

THIS DEED is made on 3 April 2009

BETWEEN:

- (1) **TACK FAT GROUP INTERNATIONAL LIMITED** (Provisional Liquidators Appointed), a company incorporated under the laws of the Cayman Islands with limited liability whose principal place of business in Hong Kong is at 14th Floor, The Hong Kong Club Building, 3A Chater Road, Central, Hong Kong (the “**Company**”);
- (2) **MR. FOK HEI YU** and **MR. RODERICK JOHN SUTTON**, the joint and several provisional liquidators of the Company, both of Ferrier Hodgson Limited at 14th Floor, The Hong Kong Club Building, 3A Chater Road, Central, Hong Kong (the “**Provisional Liquidators**”);
- (3) **FOREFRONT FINANCE CO., LIMITED**, a company incorporated under the laws of Hong Kong with limited liability and having its registered office at Rm. 1103, 11th Floor, China United Centre, 28 Marble Road, North Point, Hong Kong (the “**Lender**”);
- (4) **MERRIER LIMITED**, a company incorporated under the laws of the British Virgin Islands with limited liability and having its registered office at P. O. Box 957, Offshore Incorporations Centre, Road Town, Tortola, British Virgin Islands (“**Merrier**”);
- (5) **HANSOM FINANCE LIMITED**, a company incorporated under the laws of Hong Kong with limited liability and having its registered office at 8th Floor, China United Centre, 28 Marble Road, North Point, Hong Kong (“**Hansom**”);
and
- (6) **RADFORD DEVELOPMENTS LIMITED**, a company incorporated under the laws of the British Virgin Islands and having its registered office at Sea Meadow House, Blackbourne Highway, P. O. Box 116, Road Town, Tortola, British Virgin Islands (the “**Investor**”).

(together the “**Parties**” and each a “**Party**”)

WHEREAS:-

- (A) By a loan agreement dated 12th June, 2008 made between the Lender as lender, the Company as borrower and Mr. Kwok Wing as guarantor (the "**Loan Agreement**"), the Lender had agreed to make available to the Company a sum of HK\$27,500,000.00 by way of a revolving loan facility (the "**Loan**") upon the terms and conditions set out therein.
- (B) It was one of the conditions under the Loan Agreement that the Company had to provide a share charge (the "**Share Charge**") of all the issued share capital, being 700 ordinary shares of US\$1.00 each (the "**Shares**"), of Ever Century Holdings Limited, a company incorporated under the laws of the British Virgin Islands with limited liability and was the wholly-owned subsidiary of the Company ("**Ever Century**"), in favour of the Lender as security for the Loan.
- (C) The Share Charge dated 12th June, 2008 was executed by the Company in favour of the Lender as security for the Loan.
- (D) By a loan agreement dated 12th June, 2008 made between the Company as borrower and Hansom as lender (the "**Hansom First Loan Agreement**"), Hansom had agreed to make available to the Company a sum of HK\$7,500,000.00 by way of a loan facility (the "**Hansom First Loan**") upon the terms and conditions set out therein.
- (E) By a loan agreement dated 23rd July, 2008 made between the Company as borrower and Hansom as lender (the "**Hansom Second Loan Agreement**"), Hansom had agreed to grant a further loan facility in a sum of HK\$10,000,000.00 to the Company (the "**Hansom Second Loan**") upon the terms and conditions set out therein.
- (F) It was one of the conditions under the Hansom Second Loan Agreement that the Company had to provide a share charge (the "**Hansom Share Charge**") of all the issued share capital of Ever Century in favour of Hansom as security for the Hansom First Loan and the Hansom Second Loan (the "**Hansom Loans**").

(the Loan, the Hansom First Loan and the Hansom Second Loan be together called interchangeably as the "**Loans**"; and the "**Share Charge**" and the "**Hansom Share Charge**" be together called interchangeably as the "**Share**

Charges”)

- (H) A written notice dated 1st August, 2008 was served by Hansom to the Company informing them that events of default had occurred under the Hansom First Loan Agreement and Hansom Second Loan Agreement, declaring that the Hansom First Loan and the Hansom Second Loan together with outstanding interest thereon became immediately payable and demanding that the repayment of the Hansom First Loan and the Hansom Second Loan together with outstanding accruing interest, failing which Hansom would take action to enforce repayment of the Hansom Loans together with outstanding interests including exercising its rights under various securities.
- (G) A written notice dated 13th August, 2008 was served by the Lender to the Company informing them that events of default had occurred under the Loan Agreement, declaring that the Loan together with outstanding interests thereon became immediately payable and demanding the repayment of the Loan together with outstanding interests on 14th August, 2008 failing which the Lender would take action to enforce repayment of the Loan together with outstanding interest including exercising its rights under various securities.
- (I) On 15th August, 2008, the Lender exercised its rights under the Share Charge and the Shares were transferred by the Company to Merrier in accordance with the terms and conditions of the Share Charge to reinforce the security created by the Share Charge.
- (J) On 10 September 2008, a winding up petition was presented against the Company in the High Court of the Hong Kong Special Administrative Region (the “**High Court**”) and on 11 September 2008, the High Court ordered the appointment of the Provisional Liquidators as the joint and several provisional liquidators of the Company.
- (K) On 12 January 2009, the Provisional Liquidators and the Investor, among others, entered into an exclusivity and escrow agreement (the “**Exclusivity Agreement**”) for the purposes of restructuring the Company and certain of its subsidiaries including Ever Century in accordance with the principal terms of the restructuring proposal as set out in Schedule 1 to the Exclusivity Agreement (“**Restructuring**”).

- (L) Subject to the terms and conditions herein and without prejudice to the rights of the Lender and Hansom under the Loan Agreement, the Hansom First Loan Agreement, the Hansom Second Loan Agreement and the Share Charges, Merrier has agreed to transfer the Shares back to the Company in order to facilitate the Restructuring.

THIS DEED WITNESSES as follows:

1. INTERPRETATION

Unless otherwise stated, references to Clauses are to the Clauses of this Deed.

2. THE SHARES

- 2.1 Merrier hereby agrees to transfer the Shares to the Company and shall deliver to the Company as soon as practicable:
- (i) the instrument of transfer in respect of the Shares duly executed by Merrier in favour of the Company;
 - (ii) the share certificates of the Shares in the name of the Company; and
 - (iii) the minutes of a meeting of the board of directors of Ever Century recording the transfer of the Shares to the Company pursuant to Clause 2.1 of this Deed;
 - (iv) copy of the certificate of incorporation of Ever Century;
 - (v) copy of the register of members and register of directors of Ever Century;
 - (vi) any certificates of incorporation, common seals, statutory books or records, authorized chops, and/or correspondence relating to the accounts and affairs of Ever Century or its subsidiaries obtained by Merrier upon the enforcement of the Share Charge in August 2008.
- 2.2 Subject to Clauses 3.1 and 3.2 or if the Restructuring fails to complete for whatever reasons, it is expressly agreed and acknowledged by the Company and the Provisional Liquidators that the transfers of the Shares by Merrier under

Clause 2.1 shall not be prejudicial or detrimental to the respective rights of:

- (i) the Lender under the Loan Agreement and/or the Share Charge; or
- (ii) Hansom under the Hansom First Loan Agreement, the Hansom Second Loan Agreement and/or the Hansom Share Charge,

including but not limited to the respective rights of the Lender and Hansom to make a claim for the repayment of any outstanding indebtedness (or any part thereof) under the terms of each of their Loans as secured creditors. For the avoidance of doubt, the Company and the Provisional Liquidators agree and acknowledge that if the Restructuring completes within 12 months from the date of this Deed, this Deed will not prejudice any rights of the Lender and Hansom to make any claim in respect of any outstanding indebtedness (or any part thereof) under the terms of each of their Loans in a scheme of arrangement entered into for the Restructuring.

2.3 The Company shall, immediately after compliance with Clause 2.1 of this Deed by Merrier, deposit with Merrier or its nominee:

- (i) a blank instrument of transfer in respect of the Shares duly signed by the Company;
- (ii) the relevant shares certificates of the Shares; and-
- (iii) the board minutes of Ever Century approving the transfer and registration of the Shares in the name of Merrier in a form agreed by Merrier.

3. THE SHARE CHARGE AND THE HANSOM SHARE CHARGE

3.1 If the Restructuring is not completed within 12 months from the date of this Deed (or such other date as agreed in writing between the Lender, the Company and the Provisional Liquidators) and the Lender wishes to enforce the Share Charge, the Lender undertakes to give two weeks notice to the Company and the Provisional Liquidators before taking any action to transfer the Shares. If the notice for transfer of the Shares has not been withdrawn by the Lender within such two week period, the Company and the Provisional Liquidators shall not raise any objection to and undertake to provide all reasonable assistance to the

Lender to transfer the Shares to the Lender.

- 3.2 If the Restructuring is not completed within 12 months from the date of this Deed (or such other date as agreed in writing between Hansom, the Company and the Provisional Liquidators) and Hansom wishes to enforce the Hansom Share Charge, Hansom undertakes to give two weeks notice to the Company and the Provisional Liquidators before taking any action to transfer the Shares. If the notice for transfer of the Shares has not been withdrawn by Hansom within such two week period, the Company and the Provisional Liquidators shall not raise any objection to and undertake to provide all reasonable assistance to transfer the Shares to Hansom.
- 3.3 If two weeks have elapsed following service on it of a notice under Clause 3.1 or Clause 3.2 (the “**Enforcement Notice**”) and that Enforcement Notice has not been withdrawn by the Lender and/or Hansom (as the case may be), the Provisional Liquidators undertake to return to Merrier as soon as practicable, any and all items provided to the Company or the Provisional Liquidators pursuant to subparagraphs Clause 2.1(iv) to Clause 2.1(vi).

4. CONSENT AND ACKNOWLEDGMENTS

Each of the Lender and Hansom hereby:

- (i) acknowledge, confirm and agree that while the Lender effected a transfer of the legal ownership of the Shares to Merrier on 15 August 2008, there was no intention to change the beneficial ownership of those Shares or the Company's control over Ever Century;
- (ii) unconditionally and irrevocably agrees and approves the transaction as contemplated under this Agreement; and
- (iii) represents and warrants that neither of them hold any certificates of incorporation, common seals, statutory books or records, authorized chops, and/or correspondence relating to the accounts and affairs of Ever Century or its subsidiaries.

5. FURTHER ASSURANCE

Each Party undertakes with the other Party that it will execute all such documents and do all such acts and things as the other Party may at any time and from time to time reasonably request and as may be lawful and within its power to do to carry into effect or to give legal effect to the provisions in this Deed and the transactions contemplated in this Deed.

6. CONTINUING EFFECT

All provisions of this Deed shall, insofar as they are capable of being performed or observed, continue in full force and effect notwithstanding any completion of this Deed, except in respect of those matters then already performed.

7. ENTIRE AGREEMENT

This Deed sets forth the entire agreement and understanding between the Parties in relation to the transactions contemplated by this Deed, and supersedes and cancels in all respects all previous letters of intent, correspondence, understandings, agreements and undertakings (if any) between the Parties with respect to the subject matter of this Deed, whether such be written or oral.

8. SEVERABILITY

If at any time one or more of the provisions of this Deed is or becomes invalid, illegal, unenforceable or incapable of performance in any respect, the validity, legality, enforceability or performance of the remaining provisions of this Deed shall not thereby in any way be affected or impaired.

9. WAIVER AND OTHER RIGHTS

- 9.1 No single or partial exercise of, or failure or omission to exercise or delay in exercising any right, power, claim or remedy vested in a Party under or pursuant to this Deed or otherwise shall affect, prejudice or constitute a waiver by such Party of such or any other right, power, claim or remedy.
- 9.2 Any right, power, claim or remedy expressly conferred upon a Party under this Deed shall be in addition to and without prejudice to all other rights, powers, claims and remedies which would otherwise be available to such Party under this Deed or at law.

10. NOTICES

- 10.1 Any notice, demand or other communication to be given by a Party to any other Party under this Deed shall be in writing, and shall be deemed duly served if:-

- (i) delivered personally;
- (ii) sent by prepaid registered post; or
- (iii) sent by facsimile transmission,

to the address or facsimile number (as the case may be) of such other Party previously in writing notified to the Party serving the same (and, in the case of any subsequent change of the address or facsimile number, such notification shall be given in accordance with the provisions of this Deed and shall state in clear terms the intention to change the address or facsimile number, as the case may be).

10.2 A notice, demand or other communication shall be deemed served:-

- (i) if delivered personally, at the time of delivery;
- (ii) if sent by prepaid registered post, at the expiration of two business days (for local addresses in Hong Kong) or five business days (for any other overseas address) after the envelope containing the same has been delivered into the custody of the postal authorities; and
- (iii) if sent by facsimile transmission, upon receipt by the Party giving the same of machine printed confirmation of such transmission.

10.3 In proving the service of any notice, demand or other communication, it shall be sufficient to prove that:-

- (i) in the case of personal delivery, the same has been delivered or left at the address, or the postal box of such address, of the Party to be served on;
- (ii) in the case of a mail, the envelope containing the same has been properly addressed, delivered into the custody of the postal authorities and duly stamped; and
- (iii) in the case of a facsimile transmission, the same has been duly transmitted to the facsimile number of the Party to be served on.

10.4 For the purposes of this Clause 10, the initial address and facsimile number of each Party are:-

THE COMPANY

Address: 14th Floor, The Hong Kong Club Building, 3A Chater Road, Central,
Hong Kong

Facsimile number: +852 2521 7632

For the attention of Fok Hei Yu / Howard Yeung

THE PROVISIONAL LIQUIDATORS

Address: 14th Floor, The Hong Kong Club Building, 3A Chater Road, Central,
Hong Kong

Facsimile number: +852 2521 7632

For the attention of Fok Hei Yu / Howard Yeung

THE LENDER

Address: Room 1103, 11th Floor, China United Centre, 28 Marble Road,
North Point, Hong Kong

Facsimile number: (852) 2562 5512

For the attention of Mr. Yeung Ming Kwong

MERRIER

Address: Rm. 1103, 11/F., China United Centre, 28 Marble Road, North Point,
Hong Kong

Facsimile number: (852) 2562 5512

For the attention of Mr. Yeung Ming Kwong

HANSOM

Address: 8th Floor, China United Centre, 28 Marble Road, North Point, Hong
Kong

Facsimile number: (852) 2507 2009

For the attention of: Company Secretary of Hansom Finance Limited (the
"Company Secretary")

THE INVESTOR

Address: 31/F., China United Centre, 28 Marble Road, North Point, Hong
Kong

Facsimile number: (852) 2865 7633

For the attention of Mr. Chuang Eugene Yue-chien

11. TIME

Time shall be of the essence of this Deed, both as regards the dates and periods specifically mentioned in this Deed and as to any date and period which may by written agreement between or on behalf of the Parties be substituted for them.

12. ASSIGNMENT

This Deed shall be binding on and shall enure for the benefit of the successors and assignees of the Parties. None of the Parties may assign any of its rights or obligations under this Deed without the prior consent of the other Party in writing.

13. COSTS AND EXPENSES

Each Party shall bear all its own legal and professional fees, costs and expenses of and incidental to the negotiation, preparation, execution and completion of this Deed.

14. THE PROVISIONAL LIQUIDATORS

Each Party to this Deed acknowledges and agrees that:

- (i) the Provisional Liquidators are Parties to this Deed solely for the purpose of obtaining the benefit of each provision of this Deed in their favour;
- (ii) the Provisional Liquidators act as agents of the Company and shall incur no personal liability from acting in the capacity of agents or otherwise, nor shall any claim arise against any of them;
- (i) the Provisional Liquidators, and their employers, employees, solicitors, advisers, agents, partners or representatives do not have any personal liability of any kind under, or by virtue of, this Deed, nor in relation to any related matter or claim, whether in contract, tort or restitution or by reference to any other remedy or right, in any jurisdiction or forum in respect of any of the transactions contemplated in this Deed;
- (ii) the Lender, Merrier, Hansom or the Investor are not relying on any representation, conduct, statement or silence on the part of the Provisional Liquidators or any of their employees, solicitors, advisers, agents, partners or representatives in relation to any matter or circumstance and whether or

not arising out of or under this Deed or any of the transactions contemplated by this Deed; and

- (iii) all acknowledgements or agreements as to, or provisions of, exclusions of liability or indemnity in favour of the Provisional Liquidators shall continue to be effective notwithstanding the Provisional Liquidators resigning from or otherwise ceasing to hold office and (where the context permits) shall mean and include their present and future firm or firms, partners and employees, and any legal entity or partnership using in its name the words, any successor or merged firm and the partners, shareholders, officers and employees of the entity or partnership.

15. COUNTERPARTS

This Deed may be executed in any number of counterparts and by either Party on separate counterparts, each of which when so executed and delivered shall be an original, but all the counterparts together shall constitute one and the same instrument.

16. GOVERNING LAW AND JURISDICTION

- 16.1 This Deed shall be governed by and construed in all respects in accordance with the laws of Hong Kong Special Administrative Region ("Hong Kong").
- 16.2 The Parties submit to the non-exclusive jurisdiction of the courts of Hong Kong.
- 16.3 Merrier irrevocably appoints Mr. Yeung Ming Kwong (address: Room 1103, 11/F., China United Centre, 28 Marble Road, North Point, Hong Kong; fax: (852) 2562 5512; marked for the attention of Mr. Yeung Ming Kwong) as its agent to receive and acknowledge on its behalf service of any writ, summons, order, judgment or other notice of legal process in Hong Kong. Any such legal process shall be sufficiently served on it if delivered to such service agent.
- 16.4 The Investor irrevocably appoints Mr. Chuang Eugene Yue-chien (address: c/o 31/F., China United Centre, 28 Marble Road, North Point, Hong Kong; fax: (852) 2865 7663; marked for the attention of Mr. Chuang Eugene Yue-chien) as its agent to receive and acknowledge on its behalf service of any writ, summons, order, judgment or other notice of legal process in Hong Kong. Any such legal process shall be sufficiently served on it if delivered to such service agent.
- 16.5 The Lender irrevocably appoints Mr. Yeung Ming Kwong, (address: Room 1103, 11/F., China United Centre, 28 Marble Road, North Point, Hong Kong; fax: (852) 2562 5512; marked for the attention of Mr. Yeung Ming Kwong) as its agent to receive and acknowledge on its behalf service of any writ, summons, order, judgment or other notice of legal process in Hong Kong. Any such legal process shall be sufficiently served on it if delivered to such service.

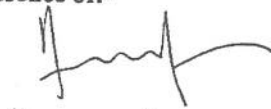
- 16.6 Hansom irrevocably appoints the Company Secretary (address: 8/F., China United Centre, 28 Marble Road, North Point, Hong Kong; fax: (852) 2507 2009; marked for the attention of the Company Secretary) as its agent to receive and acknowledge on its behalf service of any writ, summons, order, judgment or other notice of legal process in Hong Kong. Any such legal process shall be sufficiently served on it if delivered to such service agent.
- 16.7 If the service agent of a Party ceases to be able to act as service agent for any reason or no longer has an address in Hong Kong, a substitute service agent with an address in Hong Kong acceptable to the other Party shall be appointed, and a copy of the substitute service agent's acceptance of such appointment shall be given to the other Party within five business days from the date of such appointment. In the event of any failure to appoint a substitute service agent, it shall be effective service for the other Party to serve the process upon the last known address in Hong Kong of the last known service agent for such Party notified to other Party, notwithstanding that such service agent is no longer found at such address or has ceased to act.
- 16.8 Any writ, summons, order, judgment or other notice of legal process shall be sufficiently served on a Party who is an individual, if personally served on him or left at his address previously notified to the other Party under Clause 10.

IN WITNESS of which this Deed has been executed by the parties (or their duly authorised representatives) and has been delivered on the date stated at the beginning of this Deed.

SIGNED as a Deed by Tack Fat Group)
International Limited (Provisional)
Liquidators Appointed) acting by its Joint)
and Several Provisional Liquidator, Fok)
Hei Yu (as agent and without personal)
liability), in the presence of:-)



Tack Fat Group International Limited
(Provisional Liquidators Appointed)
By its Joint and Several Provisional
Liquidator, Fok Hei Yu




HOWARD YENNY

SIGNED as a Deed by Fok Hei Yu without)
personal liability and solely for the purpose)
of receiving the benefit of the provisions of)
this Deed in the Joint and Several)
Provisional Liquidator's favour in the)
presence of:-)



Joint and Several Provisional Liquidator



HOWARD YENNY

Signed as a Deed

The Common Seal of)
FOREFRONT FINANCE CO., LIMITED)
and signed by:)
Affixed hereto in the presence of:-)

Signed as a Deed

The Common Seal of)
MERRIER LIMITED)
and signed by:)
Affixed hereto in the presence of:-)
)

Signed as a Deed

The Common Seal of)
HANSOM FINANCE LIMITED)
and signed by:)
Affixed hereto in the presence of:-)
)

Signed as a Deed

The Common Seal of)
RADFORD DEVELOPMENTS LIMITED)
and signed by)
Affixed hereto in the presence of:-)
)

IN WITNESS of which this Deed has been executed by the parties (or their duly authorised representatives) and has been delivered on the date stated at the beginning of this Deed.

SIGNED as a Deed by Tack Fat Group)
International Limited (Provisional)
Liquidators Appointed) acting by its Joint)
and Several Provisional Liquidator, Fok) Tack Fat Group International Limited
Hei Yu (as agent and without personal) (Provisional Liquidators Appointed)
liability), in the presence of:-) By its Joint and Several Provisional
) Liquidator, Fok Hei Yu

SIGNED as a Deed by Fok Hei Yu without)
personal liability and solely for the purpose)
of receiving the benefit of the provisions of)
this Deed in the Joint and Several)
Provisional Liquidator's favour in the) Joint and Several Provisional Liquidator
presence of:-)
)


Signed as a Deed

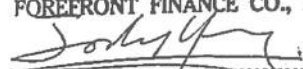
The Common Seal of

FOREFRONT FINANCE CO., LIMITED

and signed by: *Young Ming Kwong*

Affixed hereto in the presence of:-

Wendy Lee Ka Yin 

) For and on behalf of
) 福方財務有限公司
) FOREFRONT FINANCE CO., LIMITED
) 
)
) Authorized Signature(s)
)



