

Dated 12 September, 2007

MR. ZHANG XI

(as Guarantor)

in favour of

SANFULL SECURITIES LIMITED

(as Lender)

GUARANTEE AND INDEMNITY

RICHARDS BUTLER
20th Floor
Alexandra House
16-20 Chater Road
Central
Hong Kong
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THIS DEED OF GUARANTEE AND INDEMNITY is made on 12 September, 2007

BY:-

- (1) Mr. Zhang Xi, holder of People's Republic of China Passport Number 15082635 (the "Guarantor");

IN FAVOUR OF:-

- (2) Sanfull Securities Limited, a company incorporated in Hong Kong with limited liability whose registered office is at Suite 2001-6, 20/F Cosco Tower, 183 Queen's Road Central, Hong Kong (the "Lender")

WHEREAS:-

- (A) by a loan facility agreement (the "Loan Agreement") of even date made between Big Jump Investments Limited (the "Borrower"), the Guarantor and the Lender, the Lender has agreed, upon the terms and subject to the conditions of the Loan Agreement, to make available to the Borrower a term loan facility of up to HK\$51,900,000 (the "Loan");
- (B) it is a condition precedent to the Lender making the Loan available to the Borrower that, inter alia, the Guarantor shall have executed and delivered this Deed

NOW THIS DEED WITNESSES as follows:-

1. **DEFINITIONS AND CONSTRUCTION**

- 1.1 In this Deed, unless the context otherwise defines or requires, terms defined in the Loan Agreement are used with these defined meanings and:-

"Secured Obligations" means any and all of the obligations of the Borrower (whether or not for the payment of money, and including any obligation to pay damages for breach of contract) which are or may become owing to the Lender pursuant to the Loan Agreement and/or any Security Document and all other obligations hereby secured.

- 1.2 In this Deed, unless the context otherwise requires:-

- (a) references to Clauses and Schedules are references to the clauses of, and schedules to, this Deed;
- (b) a reference in a "Clause" to a "Sub-clause" is a reference to a sub-clause of that Clause;
- (c) a reference to the Loan Agreement or any other agreement is to the Loan Agreement or that other agreement as it may be amended, varied or supplemented by the parties thereto from time to time;

- (d) the singular includes the plural of references to gender or the neuter including both genders and the neuter; and
 - (e) references to the "Borrower", the "Guarantor" and the "Lender" shall where the context permits include their respective successors and permitted assigns.
- 1.3 Clause headings and the table of contents in this Deed are inserted for ease of reference only and shall be ignored in the construction hereof.

2. GUARANTEE, INDEMNITY AND CHARGE

- 2.1 The Guarantor hereby unconditionally and irrevocably, guarantees, as a continuing obligation, the due and punctual payment and performance of the Secured Obligations in the currency in which the same is payable under the terms of the Loan Agreement and the due and punctual performance and observance by the Borrower of all of its obligations contained in the Loan Agreement or any Security Document to which any of the Borrower is a party, notwithstanding any dispute between the Lender and the Borrower, and if the Borrower fails to pay any amount of the Secured Obligations when due the Guarantor shall pay such amount to the Lender in the required currency as aforesaid forthwith upon receiving the Lender's first written demand.
- 2.2 Demands may be made under this Deed from time to time and may be enforced irrespective of whether any steps or proceedings are or will be taken against the Borrower or any other person to recover the Indebtedness claimed under this Deed.
- 2.3 Without prejudice to the guarantee contained in Clause 2.1, the Guarantor hereby unconditionally and irrevocably undertakes as a separate, primary, additional and continuing obligation, to indemnify the Lender on demand against all losses, liabilities, damages, costs and expenses whatsoever arising out of any failure by the Borrower to make due and punctual payment and performance of the Secured Obligations or in the due and punctual performance and observance of all other obligations under the Loan Agreement or any Security Document to which the Borrower is a party. This indemnity shall remain in effect notwithstanding that the guarantee under Clause 2.1 may cease to be valid or enforceable against the Guarantor for any reason whatsoever.

3. CONTINUING GUARANTEE

- 3.1 This Deed shall be a continuing guarantee and security and shall remain in full force and effect until the Secured Obligations have been paid and performed in full, notwithstanding the insolvency or liquidation or any incapacity or change in the constitution or status of the Borrower or the Guarantor or any other person or any intermediate settlement of account or other matter whatsoever. This Deed is in addition to, and independent of, any Security Interest, guarantee or other security or right or remedy now or at any time hereafter held by or available to the Lender.
- 3.2 Without limiting Clause 3.1, neither the liability of the Guarantor nor the validity or

enforceability of this Deed shall be prejudiced, affected or discharged by:-

- (a) the granting of any time or indulgence to the Borrower or any Security Party or any other person;
- (b) any variation or modification of the Loan Agreement, any of the Security Documents or any other documents referred to therein or related thereto;
- (c) the invalidity or unenforceability of any obligation or liability of any party under the Loan Agreement or any of the Security Documents or any other documents referred to therein or related thereto;
- (d) any invalidity or irregularity in the execution of the Loan Agreement or any of the Security Documents or any other documents referred to therein or related thereto;
- (e) any lack of capacity or deficiency in the powers of the Borrower, the Guarantor, any other Security Party or any other person to enter into or perform any of its/his obligations under the Loan Agreement or any of the Security Documents to which it/he is party or any other documents referred to therein or related thereto or any irregularity in the exercise thereof or any lack of authority by any person purporting to act on behalf of the Borrower, the Guarantor, any other Security Party or such other person;
- (f) the insolvency, bankruptcy or liquidation or any death, incapacity, disability or limitation or any change in the constitution or status of the Borrower or the Guarantor or any Security Party or any other person;
- (g) any other Security Document, Security Interest, guarantee or other security or right or remedy being or becoming held by or available to the Lender or by any other person or by any of the same being or becoming wholly or partly void, voidable, unenforceable or impaired by the Lender at any time releasing, refraining from enforcing, varying or in any other way dealing with any of the same or any power, right or remedy the Lender may now or hereafter have from or against the Borrower or the Guarantor or any other Security Party or any other person;
- (h) any waiver, exercise, omission to exercise, compromise, renewal or release of any rights against the Borrower or the Guarantor or any other Security Party or any other person or any compromise, arrangement or settlement with any of the same; or
- (i) any act, omission, event or circumstance which would or may but for this provision operate to prejudice, affect or discharge this Deed or the liability of the Guarantor hereunder.

3.3 Without prejudice to the generality of Clause 3.2, the Lender may release the Guarantor from his liability under this Deed or vary or modify the obligations of or grant any time or indulgence to or make any other arrangements with any of the Security Parties

without affecting or discharging its rights against any other Security Parties.

- 3.4 This Deed may be enforced without the Lender first having made any demand or had recourse to any other security or rights or taking any other steps or proceedings against the Borrower, the Guarantor or any other Security Party or any other person and may be enforced for any balance due after resorting to any one or more other means of obtaining payment or discharge of the monies, obligations and liabilities hereby secured.
- 3.5 Notwithstanding any discharge, release or settlement from time to time between the Lender and the Guarantor, if any security, disposition or payment granted or made to the Lender in respect of the Secured Obligations by the Guarantor or any other person is avoided or set aside or ordered to be surrendered, paid away, refunded or reduced by virtue of any provision, law or enactment relating to bankruptcy, insolvency, liquidation, winding-up, composition or arrangement for the time being in force or for any other reason, the Lender shall be entitled hereafter to enforce this Deed as if no such discharge, release or settlement had occurred.
- 3.6 Any amendment or waiver of any provision of this Deed and any waiver of any default under this Deed shall only be effective if made in writing and signed by the Lender.
- 3.7 Any statement of account signed as correct by the Lender showing any amount due under the Loan Agreement or this Deed or under any other Security Document shall, in the absence of manifest error, be conclusive evidence of the amount so due.
- 3.8 All moneys received by the Lender pursuant to this Deed shall be applied in or towards reduction of the Secured Obligations in such manner as the Lender shall determine in its absolute discretion.

4. **SUSPENSE ACCOUNT**

The Lender may place and keep any monies received under this Deed, before or after the insolvency of the Guarantor or the Borrower, to the credit of a suspense account in order to preserve the rights of the Lender to sue or prove for the whole amount in respect of its claims against the Guarantor, the Borrower, any other Security Party or any other person.

5. **SET-OFF**

Without prejudice to any right of set-off, combination of accounts, lien or other rights which the Lender is at any time entitled whether by operation of law or contract or otherwise, the Lender may (but shall not be obliged to) set off against any obligation of the Guarantor due and payable by him hereunder without prior notice any moneys held by the Lender for the account of the Guarantor in any currency. The Lender may effect such currency exchanges as are appropriate to implement such set-off.

6. **FURTHER ASSURANCE**

The Guarantor shall from time to time upon the written request of the Lender promptly and duly execute and deliver any and all such further instruments and documents as the Lender may reasonably deem desirable for the purpose of obtaining the full benefit of this Deed and of the rights and powers herein granted.

7. **MISCELLANEOUS**

- 7.1 No failure or delay on the part of the Lender to exercise any power, right or remedy under this Deed shall operate as a waiver thereof, nor shall any single or partial exercise by the Lender of any power, right or remedy preclude any other or further exercise thereof or the exercise of any other power, right or remedy.
- 7.2 The remedies provided in this Deed are cumulative and are not exclusive of any remedies provided by law.
- 7.3 If any provision of this Deed is prohibited or unenforceable in any jurisdiction such prohibition or unenforceability shall not invalidate the remaining provisions hereof or affect the validity or enforceability of such provision in any other jurisdiction.
- 7.4 The Lender may assign its rights under this Deed in accordance with the provisions of the Loan Agreement. The Guarantor shall not assign or transfer any of his rights and/or obligations hereunder.
- 7.5 This Deed may be executed in any number of counterparts, all of which taken together shall constitute one and the same instrument, and either party hereto may execute this Deed by signing any such counterpart.

8. **NOTICES**


- 8.1 Any notice or communication under or in connection with this Deed shall be in writing and shall be delivered personally or by prepaid letter (airmail if available) or facsimile transmission to such address or fax number as the recipient has notified to the other party in writing. Proof of posting or despatch of any notice or communication to any party hereto shall be deemed to be proof of receipt:
- (a) in the case of a letter, on the 5th Business Day after posting if airmail and 2nd Business Day if local mail;
 - (b) in the case of a facsimile transmission, on the Business Day immediately following the date of despatch with confirmed facsimile report
- 8.2 Each notice or document referred to herein or to be delivered hereunder shall be in the English language.

9. **GOVERNING LAW AND JURISDICTION**


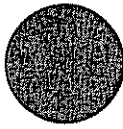
9.1 This Deed shall be governed by and construed in accordance with Hong Kong law.

9.2 The Guarantor irrevocably agrees that the courts of Hong Kong are to have non-exclusive jurisdiction to settle any disputes which may arise out of or in connection with this Deed and that, accordingly, any legal action or proceedings arising out of or in connection with this Deed may be brought in those courts and the Guarantor irrevocably submits to the non-exclusive jurisdiction of those courts.

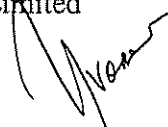
SIGNED, SEALED and DELIVERED by
Mr. Zhang Xi,
(holder of People's Republic of China
Passport Number 15082635)
in the presence of:-


Alex W.C. Ng
Solicitor
Richards Butler
20/F Alexandra House
Hong Kong SAR

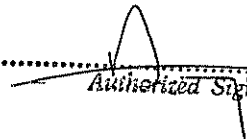
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SIGNED by
Mr. Henry Chan
For and on behalf of
Sanfull Securities Limited
in the presence of:-


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For and on behalf of
SANFULL SECURITIES LIMITED

Authorized Signature(s)