; and
- (b) enforcement, proceedings, claims, demands, arbitration, hearings, negotiations, liaisons, actions of, against or relating to the Client in respect any or all the matters as mentioned in Clauses 2.1 and 2.2.

2.3 In consideration of CMBIF entering into the Agreement with the Client, the Guarantor, as primary obligor and not merely as surety, hereby unconditionally and irrevocably guarantees, covenants and warrants the due, punctual and complete performance and fulfillment by the Client of any or all the terms, conditions, provisions of, and any or all the liabilities, obligations, duties, whether past, present or future and whether actual or contingent (a) under the Agreement and/or all other agreements, guarantees, indemnities, undertakings, warranties, representations, memoranda, contracts, instruments and documents made by the Client in favour of or with CMBIF and/or all rules, regulations, practices and procedures made, promulgated and implemented by CMBIF from time to time, and (b) in respect of any or all the loans, credits, advances, moneys, accounts, acceptances and otherwise in any manner whatsoever (in all cases whether alone or jointly with any other person, and in whatever style, name or form, and whether as principal or surety) and at any time and from time to time (whether past, present or future) made, assumed, given, entered into by CMBIF to, for or in favour of the Client, together with interest to date of payment at such rates and upon such terms as may from time to time payable by the Client.

2.4 In consideration of CMBIF entering into the Agreement with the Client, the Guarantor, as primary obligor and not merely as surety, hereby unconditionally and irrevocably guarantees and indemnifies CMBIF AND agrees to guarantee, indemnify, reimburse and pay CMBIF on demand, AND agrees to keep CMBIF fully and effectually indemnified, reimbursed and paid on demand of and against any or all of CMBIF' obligations, liabilities, losses, moneys, damages, expenses, charges, fees, penalties, legal costs and other costs whatsoever, whether past, present or future, whether actual or contingent, which are now or shall at any time and from time to time hereafter be or become due, payable, owing, liable, accrued or incurred in respect of, in relation and incidental to, arising out of or in connection with all or any of the following :-

- (a) breach, default, non-compliance, or failure or refusal to perform or fulfill by the Client of any or all the terms, conditions, provisions of, and any or all the

liabilities, obligations, duties, whether past, present or future and whether actual or contingent, (i) under the Agreement and/or all other agreements, guarantees, indemnities, undertakings, warranties, representations, memoranda, contracts, instruments and documents made by the Client in favour of or with CMBIF and/or all rules, regulations, practices and procedures made, promulgated and implemented by CMBIF from time to time, and (ii) in respect of any or all the loans, credits, advances, moneys, accounts, acceptances and otherwise in any manner whatsoever (in all cases whether alone or jointly with any other person, and in whatever style, name or form, and whether as principal or surety) and at any time and from time to time (whether past, present or future) made, assumed, given, entered into by CMBIF to, for or in favour of the Client, together with interest to date of payment at such rates and upon such terms as may from time to time payable by the Client; and

(b) enforcement, proceedings, claims, demands, arbitration, hearings, negotiations, liaisons, actions of, against or relating to the Client in respect any or all the matters as mentioned in Clauses 2.3 and 2.4.

2.5 In consideration of CMBIS entering into the Agreement with the Client and in consideration of CMBIF entering into the Agreement with the Client, the Guarantor, as primary obligor and not merely as surety, hereby unconditionally and irrevocably guarantees, covenants and warrants the due, punctual and complete performance and fulfillment by the Client of any or all the terms, conditions, provisions of, and any or all the liabilities, obligations, duties, whether past, present or future and whether actual or contingent (a) under all agreements, guarantees, indemnities, undertakings, warranties, representations, memoranda, contracts, instruments and documents made by the Client in favour of or with the CMBI Group Companies, and/or all rules, regulations, practices and procedures made, promulgated and implemented by the CMBI Group Companies from time to time, and (b) in respect of any or all the loans, credits, advances, moneys, accounts, acceptances and otherwise in any manner whatsoever (in all cases whether alone or jointly with any other person, and in whatever style, name or form, and whether as principal or surety) and at any time and from time to time (whether past, present or future) made, assumed, given, entered into by the CMBI Group Companies to, for or in favour of the Client, together with interest to date of payment at such rates and upon such terms as may from time to time payable by the Client.

2.6 In consideration of CMBIS entering into the Agreement with the Client and in consideration of CMBIF entering into the Agreement with the Client, the Guarantor, as primary obligor and not merely as surety, hereby unconditionally and irrevocably guarantees and indemnifies the CMBI Group Companies AND agrees to guarantee, indemnify, reimburse and pay the CMBI Group Companies on demand, AND agrees to keep the CMBI Group Companies fully and effectually indemnified, reimbursed and paid on demand of and against any or all of the CMBI Group Companies' obligations, liabilities, losses, moneys, damages, expenses, charges, fees, penalties, legal costs and other costs whatsoever, whether past, present or future, whether actual or contingent, which are now or shall at any time and from time to time hereafter be or become due, payable, owing, liable, accrued or incurred in respect of, in relation and incidental to, arising out of or in connection with all or any of the following :-

- (a) breach, default, non-compliance, or failure or refusal to perform or fulfill any or all the terms, conditions, provisions of, and any or all the liabilities, obligations, duties, whether past, present or future and whether actual or contingent, (i) under all agreements, guarantees, indemnities, undertakings, warranties, representations, memoranda, contracts, instruments and documents made by the Client in favour of or with the CMBI Group Companies, and/or all rules, regulations, practices and procedures made, promulgated and implemented by the CMBI Group Companies from time to time, and (ii) in respect of any or all the loans, credits, advances, moneys, accounts, acceptances and otherwise in any manner whatsoever (in all cases whether alone or jointly with any other person, and in whatever style, name or form, and whether as principal or surety) and at any time and from time to time (whether past, present or future) made, assumed, given, entered into by the CMBI Group Companies to, for or in favour of the Client, together with interest to date of payment at such rates and upon such terms as may from time to time payable by the Client; and
- (b) enforcement, proceedings, claims, demands, arbitration, hearings, negotiations, liaisons, actions of, against or relating to the Client in respect any or all the matters as mentioned in Clauses 2.5 and 2.6.

2.7 The Guarantor hereby further agrees to pay interest from the date of demand made by CMBIS and/or CMBIF and/or the CMBI Group Companies until payment on all moneys obligations and liabilities hereby guaranteed and warranted (as well after as before judgment) as CMBIS and/or CMBIF and/or the CMBI Group Companies shall in their absolute discretion determine at any time and from time to time.

3. **PRINCIPAL DEBTOR**

3.1 All instructions given by the Client shall be and be deemed by CMBIS and CMBIF to be the instructions of the Guarantor and likewise all acts, defaults, omissions or breach of the Client shall be and be deemed to be the acts, defaults, omissions or breach of the Guarantor.

3.2 As a separate and independent stipulation, the Guarantor shall, as between CMBIS, CMBIF and the Guarantor, be liable in respect of every payment due to be made by the Client under the Secured Indebtedness, as an independent principal debtor in respect of such amount and not merely a surety, and without requirement for CMBIS and/or CMBIF and/or the CMBI Group Companies first to have recourse against the Client.

3.3 CMBIS and/or CMBIF and/or the CMBI Group Companies may enforce this Guarantee notwithstanding that CMBIS and/or CMBIF and/or the CMBI Group Companies may have any outstanding right, power or remedy against the Client or any other person, and irrespective of whether any steps or proceedings are or will be taken against the Client or any other person to recover the Secured Indebtedness. The Guarantor hereby waives all its rights (if any) of requiring CMBIS and/or CMBIF and/or the CMBI Group Companies to proceed first against the Client or such other person or to enforce or realise any other security before proceeding against the Guarantor hereunder.

4. **CONCLUSIVE EVIDENCE**

- 4.1 Any statement of the amount of the Secured Indebtedness, any account, indebtedness and/or any other amount due or owing to CMBIS and/or CMBIF and/or the CMBI Group Companies from the Client signed by the authorized officer of CMBIS and/or CMBIF and/or the CMBI Group Companies shall be accepted and received by the Guarantor as conclusive evidence for all purposes and in all respects that the Guarantor is liable to pay such amount or indebtedness. The Guarantor hereby agrees that any claim or demand on the Client in relation to the Secured Indebtedness shall be binding on the Guarantor for all purposes and in all respects.

5. CONTINUING SECURITY

- 5.1 This Guarantee shall be a continuing guarantee for the whole and every part of the Secured Indebtedness and shall not be considered satisfy by any intermediate payment or satisfaction of the whole or any part of the Secured Indebtedness.
- 5.2 This Guarantee shall be binding on the Guarantor as a continuing security and shall cover and secure the ultimate balance from time to time owing to CMBIS and/or CMBIF and/or the CMBI Group Companies by the Client and the Secured Indebtedness, and until all the moneys or payments owing to CMBIS and/or CMBIF and/or the CMBI Group Companies by the Client and the Secured Indebtedness have been paid, discharged and satisfied in full, notwithstanding the death, bankruptcy, liquidation, winding up, incapacity or any change in name, constitution, partner, director or shareholder of the Client or the Guarantor or any settlement of account or other matter whatsoever and notwithstanding the close of any or all Accounts of the Client with CMBIS and/or CMBIF and/or the CMBI Group Companies.
- 5.3 This Guarantee is irrevocable and cannot be revoked by the Guarantor without the prior written consent of CMBIS and/or CMBIF and/or the CMBI Group Companies. This Guarantee shall not be discharged and affected by the death, bankruptcy, liquidation, winding up or incapacity of the Guarantor but shall continue to be operative in accordance with the terms and conditions hereof and it shall bind the executors, and administrators of the Guarantor.
- 5.4 This Guarantee shall continue to bind the Guarantor notwithstanding any amalgamation or merger that may be effected by CMBIS and/or CMBIF and/or any of the CMBI Group Companies with any other company or companies and notwithstanding any reconstruction by CMBIS and/or CMBIF and/or any of the CMBI Group Companies involving the formation of and transfer of the whole or any part of its undertaking and assets to a new company.

6. PROTECTIVE PROVISIONS

- 6.1 No failure, delay or omission on the part of CMBIS and/or CMBIF and/or the CMBI Group Companies in exercising or enforcing any right, power, privilege or remedy in respect of this Guarantee shall impair such right, power, privilege or remedy, or be construed or operated as a waiver of it, nor shall any single or partial exercise or enforcement of any such right, power, privilege or remedy preclude any further exercise of it or the exercise of any other right, power, privilege or remedy. All such right, power, privilege or remedy as aforesaid shall be exercisable or enforceable as though no waiver has been made and no relaxation or indulgence granted. The

rights, powers, privileges and remedies provided in this indemnity are cumulative and not exclusive of any rights, powers, privileges or remedies provided by law.

- 6.2 Any waiver by CMBIS and/or CMBIF and/or the CMBI Group Companies of any breach of any of the covenants, undertakings, terms, or conditions contained herein or other relaxation or indulgence granted at any time by CMBIS and/or CMBIF and/or the CMBI Group Companies to the Guarantor or any other person, shall, without any express reservation to that effect by CMBIS and/or CMBIF and/or the CMBI Group Companies, be deemed to be without prejudice to and shall not affect the exercise at any time thereafter by CMBIS and/or CMBIF and/or the CMBI Group Companies of all or any of its rights, powers and remedies hereunder as though no such waiver has been made or relaxation or indulgence granted.
- 6.3 No waiver by CMBIS and/or CMBIF and/or the CMBI Group Companies of any particular default by the Guarantor shall affect or prejudice any right, remedy, power and privilege of CMBIS and/or CMBIF and/or the CMBI Group Companies in respect of any other default or any subsequent default of the same or different kind. No waiver of any default by the Guarantor shall be effective unless in writing signed by CMBIS and/or CMBIF and/or the CMBI Group Companies.
- 6.4 CMBIS and/or CMBIF and/or the CMBI Group Companies are to be at liberty at any time and without reference to the Guarantor to increase or refuse further credit to the Client. The liability of the Guarantor under this Guarantee shall not be affected by any arrangement which CMBIS and/or CMBIF and/or the CMBI Group Companies may make with the Client or with any other person which (but for this provision) might operate to diminish or discharge the liability of or otherwise provide a defence to a guarantee. Without prejudice to the generality of the above, CMBIS and/or CMBIF and/or the CMBI Group Companies are to be at liberty at any time and without reference to the Guarantor to give time for payment or grant any other indulgence and to give up, deal with, vary, exchange or abstain from perfecting or enforcing any other securities or guarantees held by CMBIS and/or CMBIF and/or the CMBI Group Companies at any time and to discharge any party to them or any of them, and to realize such securities or guarantees or any of them, as CMBIS and/or CMBIF and/or the CMBI Group Companies think fit and to compound with, accept compositions from and make any other arrangements with the Client or any person or persons liable on bills, notes or other securities or guarantees held or to be held by CMBIS and/or CMBIF and/or the CMBI Group Companies without affecting the Guarantor's liability under this Guarantee.
- 6.5 Any release, discharge or settlement between the Guarantor and CMBIS and/or CMBIF and/or the CMBI Group Companies shall be conditional upon no security, disposition or payment to CMBIS and/or CMBI Futures and/or the CMBI Group Companies by the Client, the Guarantor or any other person being avoided or reduced pursuant to any provisions or enactment relating to bankruptcy, liquidation, winding-up, dissolution or insolvency, and if such condition shall not be fulfilled CMBIS and/or CMBIF and/or the CMBI Group Companies shall be entitled to enforce this Guarantee subsequently as if such release, discharge or settlement had not occurred.
- 6.6 The security created in this Guarantee shall not be discharged by any failure of, or defect or informality in, any security given by or on behalf of the Client in respect of any Secured Indebtedness nor by any legal limitation, disability, incapability or lack of any powers of the Client or lack of authority of any director or other person

appearing to be acting for the Client in any matter in respect of any Secured Indebtedness or by any other fact or circumstances as a result of which any Secured Indebtedness incurred or purported to be incurred by or on behalf of the Client is or may be rendered invalid, illegal, void or unenforceable by CMBIS and/or CMBIF and/or the CMBI Group Companies against the Client in whole or in part.

- 6.7 Should any purported obligation or liability of the Client which, if valid or enforceable, would be secured by this Guarantee be or become wholly or in part invalid or unenforceable against the Client on any ground whatsoever, including any defect in or insufficiency or want of powers of the Client, or irregular or improper purported exercise thereof, or breach or want of authority by any person purporting to act on behalf of the Client, or any legal limitation (whether under the Limitation Ordinance (Cap. 347) or otherwise), or other incapacity, or any other fact or circumstance, whether or not known to the CMBI Group Companies, or if for any other reason whatsoever the Client is not or cease to be legally liable to discharge any obligation or liability undertaken or purported to be undertaken under the Secured Indebtedness, this Guarantee shall nevertheless extend to that obligation or liability or purported obligation or liability as if the same were wholly valid and enforceable and the Guarantor were the principal debtor in respect thereof. CMBIS and/or CMBIF and/or the CMBI Group Companies are not to be concerned to see or enquire into the powers of the Client or its officers, employees or agents purporting to act on its behalf.
- 6.8 The Guarantor shall not be exonerated, nor shall this Guarantee be in any way discharged or diminished or in any way affected by :-
- (a) CMBIS and/or CMBIF and/or the CMBI Group Companies, from time to time, with or without the consent and/or with or without knowledge of the Guarantor, granting to the Client or any other person, any time, indulgence or concession, or renewing any securities, or varying, realizing, releasing or abstaining from perfecting or enforcing any guarantees, indemnities, assurances, pledges, liens, mortgages, charges, debentures, securities, or any other rights, powers or remedies, or renewing, determining, varying or increasing any credit or facilities to, or the terms or conditions in respect of any transaction with, the Client in any manner whatsoever, or agreeing with the Client as to the application of any loans or advances made or to be made to or for the account of the Client, or compounding with, discharging, releasing or varying the liability of the Client or any other person, or concurring in accepting or varying any compromise, arrangement or settlement, or omitting to claim or enforce payment from the Client or any other person;
 - (b) anything done or omitted which, but for this provision, might operate to exonerate the Guarantor or discharge or diminish or in any way affect this Guarantee; or
 - (c) the close of any or all Accounts of the Client with CMBIS and/or CMBIF and/or the CMBI Group Companies.
- 6.9 For the avoidance of doubt, no variation or modification of the Agreement, the Loan Agreement and/or all agreements, guarantees, indemnities, undertakings, warranties, representations, memoranda, contracts, instruments and documents made by the Client in favour of or with CMBIS and/or CMBIF and/or the CMBI Group Companies shall prejudice, affect and discharge the liabilities or obligations of the Guarantor under this Guarantee or the validity or enforceability of this Guarantee.

- 6.10 Independent of any other terms and conditions of this Guarantee, if for any cause whatsoever the obligation of the Guarantor under any of the provisions herein is or becomes or proves to be unenforceable or shall be declared or adjudged to be illegal, invalid or unenforceable under any applicable law, the Guarantor shall nevertheless grant to CMBIS and/or CMBIF and/or the CMBI Group Companies a complete indemnity and shall pay to CMBIS and/or CMBIF and/or the CMBI Group Companies all sums necessary to make good and compensate CMBIS and/or CMBIF and/or the CMBI Group Companies for all losses, damages, costs, disbursements and liabilities suffered on incurred by CMBIS and/or CMBIF and/or the CMBI Group Companies as a direct or indirect result of such illegality, invalidity or unenforceability.
- 6.11 If the Client shall be either a firm, a corporation, an unincorporated body or other organization, the provisions herein which shall primarily and literally be applicable to a single and individual Client only shall be construed and take effect so as to give to CMBIS and/or CMBIF and/or the CMBI Group Companies guarantee and indemnity for all money due or owing from such firm and every member thereof or from such corporation, unincorporated body or other organization as identical or analogous as may be with or to that which would have been given for the money due or owing from a single individual if the Client were a single individual. If the Client shall be a firm, this Guarantee shall be deemed to be a continuing guarantee for all money due or owing from the person(s) from time to time carrying on business in the name of or in succession to the firm and any change in the constitution of the firm whether by death, retirement or admission of partner(s) or otherwise shall not in any way affect, invalidate or discharge the liability of the Guarantor under this Guarantee. If the Client shall be a corporation, any reference to bankruptcy shall be deemed to be a reference to winding up, liquidation or other analogous proceedings and the money due and owing to CMBIS and/or CMBIF and/or the CMBI Group Companies by the Client and guaranteed hereunder shall be deemed to include any money due or owing in respect of the debentures or debenture stock of such corporation held by CMBIS and/or CMBIF and/or the CMBI Group Companies or on behalf of CMBIS and/or CMBIF and/or the CMBI Group Companies.
- 6.12 All amounts demanded by CMBIS and/or CMBIF and/or the CMBI Group Companies from the Guarantor under this Guarantee and this Guarantee shall remain in full force and effect and the liabilities of the Guarantor hereunder shall not be discharged or affected by any act, omission, matter or thing which, but for this provision, might operate to discharge or otherwise exonerate the Guarantor from its liabilities hereunder including without limitation (and whether or not known to or consented by the Guarantor) :-
- (a) any termination, reduction or limitation or any grant, renewal, continuation, increase or variation of any credit facilities to the Client or any other person;
 - (b) any release, discharge, consent, waiver, time, indulgence, accommodation or settlement granted to or any composition or arrangement with the Client or any other person;
 - (c) the taking, hold-over, renewal, exchange, variation, compromise, discharge or release of or the refusal or failure to take, perfect, enforce or realize any right, power, remedy or privilege or any security against the Client or any other person;
 - (d) any legal limitation, disability or incapacity of the Client or any other person, the want or inadequacy or irregular or improper exercise of the powers of the

- Client or any other person, or the want of authority by any person purporting to act on behalf of the Client or any other person;
- (e) the Client or any other person not being or ceasing to be legally liable for discharging any obligation or liability undertaken or purported to be undertaken on its behalf;
 - (f) any amendment to or variation of the provisions of any other security from the Client or any other person;
 - (g) the illegality, invalidity or unenforceability of or any defect in any other security from the Client or any other person;
 - (h) the lapse or expiry of any applicable limitation period;
 - (i) the absorption, amalgamation, reconstruction, reorganization or other change in the constitution, name or style of the Client, the Guarantor, CMBIS and/or CMBIF and/or the CMBI Group Companies or any other person;
 - (j) the death, bankruptcy, winding up, insolvency, liquidation or dissolution of the Client, the Guarantor, CMBIS and/or CMBIF and/or the CMBI Group Companies or any other person; and
 - (k) the close of any or all the Accounts of the Client with CMBIS and/or CMBIF and/or the CMBI Group Companies.

7. Power of CMBI Group Companies

- 7.1 CMBIS and/or CMBIF and/or the CMBI Group Companies are at liberty but not bound to resort for their own benefit to any other means of payment at any time and in any order CMBIS and/or CMBIF and/or the CMBI Group Companies think fit without in consequence prejudice or diminishing the obligation or liability of the Guarantor hereunder. CMBIS and/or CMBIF and/or the CMBI Group Companies may enforce their rights under this Guarantee either for the payment of the ultimate balance after resorting to other means of payment or for the balance due at any time notwithstanding that other means of payment have not been resorted to and in the latter case without entitling the Guarantor to any benefit from such other means of payment so long as any money remains due or owing or payable (whether actually or contingently) from or by the Guarantor to CMBIS and/or CMBIF and/or the CMBI Group Companies.
- 7.2 The Guarantor agrees that CMBIS and/or CMBIF and/or the CMBI Group Companies shall have a lien on and be entitled to retain as security for the liabilities of the Guarantor hereunder any cheques, drafts, bills, notes or negotiable or non-negotiable instruments and any stocks, shares or marketable Securities, goods, properties, assets or chattels the Guarantor from time to time deposited with CMBIS and/or CMBIF and/or the CMBI Group Companies whether held for safe custody or otherwise.

8. Undertaking and Covenant

- 8.1 The Guarantor hereby undertakes and covenants that this Guarantee ranks and will continue to rank at least pari passu with the Guarantor's existing and future unsecured or unsubordinated obligations, and that the claims of CMBIS and/or CMBIF and/or the CMBI Group Companies under this Guarantee ranks and will continue to rank at least pari passu with the claims of all other unsecured or unsubordinated creditors.
- 8.2 The Guarantor hereby agrees and covenants not to claim or prove in competition with CMBIS and/or CMBIF and/or the CMBI Group Companies in the bankruptcy,

liquidation, winding-up, insolvency or dissolution of, or have the benefit of any share in any payment or composition from the Client or in any other guarantee or security now or hereafter held by CMBIS and/or CMBIF and/or the CMBI Group Companies Provided that the Guarantor will, if required by CMBIS and/or CMBIF and/or the CMBI Group Companies, claim or prove in respect of any of the matters referred to in this Clause and will hold the benefit of such claim or proof on trust to pay all moneys received in respect thereof to CMBIS and/or CMBIF and/or the CMBI Group Companies.

- 8.3 Until the Secured Indebtedness has been paid, discharged or satisfied in full (which expression shall not include payment of a dividend in liquidation or bankruptcy of less than 100 per cent), the Guarantor waives all rights of subrogation and indemnity against the Client and agrees not to demand or accept repayment in whole or in part of any moneys, obligations or liabilities then or thereafter due to the Guarantor from the Client.
- 8.4 The Guarantor agrees that no time for limitation of liability in respect of this Guarantee shall begin to run in favour of the Guarantor unless and until CMBIS and/or CMBIF and/or the CMBI Group Companies shall have made demand on the Guarantor, and if more than one demand is made, then only from the date and to the extent of each demand respectively.
- 8.5 If any money paid to CMBIS and/or CMBIF and/or the CMBI Group Companies in reduction satisfaction of the Secured Indebtedness have to be repaid or refunded by CMBIS and/or CMBIF and/or the CMBI Group Companies on the ground of fraudulent preference or on any other ground, the liabilities of the Guarantor under this Guarantee shall be computed or assessed as if such money had never been paid to CMBIS and/or CMBIF and/or the CMBI Group Companies at all.

9. Consolidation and Offset

- 9.1 Without prejudice to any other right, remedy, power and privilege of CMBIS and/or CMBIF and/or the CMBI Group Companies under this Guarantee and in addition to any general lien or similar right CMBIS and/or CMBIF and/or the CMBI Group Companies may be entitled by law, CMBIS and/or CMBIF and/or the CMBI Group Companies may (and the Guarantor hereby irrevocably authorizes CMBIS and/or CMBIF and/or the CMBI Group Companies to) at any time without notice to the Guarantor retain all or any Securities, valuables or any other property whatsoever and wherever situate which may be deposited with or otherwise held by CMBIS and/or CMBIF and/or the CMBI Group Companies for or in the name of the Guarantor (or any one or more of them) whether for safe custody or otherwise and to sell the same or any part thereof at such price and on such terms and conditions as CMBIS and/or CMBIF and/or the CMBI Group Companies may at its absolute discretion determine whether by public auction, private treaty or tender and CMBIS and/or CMBIF and/or the CMBI Group Companies may engage such agent and broker therefor and apply the proceeds thereof to offset any sum and liability due from the Guarantor hereunder after deducting all costs and expenses relating thereto.
- 9.2 In addition to any rights of offset or transfer and any similar rights, CMBIS and/or CMBIF and/or the CMBI Group Companies may at any time as a continuous right, without notice or demand, combine or consolidate all or any of the Guarantor's then existing accounts (whether deposit, loan or of any other nature whatsoever, and

whether subject to notice or not), and transfer or offset any money of the Guarantor held by CMBIS and/or CMBIF and/or the CMBI Group Companies and/or any money payable to the Guarantor by CMBIS and/or CMBIF and/or the CMBI Group Companies and/or any sum standing to the credit of any of the accounts of the Guarantor with CMBIS and/or CMBIF and/or the CMBI Group Companies in or toward satisfaction of the Secured Indebtedness or any liabilities to CMBIS and/or CMBIF and/or the CMBI Group Companies on any other account, or in any other respect whatsoever whether such liabilities be present or future, actual or contingent, primary or collateral, and joint or several.

10. Other Security

- 10.1 This Guarantee shall be in addition to and not in substitution for and shall not be in any way prejudiced or affected by any one or more other indemnities, guarantees, liens, pledges, assurances, mortgages, charges, securities or other obligations which CMBIS and/or CMBIF and/or the CMBI Group Companies may now or subsequently hold whether from the Client, the Guarantor or any other person or corporation. CMBIS and/or CMBIF and/or the CMBI Group Companies may at any time and without reference to the Guarantor give time for payment or grant any other indulgence and give up, deal with, vary, exchange or abstain from perfecting or enforcing any other indemnities, guarantees, liens, pledges, assurances, mortgages, charges, securities or other obligations held by CMBIS and/or CMBIF and/or the CMBI Group Companies at any time and discharge any party to them or any of them, and realize them or any of them, and compound with, accept composition from and make any other arrangements with any person or persons, as CMBIS and/or CMBIF and/or the CMBI Group Companies thinks fit, without affecting the liability of the Guarantor under this Guarantee.
- 10.2 The liability of the Guarantor hereunder shall not be affected by any failure by CMBIS and/or CMBIF and/or the CMBI Group Companies to take any security or by any invalidity of any security taken.
- 10.3 The Guarantor declares that he has received no security for giving this Guarantee and it is agreed by the Guarantor that the Guarantor will not, as long as this Guarantee remains in force, take any security in respect of the Guarantor's liability under this Guarantee without first obtaining the written consent of CMBIS and/or CMBIF and/or the CMBI Group Companies. The Guarantor agrees that should any such security be created while any money, obligation or liability, payment whereof is hereby guaranteed, remains undischarged any such security shall be forthwith pledged or sub-pledged to CMBIS and/or CMBIF and/or the CMBI Group Companies to secure the obligations of the Guarantor hereunder and shall forthwith be deposited with CMBIS and/or CMBIF and/or the CMBI Group Companies accordingly. The Guarantor agrees that if default is made in observing the preceding provisions of this Clause, any security taken in contravention and all moneys at any time received in respect thereof shall be held in trust for CMBIS and/or CMBIF and/or the CMBI Group Companies as security for the liability of the Guarantor to CMBIS and/or CMBIF and/or the CMBI Group Companies hereunder.
- 10.4 The Guarantor agrees to be bound by this Guarantee notwithstanding that any other person intended to execute or to be bound by this Guarantee or any other security document relating to the Secured Indebtedness may not do so or may not be effectually bound and notwithstanding that this Guarantee or such other security document may be determined or be or become invalid or unenforceable against any

other person, whether or not the deficiency is known to CMBIS and/or CMBIF and/or the CMBI Group Companies.

11. Further Assurance

11.1 The Guarantor shall at its own cost and expense from time to time execute and do all such assurances, deeds, acts and things as CMBIS and/or CMBIF and/or the CMBI Group Companies shall require for the purpose of perfecting, preserving, protecting or improving the security created or intended to be created under this Guarantee or facilitating the exercise by CMBIS and/or CMBIF and/or the CMBI Group Companies of any of its right, remedy, power and privilege conferred hereby. As security for the discharge of its obligations hereunder, the Guarantor hereby irrevocably appoints CMBIS and/or CMBIF and/or the CMBI Group Companies to be its attorney and in its name and on its behalf (or in the name of CMBIS and/or CMBIF and/or the CMBI Group Companies) to execute and do all such assurances, deeds, acts or things which the Guarantor ought to do under the terms of this Guarantee (including without limitation the filing or registration of this Guarantee at any relevant registries or bodies (whether local or otherwise) and the signing of any particulars or certificates relating thereto) and the Guarantor hereby ratifies and confirms and agrees to ratify and confirm whatever CMBIS and/or CMBIF and/or the CMBI Group Companies shall do or purport to do pursuant to the appointment aforesaid.

12. Severability

12.1 If at any time any provision of this Guarantee is or becomes illegal, invalid or unenforceable in any respect under the laws of any jurisdiction, neither the legality, validity or enforceability of the remaining provisions nor the legality, validity or enforceability of such provision under the laws of any other jurisdiction shall in any way be affected or impaired thereby.

12.2 Any provision of this Guarantee becoming prohibited by or unlawful, illegal, invalid or unenforceable under any applicable law actually applied by any court of competent jurisdiction shall, to the extent required by such law, be severed from this Guarantee and rendered ineffective so far as is possible without modifying the remaining provisions of this Guarantee. Where, however, the provisions of any such applicable law may be waived, they are hereby waived by the parties hereto to the full extent permitted by such law to the end that this Guarantee shall be a valid and binding agreement enforceable in accordance with its terms.

13. More Than One Guarantor

13.1 Where the Guarantor consists of more than one person (whether a partnership or otherwise):-

- (a) each of them shall be bound though any other of such persons intended to be bound is not, for whatever reason, so bound. References to the Guarantor shall be construed to any or each of them;
- (b) each of them shall be jointly and severally liable to and responsible for the liabilities, obligations and indebtedness under this Guarantee;
- (c) the act and/or conduct of any of such persons shall be jointly and severally binding on any or all of such persons;

- (d) any of the CMBI Group Companies shall be entitled to exercise, assert or claim any rights, powers, claims or demands of the CMBI Group Companies under this Guarantee against all or any of them jointly or severally to any extent without affecting the obligation or liability of any other of such persons. Any of the CMBI Group Companies shall be entitled to deal separately with any of them on any matter including the discharge, satisfaction or performance of any liability, obligation or indebtedness to any extent without affecting the liability of any other of such persons;
- (e) each one of them shall waive in favour of all the CMBI Group Companies the right of proof in competition with any one or all of the CMBI Group Companies in the bankruptcy or insolvency of the other(s) and none of them shall take from the other(s) any counter-security without prior written consent from all the CMBI Group Companies; and
- (f) the discharge, satisfaction or performance of any liability, obligation or indebtedness under this Guarantee by any of the CMBI Group Companies in favour of or for the benefit of any of such persons shall be and be deemed to be full and sufficient discharge, satisfaction or performance of such liability, obligation or indebtedness in favour of or for the benefit of any or all of such persons. The payment of money or fund by any of the CMBI Group Companies toward or in favour of any of such persons shall be and be deemed to be full and sufficient discharge, satisfaction or performance of such payment of money or fund toward or in favour of any or all of such persons.

14. Miscellaneous Provisions

- 14.1 The provisions of this Guarantee shall be binding on and enure to the benefit of the successors, assigns and personal representatives of the estate of each party hereto provided that the Guarantor shall not assign, transfer, alienate, charge, delegate or otherwise dispose of any of the interest, rights, benefits, liabilities or obligations hereunder without the prior written consent of all the CMBI Group Companies. Any of the CMBI Group Companies may at any time assign, transfer, alienate or otherwise dispose of all or a part only of its interest, rights, benefits, liabilities and obligations in or under this Guarantee to any person without the prior consent or approval of the Guarantor. Any assignee, transferee or successor of any of the CMBI Group Companies shall have the same interest, rights, benefits, liabilities and remedies as if it were such CMBI Group Company.
- 14.2 Without prejudice to other provisions of this Guarantee relating to communication or notice by or from any of the CMBI Group Companies and the right of any of the CMBI Group Companies to use any way or method of communication, any report, confirmation, statements, notice and other communication from any of the CMBI Group Companies to the Guarantor under this Guarantee may be delivered personally or sent by post or telex or fax addressed to the Guarantor at the address or other company registered address (if applicable) set out in this Guarantee or at such other address as may have been notified in writing by the Guarantor to any of the CMBI Group Companies (such notification shall only take effect 24 hours after the actual receipt of the same by such CMBI Company). Any such report, confirmation, statements, notice and other communication shall be and be deemed to have been received by the Guarantor (a) if hand delivered, when delivered, (b) if given by post, two days after the same has been posted, or (c) if given by telex or fax, at the same time as it is dispatched. The contents of such report, confirmation, statement, notice or communication or statement of account issued by any of the

CMBI Group Companies shall be or be deemed correct and accurate and no objection thereto shall be made by the Guarantor unless written objection is actually received by such CMBI Group Company within 24 hours after hand delivery or transmission by telex or fax, or in case of posting 48 hours thereafter.

- 14.3 All notices, requests, demands or other communications under this Guarantee or in connection herewith to the any of the CMBI Group Companies shall be in writing and shall be sent to or served on such CMBI Group Company by personal delivery or by registered post and shall only be valid and take effect after the actual receipt of the same by such CMBI Group Company.
- 14.4 No provision of this Guarantee shall be amended, supplemented or modified except by written instruments duly signed by any CMBI Group Companies. Such CMBI Company may at its discretion amend, delete or substitute any of the provisions herein or add new provisions to this Guarantee by sending to the Guarantor a notice in writing setting out such amendment, deletion, substitution or addition in accordance with this Clause. Such amendment, deletion, substitution or addition shall be and be deemed incorporated in and form part of this Guarantee, and shall take effect and becoming binding on the Guarantor unless written objection thereto shall be actually received by such CMBI Company within 24 hours after hand delivery or transmission by telex or fax, or in case of posting 48 hours thereafter.
- 14.5 This Guarantee supersedes all prior engagements, arrangements, agreements and contracts whether oral or in writing whatsoever made by any CMBI Group Companies. No warranties or representations express or implied are or have been made or given by such CMBI Group Company or by anybody on his behalf relating to the subject of this Guarantee prior to the signing hereof. If any such warranty or representation express or implied has been made the same is withdrawn or deemed to have been withdrawn immediately before such CMBI Group Company entering into this Guarantee. However this Guarantee does and will not supersede any prior engagements, arrangements, agreements and contracts whether oral or in writing whatsoever and whether past, present or future made by the Guarantor in favour of any of the CMBI Group Companies, and does and will not affect or prejudice any or all the liabilities, obligations or indebtedness whether oral or in writing whatsoever and whether past, present or future of Guarantor to any of the CMBI Group Companies.
- 14.6 Time shall in every respect be of the essence of the liabilities and obligations of the Guarantor under this Guarantee.

15. Governing Law and Jurisdiction

- 15.1 This Guarantee shall be governed by and construed in accordance with the laws of Hong Kong, and this Guarantee shall be executed and enforceable in Hong Kong, China and outside the territory. CMBIS and/or CMBIF and/or CMBI Group Companies is entitled to choose and submit to any jurisdiction of the courts of Hong Kong or other places in relation to all matters arising from this Guarantee.
- 15.2 The Guarantor agrees that any writ, summons, order, judgment or other document shall be and be deemed duly and sufficiently served on the Guarantor if addressed to the Guarantor and left at or sent by post to the address of the Guarantor set out in this Guarantee or last known to CMBI Group Company. The foregoing shall not

limit the CMBI Group Company's right to serve process on the Guarantor in any manner permitted by laws of the relevant jurisdiction.

16. Legal Advice

- 16.1** The Guarantor confirms that he had read this Guarantee and that the terms and conditions of this Guarantee have been fully explained to the Guarantor in a language of the Guarantor's choice. **The Guarantor acknowledges that he understands the contents of this Guarantee and he has been invited to seek independent legal advice on this Guarantee.**

Execution Page(s)

IN WITNESS whereof the Guarantor has duly executed this Guarantee on the date and year first above written.

The Guarantor

SIGNED SEALED and DELIVERED by)
Guarantor (Name of person))
_____)
in the presence of)
Witness _____)

OR

SIGNED SEALED and DELIVERED by)
Guarantor (Name of corporation))
_____)
_____)

SIGNED by _____,
(Name of authorized representative)

in the presence of
Witness _____

Guarantor's details:

Name : _____
Country of citizenship : _____
Address : _____
Telephone No. : _____
Fax No. : _____
Occupation : _____

Witness's details:

Name: _____
Address: _____
Occupation: _____

ACCEPTED AND SIGNED

For and on behalf of
CMB International Securities Limited/ CMB International Futures Limited :

Authorized Signature/ Business Chop