



永隆銀行
WING LUNG BANK

**Pillar 3 Disclosure – Terms and Conditions of Capital
Instruments**

As at 30 June 2013

Terms and Conditions of Capital Instruments

The following disclosures are made in accordance with Section 24 of Banking (Disclosures) Rules issued by the Hong Kong Monetary Authority (“HKMA”).

Main Features of Capital Instruments:

1. Wing Lung Bank Limited Ordinary Shares;
2. HK\$800,000,000 subordinated floating rate note due 2019;
3. HK\$700,000,000 subordinated floating rate note due 2019;
4. HK\$1,500,000,000 subordinated fixed rate notes due 2021;
5. US\$200,000,000 subordinated fixed rate notes due 2022.

1. Wing Lung Bank Limited Ordinary Shares

1	Issuer	Wing Lung Bank Limited
2	Unique identifier (eg CUSIP, ISIN or Bloomberg identifier for private placement)	NA
3	Governing law(s) of the instrument	Law of Hong Kong Special Administrative Region
	<i>Regulatory treatment</i>	
4	Transitional Basel III rules#	Common Equity Tier 1
5	Post-transitional Basel III rules+	Common Equity Tier 1
6	Eligible at solo*/group/group & solo	Solo and group
7	Instrument type (types to be specified by each jurisdiction)	Ordinary shares
8	Amount recognised in regulatory capital (Currency in million, as of most recent reporting date)	HK\$1,161 million as at 30 June 2013
9	Par value of instrument	HK\$5 for each ordinary share
10	Accounting classification	Shareholders' equity
11	Original date of issuance	Since incorporation
12	Perpetual or dated	Perpetual
13	Original maturity date	No maturity
14	Issuer call subject to prior supervisory approval	NA
15	Optional call date, contingent call dates and redemption amount	NA
16	Subsequent call dates, if applicable	NA
	<i>Coupons / dividends</i>	
17	Fixed or floating dividend/coupon	Discretionary dividend amount
18	Coupon rate and any related index	NA
19	Existence of a dividend stopper	NA
20	Fully discretionary, partially discretionary or mandatory	Fully discretionary
21	Existence of step up or other incentive to redeem	NA
22	Noncumulative or cumulative	NA
23	Convertible or non-convertible	NA
24	If convertible, conversion trigger (s)	NA
25	If convertible, fully or partially	NA
26	If convertible, conversion rate	NA
27	If convertible, mandatory or optional conversion	NA
28	If convertible, specify instrument type convertible into	NA
29	If convertible, specify issuer of instrument it converts into	NA
30	Write-down feature	NA
31	If write-down, write-down trigger(s)	NA
32	If write-down, full or partial	NA
33	If write-down, permanent or temporary	NA
34	If temporary write-down, description of write-up mechanism	NA
35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	Tier 2 subordinated notes
36	Non-compliant transitioned features	NA
37	If yes, specify non-compliant features	NA

Footnote:

Regulatory treatment of capital instruments subject to transitional arrangements provided for in Schedule 4H of the Banking (Capital) Rules

+ Regulatory treatment of capital instruments not subject to transitional arrangements provided for in Schedule 4H of the Banking (Capital) Rules

* Include solo-consolidated

MEMORANDUM
AND
ARTICLES OF ASSOCIATION

(Reprinted in June 2010 embodying all alterations
subsequent to the adoption of the Articles of Association on 23rd February 1973)

OF
WING LUNG BANK, LIMITED
(永隆銀行有限公司)

Incorporated the 5th day of December, 1956.

WING LUNG BANK, LIMITED

(永隆銀行有限公司)

SPECIAL RESOLUTION

Pursuant to Section 116B of the
Companies Ordinance, Cap.32

Passed the 8th day of June 2010

By a written resolution signed by China Merchants Bank Co., Ltd, the sole shareholder of the Bank, pursuant to Section 116B of the Companies Ordinance, the following resolution was passed as Special Resolution on 8th day of June 2010:

That the Articles of Association of the Bank be amended as follows:

(a) Article 7A

By deleting the words “provided always that any such purchase or other acquisition or financial assistance shall only be made or given in accordance with any relevant rules or regulations issued by The Stock Exchange of Hong Kong Limited or the Securities and Futures Commission from time to time in force and provided further that purchases or acquisitions not made through the open market or by tender shall be limited to a maximum price; and if purchases or acquisitions are by tender, tenders shall be available to all members alike” at the end.

(b) Article 12

- (i) By deleting the words “Without prejudice to S.71A of the Ordinance,” at the beginning.
- (ii) By deleting the words “which shall not exceed the maximum fee prescribed or permitted from time to time by The Stock Exchange of Hong Kong Limited” at the end and substituting therefor the words “of HK\$5 or determined by the Directors from time to time”

(c) Article 26

By deleting the words “provided that the Board may in its absolute discretion and on such terms and conditions as the Board may deem fit accept machine imprinted or mechanically produced signatures” immediately after the words “and the transferee” in the second line.

(d) Article 27

- (i) By deleting the words “not being” in the second line and substituting therefor the words “whether or not it is”.
- (ii) By deleting the words “Provided That shares which are fully paid shall be free from any restriction on the right of transfer except when permitted by The Stock Exchange of Hong Kong Limited and from all lien” immediately after the words “has a lien ” in the forth line.

(e) Article 28

By deleting the words “the maximum fees prescribed or permitted by The Stock Exchange of Hong Kong Limited from time to time in its Listing Rules” immediately after the words “A fee not exceeding” in the first line and substituting therefor the words “HK\$5”.

(f) Article 29

By deleting the words “the maximum fee prescribed or permitted from time to time by The Stock Exchange of Hong Kong Limited in its Listing Rules” at the end and substituting therefor the words “HK\$5”.

(g) Article 52(a)

By adding the words “in the case where there are more than one holder of shares of the class, and one person where there is only one holder of shares of the class” immediately after the words “the issued shares of the class” in the third line.

(h) Article 56

By deleting the words “to the Auditors for the time being of the Company” in the sixth line and seventh line.

(i) Article 59

By deleting the words “For all purposes the quorum shall be not less than three members personally present” at the end and substituting therefor the words “; save as herein otherwise provided, if the Company has more than one member, 2 members present in person shall be a quorum. If the Company has only one member, one member present in person shall be a quorum”.

(j) Article 69

By deleting the words “Provided however that where any member is, under the Listing Rules from time to time made by The Stock Exchange of Hong Kong Limited, required to abstain from voting on any particular resolution or restricted to voting only for or only against any particular resolutions, any votes cast by or on behalf of such member in contravention of such requirement or restriction shall not be counted” at the end.

(k) Article 74

By deleting the following words at the end:

“Without prejudice and in addition to the above, where a member is a recognised clearing house with the meaning of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), it may authorise such person or persons as it thinks fit to act as its representative (or representatives) at any members’ general meeting or any meeting of any class of members’ meeting provided that, if more than one person is so authorised, the

authorisation must specify the number and class of shares in respect of which each such person is so authorised. The person so authorised will be entitled to exercise the same power on behalf of the recognised clearing house as that clearing house (or its nominees) could exercise if it were an individual member of the company.”

and substituting therefor the following:

“Provided That the number of proxies so appointed by the member to attend on the same occasion shall not exceed 2.”

(l) Article 76

By deleting the words “No instrument appointing a proxy shall be valid after the expiration of twelve months from the date named in it as the date of its execution, except at an adjourned meeting or on a poll demanded at a meeting or an adjourned meeting in cases where the meeting was originally held within twelve months from such date.” at the end.

(m) Article 143

By deleting the words “(collectively the “Relevant Financial Documents”)” in the fifth line.

(n) Article 143A

By deleting Article 143A in its entirety.

(o) Article 143B

By deleting Article 143B in its entirety.

(p) Article 145

By deleting the words “subject to due compliance with the Statutes and other applicable laws, rules and regulations and to the consent in writing of the member, by publishing it on the Company’s computer network or website, giving access to such network or website to the member and giving to the member a notice stating the address and location of such network or website and that the notice or other document is available there or (vi)” immediately after the words “in Hong Kong or (v)” in the thirteenth line.

(q) Article 150

(i) By deleting the following paragraph:

“(iii) if placed on the Company’s computer network or website, shall be deemed given by the Company to a member on the day on which a notice of availability is deemed served on the member;”

(ii) By renumbering paragraph (iv) as (iii).

(iii) By renumbering paragraph (v) as (vi).

(iv) By renumbering paragraph (vi) as (v).

For China Merchants Bank Co., Ltd
(Sd.) Qin Xiao

WING LUNG BANK, LIMITED

(永隆銀行有限公司)

SPECIAL RESOLUTION

Pursuant to Section 13(1) and Section 117(1) of the
Companies Ordinance, Cap.32

Passed the 28th day of April 2007

At an Annual General Meeting of the Shareholders of the Bank duly convened and held at the Bank's Head Office at No 45 Des Voeux Road Central, 21st Floor, Hong Kong on Saturday, the 28th day of April 2007 at 10:30 am, the following resolution was passed as a Special Resolution:

That the Articles of Association of the Bank be amended as follows:

(a) Article 2

- (i) By adding the following new definition for "Electronic communication" after the existing definition "Dividend" in Article 2:

"Electronic Communication sent by electronic transmission in any form communication through any medium."

- (ii) By deleting the following paragraph in Article 2:

"Writing shall include printing and lithography and any other mode or modes of representing or reproducing words in a visible form."

and substituting therefor the following:

"Writing shall include printing, lithography, photography, typewriting, photocopies, telecopier messages and every other mode of representing words or figures in a visible form (including electronic communication)."

- (iii) By adding the following new paragraphs at the end of Article 2:
- “References to a document being executed include references to it being executed under hand or under seal or by electronic signature or by any other method.

References to a notice or document include a notice or document recorded or stored in any digital, electronic, electrical, magnetic or other retrievable form or medium and information in visible form whether having physical substance or not.”

(b) Article 143

- (i) By deleting the words “summary financial reports” in Article 143.
- (ii) By adding the words “(collectively the “Relevant Financial Documents”)” immediately after the words “to be annexed thereto” in the fifth line of Article 143.

(c) Article 143A

By adding the following new Article as Article 143A:

“143A. To the extent permitted by and subject to due compliance with the Statutes and other applicable laws, rules and regulations, and to obtaining all necessary consents, if any, required thereunder, the requirements in Article 143 shall be deemed satisfied in relation to any member if the Company sends to the member, instead of a copy of the Relevant Financial Documents, a summary financial report derived from the Relevant Financial Documents which shall be in the form and containing the information required by the Statutes and other applicable laws, rules and regulations, provided that any person who is otherwise entitled to the Relevant Financial Documents may, if he so requires and in accordance with the Statutes and other applicable laws, rules and regulations, by notice in writing served on the Company, demands that the Company sends to him, in addition to a summary financial report, a complete printed copy of the Relevant Financial Documents.”

(d) Article 143B

By adding the following new Article as Article 143B:

“143B. The requirement to send to a member the Relevant Financial Documents as referred to in Article 143 or a summary financial report in accordance with Article 143A shall be deemed satisfied where, in accordance with the Statutes and other applicable laws, rules and regulations, the Company publishes copies of the Relevant Financial Documents and, if applicable, a summary financial report complying with Article 143A, on the Company’s computer network or its website or in any other permitted manner (including sending by any form of electronic communication), and that member has agreed or is deemed to have agreed to treat the publication or receipt of such documents in such manner as

discharging the Company's obligation to send to him a copy of the Relevant Financial Documents or summary financial report."

(e) Article 145

By deleting Article 145 in its entirety and substituting therefor the following new Article 145:

"145. Any notice or other document to be given or issued by the Company to a member, whether or not under the Statutes, other applicable laws, rules and regulations or these Articles, may be given in writing or by cable, telex or facsimile transmission message, any form of electronic communication or transmission or in any other form of permitted means of communication and any such notice and document may be served or delivered by the Company on or to any member (i) personally or (ii) by sending it through the post in a prepaid letter, envelope or wrapper addressed to such member at his registered address as appearing in the register of members, whether in or outside Hong Kong, or by delivering it or leaving it at such registered address as aforesaid or (iii) as the case may be, by transmitting it to any such address or any telex or facsimile transmission number or electronic number or address or website supplied by that member to the Company for giving of notice or document to that member or (iv) (in the case of a notice) by advertisement in an English language daily newspaper and a Chinese language daily newspaper circulating in Hong Kong or (v) subject to due compliance with the Statutes and other applicable laws, rules and regulations and to the consent in writing of the member, by publishing it on the Company's computer network or website, giving access to such network or website to the member and giving to the member a notice stating the address and location of such network or website and that the notice or other document is available there or (vi) in any other permitted manner from time to time."

(f) Article 148

By deleting Article 148 in its entirety and substituting therefor the following new Article 148:

"148. A notice or other document may be given by or on behalf of the Company to the person entitled to a share in consequence of the death, mental disorder or bankruptcy of a member in such manner as provided in Article 145 in which the same might have been given if the death, mental disorder or bankruptcy had not occurred."

(g) Article 148A

By adding the following new Article as Article 148A:

"148A. Any notice or other document delivered or sent to any member in such manner as provided in Article 145 in pursuance of these Articles shall, notwithstanding that such member be then deceased, suffering from mental disorder or bankrupt and

whether or not the Company has notice of his death, mental disorder or bankruptcy, be deemed to have been duly served in respect of any registered shares whether held solely or jointly with other persons by such member until some other person is registered in his stead as the holder or joint holder thereof, and such service shall for all purposes of these Articles be deemed as sufficient service of such notice or document on his personal or legal representatives and all persons (if any) jointly interested with him in any such shares.”

(h) Article 150

By deleting Article 150 in its entirety and substituting therefor the following new Article 150:

- “150. Any notice or other document given or issued by the Company:
- (i) if served by post, shall be deemed to have been served at the expiration of forty-eight hours after the envelope or wrapper containing the same is posted and in proving such service it shall be sufficient to prove that the envelope or wrapper containing the notice or other document was properly prepaid, addressed and posted (in the case of an address outside Hong Kong by air-mail postage prepaid where air-mail posting from Hong Kong to such place is available) and a certificate in writing signed by the Secretary or other person appointed by the Board that the envelope or wrapper containing the notice or other document was so addressed and put into the post shall be conclusive evidence thereof;
 - (ii) if sent by electronic communication, shall be deemed to be given on the day on which it is transmitted from the server of the Company or its agent;
 - (iii) if placed on the Company’s computer network or website, shall be deemed given by the Company to a member on the day on which a notice of availability is deemed served on the member;
 - (iv) if served or delivered in any other manner contemplated by these Articles other than by advertisement in newspapers in accordance with Article 145, shall be deemed to have been served or delivered at the time of personal service or delivery or, as the case may be, at the time of the relevant despatch or transmission; and in proving such service or delivery a certificate in writing signed by the Secretary or other person appointed by the Board as to the fact and time of such service, delivery, despatch or transmission shall be conclusive evidence thereof;
 - (v) if served by advertisement in newspapers in accordance with Article 145, shall be deemed to have been served on the day on which the notice is first published; and
 - (vi) may be given to a member either in the English language or the Chinese language only or in both the English language and Chinese language, subject to due compliance with the Statutes and other applicable laws, rules and regulations.”

(Sd.) Michael Po-ko Wu

Chairman

WING LUNG BANK, LIMITED

(永隆銀行有限公司)

SPECIAL RESOLUTION

Passed the 23rd day of April 2005

At an Annual General Meeting of the Shareholders of the Bank duly convened and held at the Bank's Head Office at No 45 Des Voeux Road Central, 21st Floor, Hong Kong on Saturday, the 23rd day of April 2005 at 10:30 am, the following resolution was passed as a Special Resolution:

That the Bank's Articles of Association be amended as follows:

(a) Article 7A

By the addition of the words "and provided further that purchases or acquisitions not made through the open market or by tender shall be limited to a maximum price; and if purchases or acquisitions are by tender, tenders shall be available to all members alike" at the end of Article 7A.

(b) Article 11

By the deletion of the words "lodgment of a transfer" in the second line and the substitution therefor the words "within ten business days after lodgment of a transfer".

(c) Article 27

By the addition of the words "Provided That shares which are fully paid shall be free from any restriction on the right of transfer except when permitted by The Stock Exchange of Hong Kong Limited and from all lien" immediately after the words "a lien" in the fourth line.

(d) Article 28

By the addition of the words "in its Listing Rules" immediately after the words "from time to time" in the second line.

(e) Article 29

By the addition of the words "in its Listing Rules" at the end of Article 29.

(f) Article 69

By the addition of the words "Provided however that where any member is, under the Listing Rules from time to time made by The Stock Exchange of Hong Kong Limited, required to abstain from voting on any particular resolution or restricted to voting only for or only against any particular resolutions, any votes cast by or on behalf of such member in contravention of such requirement or restriction shall not be counted" at the end of Article 69.

(g) Article 74

(i) By the deletion of the words "Clearing Houses" in the fourth line.

(ii) By the deletion of the word "420" in the fourth line and the substitution therefor the word "571".

(h) Article 86(b)

- (i) By the addition of the words "or any of his associates (as defined below)" immediately before the words "is materially interested," in the fourteenth line.
- (ii) By the addition of the words "or any of his associates" immediately after the words "a Director" in the fifteenth line.
- (iii) By the addition of the words "or any of his associates" immediately after the words "the Director" in the seventeenth line.
- (iv) By the deletion of the words "by him" which first appear in the twentieth line.
- (v) By the addition of the words "or any of his associates" immediately before the words "for the benefit" in the twentieth line.
- (vi) By the addition of the following immediately after the word "Company" in the twenty-first line:

"or any of its subsidiaries, nor to any contract or resolution for the giving of any security or indemnity to a third party in respect of a debt or obligation of the Company or any of its subsidiaries for which the Director or any of his associates has himself or themselves assumed responsibility in whole or in part and whether alone or jointly under a guarantee or indemnity or by the giving of security,".
- (vii) By the addition of the words "or any of his associates" immediately after the word "he" in the twenty-second line.
- (viii) By the deletion of the words "a director," in the twenty-second line and the substitution therefor the words "or are interested only whether directly or indirectly as a".
- (ix) By the addition of the following immediately after the words "such corporation" in the twenty-second line:

", nor to any proposal or arrangement concerning the benefit of employees of the Company or its subsidiaries including the adoption, modification or operation of any employees' share scheme or any share incentive or share option scheme under which the Director or any of his associates may benefit; or the adoption, modification or operation of a pension fund or retirement, death or disability benefits scheme which relates both to the Directors, his associates and employees of the Company or any of its subsidiaries and does not provide in respect of any Director, or any of his associates, as such any privilege or advantage not generally accorded to the class of persons to which such scheme or fund relates, nor to any contract or arrangement in which the Director or any of his associates is/are interested in the same manner as other holders of shares or debentures or other securities of the Company by virtue only of his or their interest in shares or debentures or other securities of the Company.".
- (x) By the deletion of the words "(as defined below)" in the twenty-third line.
- (xi) By the addition of the words "(or of any third company through which his interest or that of his associates is derived)" immediately after the words "such corporation" in the twenty-fourth line.
- (xii) By the addition of the words "or any of his associates" immediately after the words "the Director" in the twenty-seventh line.
- (xiii) By the addition of the words "or any of his associates" immediately after the word "he" in the twenty-ninth line.

(i) Article 86(c)

- (i) By the deletion of the word "or" and the substitution therefor the words "but he shall not be counted in the quorum present at any meeting" in the fourth line.

- (ii) By the addition of the words "or any of his associates" immediately after the words "which he" in the fourth line.
- (iii) By the addition of the word "materially" immediately before the words "interested is considered" in the fourth line.
- (j) Article 86(d)(i)
 - (i) By the addition of the words ", natural or adopted," immediately after the word "step-child" in the first line.
 - (ii) By the deletion of the word "21" and the substitution therefor the word "18" in the first line.
- (k) Article 86(d)(ii)

By the addition of the words "(to his knowledge)" immediately after the word "is" in the third line.
- (l) Article 86(d)(iii)
 - (i) By the addition of the words "("the trustee-controlled company")" immediately after the words "any company" in the first line.
 - (ii) By the deletion of the words "he and/or his family interests taken together" in the first line and the second line and the substitution therefor the words "the trustees, acting in their capacity as such trustees,".
 - (iii) By the deletion of the word "35" and the substitution therefor the word "30" in the third line.
 - (iv) By the deletion of the words "or holding company or a fellow subsidiary of any such holding company" in the seventh line and eighth line and the substitution therefor the words "(together the "trustee interests")".
- (m) New Article 86(d)(iv) and (v)

By the addition of the following new Article 86(d)(iv) and (v):

 - "(iv) a holding company of a trustee-controlled company or a subsidiary of any such holding company; and
 - (v) any company in the equity capital of which the Director, his family interests, any of the trustees referred to in (d)(ii) and (iii) above, acting in their capacity as such trustees, and/or any trustee interests taken together are directly or indirectly interested so as to exercise or control the exercise of 30% (or such other amount as may from time to time be specified in the Takeovers Code as being the level for triggering a mandatory general offer) or more of the voting power at general meetings, or to control the composition of a majority of the board of directors and any other company which is its subsidiary or holding company or a fellow subsidiary of any such holding company."
- (n) Article 143
 - (i) By the addition of the words "the report of the Directors" immediately before the words "such profit" in the second line.
 - (ii) By the addition of the words ", summary financial reports" immediately after the words "(if any)" in the third line.
- (o) Article 147

By the addition of the words "whether in Hong Kong or overseas" immediately after the words "register of members" in the second line.

(p) Article 151

By the addition of the words "save and except any liability in respect of any negligence, default, breach of duty or breach of trust of which he may be guilty in relation to the Company or the subsidiary or holding company of the Company or the subsidiary of the holding company of the Company" at the end of Article 151.

(Sd.) Michael Po-ko Wu

Chairman

WING LUNG BANK, LIMITED

(永隆銀行有限公司)

SPECIAL RESOLUTIONS

Passed the 24th day of April 1999

At an Extraordinary General Meeting of the Shareholders of the Bank duly convened and held at the Bank's Head Office at No 45 Des Voeux Road Central, 21st Floor, Hong Kong on Saturday, the 24th day of April 1999 at 10:40 am, the following resolutions were passed as Special Resolutions:

- (1) That the Memorandum of Association of the Bank be and it is hereby amended in the following manner, namely:
 - (a) The Second Clause
By deletion of the words "the Colony of" in the second line thereof.
 - (b) The Third Clause, sub-clause (a)
By deletion of the words "Victoria, in the Colony of " in the third line hereof.
- (2) That the Articles of Association of the Bank be and they are hereby amended in the following manner, namely:
 - (a) New Article 7A

By the addition of the following as new Article 7A immediately after Article 7:

"7A. The Company may exercise any powers conferred or permitted by the Ordinance or any other ordinance from time to time to purchase or otherwise acquire its own shares (including any redeemable shares) at any price or to give, directly or indirectly, by means of a loan, guarantee, the provision of security or otherwise, financial assistance for the purpose of or in connection with a purchase or other acquisition made or to be made by any person of any shares in the Company and should the Company purchase or otherwise acquire its own shares neither the Company nor the Board shall be required to select the shares to be purchased or otherwise acquired ratably or in any other particular manner as between the holders of shares of the same class or as between them and the holders of shares of any other class or in accordance with the rights as to dividends or capital conferred by any class of shares provided always that any such purchase or other acquisition or financial assistance shall only be made or

given in accordance with any relevant rules or regulations issued by The Stock Exchange of Hong Kong Limited or the Securities and Futures Commission from time to time in force."

(b) Article 12

By deletion of the words "such sum not exceeding HK\$2 as the Directors may from time to time require" in the last two lines and the substitution therefor of the following words "a fee which shall not exceed the maximum fee prescribed or permitted from time to time by The Stock Exchange of Hong Kong Limited".

(c) Article 26

- (i) By the addition of the words "and on such terms and conditions as the Board may deem fit" immediately after the word "discretion".
- (ii) By the addition of the words "or mechanically produced" immediately after the word "imprinted".

(d) Article 28

- (i) By the addition of the words "or permitted" immediately after the word "prescribed".
- (ii) By the deletion of the words "in the Exchange Listing Rules".

(e) Article 29

- (i) By the substitution of the first word "No" with the word "A".
- (ii) By the addition of the words "from time to time determined by the Board which shall not exceed the maximum fee prescribed or permitted from time to time by The Stock Exchange of Hong Kong Limited" at the end.

(f) Article 74

- (i) By the substitution of the word "that" immediately after the word "where" when it first appears with the word "a".
- (ii) By the deletion of the words "and/or warrant holder" immediately before the words "is a recognised".
- (iii) By the deletion of the words "member and/or warrant holders" and the substitution therefor of the word "members".
- (iv) By the deletion of the words "and/or warrants" immediately after the words "class of shares".
- (v) By the deletion of the words "and/or warrant holder" immediately after the words "individual member".

(g) Article 132

By the addition of the following at the end:

"Where required, a contract shall be filed in accordance with the provisions of the Ordinance and the Board may appoint any person to sign such contract on behalf of the persons entitled to the dividends and such appointment shall be effective and binding on such persons."

(h) Article 136

By the addition of the following at the end:

"If a cheque or warrant is not cashed after it is sent to the member or person entitled thereto in manner aforesaid on two separate but consecutive occasions, the Board may, if it deems fit, cease sending further cheques or warrants to such member. The Company may also cease sending further cheques or warrants to a member if the cheque or warrant is returned undelivered."

(i) Article 153

By deletion of the words "an Extraordinary" in the second line and the substitution therefor of the following words "a Special".

(Sd.) Michael Po-ko Wu

Chairman

WING LUNG BANK, LIMITED

(永隆銀行有限公司)

ORDINARY RESOLUTIONS

Passed the 26th day of April 1997

At an Annual General Meeting of the Shareholders of the Bank duly convened and held at the Bank's Head Office at No 45 Des Voeux Road Central, 21st Floor, Hong Kong on Saturday, the 26th day of April 1997, at 10:30 am, the following resolutions were passed as Ordinary Resolutions:

1. That the authorised capital of the Bank be increased from HKD1,200,000,000 to HKD1,500,000,000 by the creation of 60,000,000 additional shares of HKD5 each.
2. That:
 - (a) it is desirable to capitalise a sum of HKD193,491,760 from the general reserve of the Bank and that accordingly the said sum be capitalised and applied in payment in full for 38,698,352 unissued shares of the Bank of HKD5 each;
 - (b) such new shares, credited as fully paid up, be accordingly issued and allotted and distributed to the shareholders who on 26 April 1997 were registered shareholders of the Bank in the proportion of one such new share for every complete number of five of the 193,491,763 shares then held by them respectively;
 - (c) such new shares shall not rank for any final dividend payable in respect of the year ended 31 December 1996 but shall rank in all other respects *pari passu* with the existing issued shares of the Bank; and
 - (d) no fractional new shares shall be issued but that new shares representing fractions be disposed of by the Directors and the net proceeds distributed to the shareholders entitled thereto.

(Sd.) Michael Po-ko Wu

Chairman

WING LUNG BANK, LIMITED

(永隆銀行有限公司)

SPECIAL RESOLUTION

Pursuant to Section 13(1) and Section 117(1) of the
Companies Ordinance, Cap.32

Passed the 27th day of April 1996

At an Annual General Meeting of the Shareholders of the Bank duly convened and held at the Bank's Head Office at No 45 Des Voeux Road Central, 21st Floor, Hong Kong on Saturday, the 27th day of April 1996, at 10:30 am, the following resolution was passed as a Special Resolution:

THAT the Articles of Association of the Bank be and they are hereby amended in the following manner, namely:

- (a) Article 26
By the addition of the following after the word "transferee" at the 2nd line thereof:
"provided that the Board may in its absolute discretion accept machine imprinted signatures."
- (b) Article 28
By deleting Article 28 in its entirety and replacing the same by the following:-
"A fee not exceeding the maximum fees prescribed by The Stock Exchange of Hong Kong Limited from time to time in the Exchange Listing Rules may be charged for registration of a transfer."
- (c) Article 74
By the addition of the following after the end thereof:
"Without prejudice and in addition to the above, where that member and/or warrant holder is a recognised clearing house with the meaning of the Securities and Futures (Clearing Houses) Ordinance (Chapter 420 of the Laws of Hong Kong), it may authorise such person or persons as it thinks fit to act as its representative (or representatives) at any members' general meeting or any meeting of any class of members and/or warrant holders' meeting provided that, if more than one person is so authorised,

the authorisation must specify the number and class of shares and/or warrants in respect of which each such person is so authorised. The person so authorised will be entitled to exercise the same power on behalf of the recognised clearing house as that clearing house (or its nominees) could exercise if it were an individual member and/or warrant holder of the company."

(Sd.) Michael Po-ko Wu

Chairman

WING LUNG BANK, LIMITED

(永隆銀行有限公司)

ORDINARY RESOLUTION

Passed the 27th day of April 1996

At an Annual General Meeting of the Shareholders of the Bank duly convened and held at the Bank's Head Office at No 45 Des Voeux Road Central, 21st Floor, Hong Kong on Saturday, the 27th day of April 1996, at 10:30 am, the following resolution was passed as an Ordinary Resolution:

That:

- (a) it is desirable to capitalise a sum of HKD161,243,135 from the general reserve of the Bank and that accordingly the said sum be capitalised and applied in payment in full for 32,248,627 unissued shares of the Bank of HKD5.00 each;
- (b) such new shares, credited as fully paid up, be accordingly issued and allotted and distributed to the shareholders who on 27 April 1996 were registered shareholders of the Bank in the proportion of one such new share for every complete number of five of the 161,243,136 shares then held by them respectively;
- (c) such new shares shall not rank for any final dividend payable in respect of the year ended 31 December 1995 but shall rank in all other respects *pari passu* with the existing issued shares of the Bank; and
- (d) no fractional new shares shall be issued but that new shares representing fractions be disposed of by the Directors and the net proceeds distributed to the shareholders entitled thereto.

(Sd.) Michael Po-ko Wu

Chairman

WING LUNG BANK, LIMITED

(永隆銀行有限公司)

ORDINARY RESOLUTION

Passed the 22nd day of April 1995

At an Annual General Meeting of the Shareholders of the Bank duly convened and held at the Bank's Head Office at No 45 Des Voeux Road Central, 21st Floor, Hong Kong on Saturday, the 22nd day of April 1995, at 10:30 am, the following resolution was passed as Ordinary Resolution:

That :

- (a) it is desirable to capitalise a sum of HKD134,369,280 from the general reserve of the Bank and that accordingly the said sum be capitalised and applied in payment in full for 26,873,856 unissued shares of the Bank of HKD5.00 each;
- (b) such new shares, credited as fully paid up, be accordingly issued and allotted and distributed to the shareholders who on 22 April 1995 were registered shareholders of the Bank in the proportion of one such new share for every complete number of five of the 134,369,280 shares then held by them respectively;
- (c) such new shares shall not rank for any final dividend payable in respect of the year ended 31 December 1994 but shall rank in all other respects pari passu with the existing issued shares of the Bank; and
- (d) no fractional new shares shall be issued but that new shares representing fractions be disposed of by the Directors and the net proceeds distributed to the shareholders entitled thereto.

(Sd.) Michael Po-ko Wu

Chairman

WING LUNG BANK, LIMITED

(永隆銀行有限公司)

ORDINARY RESOLUTIONS

Passed the 23rd day of April 1994

At an Annual General Meeting of the Shareholders of the Bank duly convened and held at the Bank's Head Office at No 45 Des Voeux Road Central, 21st Floor, Hong Kong on Saturday, the 23rd day of April 1994, at 10:30 am, the following resolutions were passed as Ordinary Resolutions:

1. That the authorised capital of the Bank be increased from HKD800,000,000 to HKD1,200,000,000 by the creation of 80,000,000 additional shares of HKD5.00 each.
2. That:
 - (a) it is desirable to capitalise a sum of HKD111,974,400 from the general reserve of the Bank and that accordingly the said sum be capitalised and applied in payment in full for 22,394,880 unissued shares of the Bank of HKD5.00 each;
 - (b) such new shares, credited as fully paid up, be accordingly issued and allotted and distributed to the shareholders who on 23 April 1994 were registered shareholders of the Bank in the proportion of one such new share for every complete number of five of the 111,974,400 shares then held by them respectively;
 - (c) such new shares shall not rank for any final dividend payable in respect of the year ended 31 December 1993 but shall rank in all other respects *pari passu* with the existing issued shares of the Bank; and
 - (d) no fractional new shares shall be issued but that new shares representing fractions be disposed of by the Directors and the net proceeds distributed to the shareholders entitled thereto.

(Sd.) Michael Po-ko Wu

Chairman

WING LUNG BANK, LIMITED

(永隆銀行有限公司)

ORDINARY RESOLUTION

Passed the 24th day of April 1993

At an Annual General Meeting of the Shareholders of the Bank duly convened and held at the Bank's Head Office at No 45 Des Voeux Road Central, 21st Floor, Hong Kong on Saturday, the 24th day of April 1993, at 10:30 am, the following resolution was passed as an Ordinary Resolution:

That:

- (a) it is desirable to capitalise a sum of HKD111,974,400 from the general reserve of the Bank and that accordingly the said sum be capitalised and applied in payment in full for 22,394,880 unissued shares of the Bank of HKD5.00 each;
- (b) such new shares, credited as fully paid up, be accordingly issued and allotted and distributed to the shareholders who on 24 April 1993 were registered shareholders of the Bank in the proportion of one such new share for every complete number of four of the 89,579,520 shares then held by them respectively;
- (c) such new shares shall not rank for any final dividend payable in respect of the year ended 31 December 1992 and the bonus dividend but shall rank in all other respects pari passu with the existing issued shares of the Bank; and
- (d) no fractional new shares shall be issued but that new shares representing fractions be disposed of by the Directors and the net proceeds distributed to the shareholders entitled thereto.

(Sd.) Michael Po-ko Wu

Chairman

WING LUNG BANK, LIMITED

(永隆銀行有限公司)

ORDINARY RESOLUTIONS

Passed the 25th day of April 1992

At an Annual General Meeting of the Shareholders of the Bank duly convened and held at the Bank's Head Office at No 45 Des Voeux Road Central, 21st Floor, Hong Kong on Saturday, the 25th day of April 1992, at 10:30 am, the following resolutions were passed as Ordinary Resolutions:

1. That the authorised capital of the Bank be increased from HKD500,000,000 to HKD800,000,000 by the creation of 60,000,000 additional shares of HKD5.00 each.
2. That:
 - (a) it is desirable to capitalise a sum of HKD74,649,600 from the general reserve of the Bank and that accordingly the said sum be capitalised and applied in payment in full for 14,929,920 unissued shares of the Bank of HKD5.00 each;
 - (b) such new shares, credited as fully paid up, be accordingly issued and allotted and distributed to the shareholders who on 25 April 1992 were registered shareholders of the Bank in the proportion of one such new share for every complete number of five of the 74,649,600 shares then held by them respectively;
 - (c) such new shares shall not rank for any final dividend payable in respect of the year ended 31 December 1991 but shall rank in all other respects *pari passu* with the existing issued shares of the Bank; and
 - (d) no fractional new shares shall be issued but that new shares representing fractions be disposed of by the Directors and the net proceeds distributed to the shareholders entitled thereto.

(Sd.) Michael Po-ko Wu

Chairman

WING LUNG BANK, LIMITED

(永隆銀行有限公司)

ORDINARY RESOLUTIONS

Passed the 27th day of April 1991

At an Annual General Meeting of the Shareholders of the Company duly convened and held at the Company's Head Office at No.45 Des Voeux Road Central, 21st Floor, Hong Kong on Saturday, the 27th day of April 1991, at 10:30 am, the following resolutions were passed as Ordinary Resolutions:

1. That the authorised capital of the Bank be increased from HK\$400,000,000 to HK\$500,000,000 by the creation of 20,000,000 additional shares of HK\$5.00 each.
2. That:
 - (a) it is desirable to capitalise a sum of HK\$62,208,000 from the general reserve of the Bank and that accordingly the said sum be capitalised and applied in payment in full for 12,441,600 unissued shares of the Bank of HK\$5.00 each;
 - (b) such new shares, credited as fully paid up, be accordingly issued and allotted and distributed to the shareholders who on 27 April 1991 were registered shareholders of the Bank in the proportion of one such new share for every complete number of five of the 62,208,000 shares then held by them respectively;
 - (c) such new shares shall not rank for any final dividend payable in respect of the year ended 31 December 1990 but shall rank in all other respects *pari passu* with the existing issued shares of the Bank; and
 - (d) no fractional new shares shall be issued but that new shares representing fractions be disposed of by the Directors and the net proceeds distributed to the shareholders entitled thereto.

(Sd.) Michael Po-ko Wu

Chairman

WING LUNG BANK, LIMITED

(永隆銀行有限公司)

SPECIAL RESOLUTIONS

Pursuant to Section 13(1) and Section 117(1) of the
Companies Ordinance, Cap.32

Passed the 28th day of April 1990.

At an Annual General Meeting of the Shareholders of the Company duly convened and held at the Company's Head Office at No. 45 Des Voeux Road Central, 21st Floor, Hong Kong on Saturday, the 28th day of April 1990, at 10:30 am, the following resolution was passed as a Special Resolution:

"THAT the Articles of Association of the Bank be and they are hereby amended in the following manner, namely:

(a) Article 2

By the addition of the following after the definition of "The Seal":

The Official Seal . . . The Official Seal adopted pursuant to Article 125(b)

(b) Article 7

By the addition of the words "the Statutes and" before the words "these Articles" in the first line.

(c) Article 10

(i) By the addition of the word "the" before the word "Statute" in the seventh line.

(ii) By the substitution of the word "Statute" for the word "Statutes" in the seventh line.

(d) Article 11

By the addition of the word "Official" before the word "Seal" in the fourth line and eighteenth line.

(e) Article 12

(i) By the addition of the words "Without prejudice to S. 71A of the Ordinance, if" at the beginning of the Article.

(ii) By the deletion of the word "If " in the first line.

(f) Article 43

(i) By the addition of the words "Official Seal" before the word "seal" in the ninth line.

(ii) By the deletion of the word "seal" in the ninth line.

(g) Article 52(a)

(i) By the deletion of the words "an Extraordinary" in the fifth line and the substitution therefor of the words "a Special".

(ii) By the addition of the words "two" and "at least" before the words "persons" and "one-third" respectively in the eleventh line.

(iii) By the deletion of the words "any two holders" in the sixteenth line and the substitution therefor of the words "a holder".

(iv) By the substitution of the word "is" for the word "are" in the seventeenth line.

(v) By the addition of the words "or by proxy" before the words "shall be" in the seventeenth line.

(h) Article 56

(i) By the deletion of the words "Section 116(2) of" in the first line.

(ii) By the deletion of the word "seven" in the second line and the substitution therefor of the words "twenty one".

(iii) By the addition of the words "for an Annual General Meeting and fourteen days' notice at the least for an Extraordinary General Meeting" after the words "the least" in the third line.

(i) Article 58

By the addition of the words "Directors and" before the word "Auditors" in the eighth line.

(j) Article 63

By the substitution of the figure "10" for the figure "15" in the sixth and tenth lines.

(k) Article 76

By the substitution of the words "twenty-four" for the words "forty-eight" in the seventh line.

(l) Article 77

(i) By the re-numbering of the existing Article 77 as paragraph (a).

(ii) By the addition of a new paragraph (b) which reads as follows:

(b) Where it is desired to afford members an opportunity of voting for or against a resolution the instrument appointing a proxy shall be in the following form or a form as near thereto as circumstances admit—

WING LUNG BANK LIMITED

I/We, _____, of _____,
being a Member/Members of Wing Lung Bank Limited, hereby appoint
_____ of _____, or failing
him, _____ of _____ as my/our proxy
to vote for me/us on my/our behalf at the (Annual or Extraordinary, as the
case may be) General Meeting of the company, to be held on the
day of _____ 19____, and at any adjournment thereof.

Signed this _____ day of _____ 19____.

This form is to be used _____
*in favour of _____ the resolution.
against _____

Unless otherwise instructed, the proxy will vote as he thinks fit.

*Strike out whichever is not desired."

(m) Article 86

Article 86(b) be amended as follows:

- (i) By the deletion of the word "so" before the word "interested" in the twentieth line.
- (ii) By the addition of the word "materially" before the word "interested" in the twentieth line.
- (iii) By the deletion of the words ", guarantee or underwrite" in the twenty second line and twenty third line and the addition of the words "or purchase" before the word "shares" in the twenty third line.
- (iv) By the addition of the words "where the Director is interested or to be interested as a participant in the underwriting or sub-underwriting of such purchase or subscription," at the end of the twenty fourth line.
- (v) By the deletion of the word "sole" in the twenty eighth line.
- (vi) By the deletion of the words "Director" and "creditor" in the twenty ninth line.
- (vii) By the addition of the word "director" before the word "member" and the words ", officer or executive" after the word "member" in the twenty ninth line.
- (viii) By the addition of the words "provided that he together with any of his associates (as defined below), is not beneficially interested in five per cent or more of the issued shares of any class of such corporation or of the voting rights," after the word "corporation" in the twenty ninth line.
- (ix) By the addition of the words "at which the Director who is materially interested in such contract, arrangement or transaction does not exercise any voting rights which he would otherwise be entitled to exercise at such General Meeting" after the word "Meeting" in the thirty second line.
- (x) By the addition of a new Article 86(d) which reads as follows:
 - (d) In this Article, "associate" in relation to a Director means:
 - (i) his spouse and any child or step-child under the age of 21 years of the Director or of his spouse ("family interests"); and

- (ii) the trustees, acting in their capacity as such trustees, of any trust of which he or any of his family interests is a beneficiary or, in the case of a discretionary trust, is a discretionary object; and
- (iii) any company in the equity capital of which he and/or his family interests taken together are directly or indirectly interested so as to exercise or control the exercise of 35 per cent (or such lower amount as may from time to time be specified in the Takeover Code as being the level for triggering a mandatory general offer) or more of the voting power at general meetings, or to control the composition of a majority of the board of directors and any other company which is its subsidiary or holding company or a fellow subsidiary of any such holding company.

(n) Article 104

By the substitution of the word "seven" for the word "three" in the fourth line.

(o) Article 125

By the deletion in its entirety (including the heading) and the substitution therefor a new Article 125 which reads as follows:

THE SEAL AND THE OFFICIAL SEAL

125. (a) The Board shall provide for the safe custody of the Seal, and the Seal shall not be used without the prior authority of the Board, and two members of the Board or one member of the Board together with one other person so appointed by the Board shall sign every instrument to which the Seal is affixed. Every instrument executed in the manner provided by this Article shall be deemed to be sealed and executed with the authority of the Directors previously given.

(b) The Company shall have, for use for sealing share certificates issued by the Company and such other documents constituting securities to be issued by the Company as the Board may from time to time approve (in this Article referred to as an "Authorised Document"), an Official Seal which is a facsimile of the Seal of the Company with the addition on its face of the word "securities". No signature of any director, officer or any other person and no mechanical reproduction thereof shall be required on any of the Company's share certificates or Authorised Documents and every share certificate and Authorised Document to which such Official Seal is affixed shall be valid and shall be deemed to have been sealed and executed with the authority of the Board notwithstanding the absence of any such signature or mechanical reproduction thereof as aforesaid.

(p) Article 143

By the addition of the words "an Annual" before the words "General Meeting" in the third line and by the substitution of the word "twenty-one" for the word "fourteen" in the sixth line.

(q) Article 147

By the deletion in its entirety and the substitution therefor of the following:

Any member described in the register of members shall be entitled to have served upon him at his registered address as appearing in the register of members any notice to which he would be entitled under these Articles.

(Sd.) Michael Po-ko Wu

Chairman

WING LUNG BANK, LIMITED

(永隆銀行有限公司)

ORDINARY RESOLUTIONS

Passed the 28th day of April 1990.

At an Annual General Meeting of the Shareholders of the Company duly convened and held at the Company's Head Office at No. 45 Des Voeux Road Central, 21st Floor, Hong Kong on Saturday, the 28th day of April 1990, at 10:30 am, the following resolutions were passed as Ordinary Resolutions:

1. That the authorised capital of the Bank be increased from HK\$300,000,000 to HK\$400,000,000 by the creation of 20,000,000 additional shares of HK\$5.00 each.
2. That:
 - (a) it is desirable to capitalise a sum of HK\$51,840,000 from the general reserve of the Bank and that accordingly the said sum be capitalised and applied in payment in full for 10,368,000 unissued shares of the Bank of HK\$5.00 each;
 - (b) such new shares, credited as fully paid up, be accordingly issued and allotted and distributed to the shareholders who on 28 April 1990 were registered shareholders of the Bank in the proportion of one such new share for every complete number of five of the 51,840,000 shares then held by them respectively;
 - (c) such new shares shall not rank for any final dividend payable in respect of the year ended 31 December 1989 but shall rank in all other respects *pari passu* with the existing issued shares of the Bank; and
 - (d) no fractional new shares shall be issued but that new shares representing fractions be disposed of by the Directors and the net proceeds distributed to the shareholders entitled thereto.

(Sd.) Michael Po-ko Wu

Chairman

WING LUNG BANK, LIMITED

(永隆銀行有限公司)

ORDINARY RESOLUTIONS

Passed the 29th day of April 1988

At an Annual General Meeting of the Shareholders of the Company duly convened and held at the Company's Head Office at 45 Des Voeux Road Central, 21st Floor, Hong Kong on Friday, the 29th day of April 1988, at 10.30 am, the following resolutions were passed as Ordinary Resolutions:—

- (1) That pursuant to Article 140 of the Bank it is desirable to capitalise a sum of \$86,400,000 being firstly the amount now standing to the credit of the Share Premium Account of the Bank and the balance from General Reserve of the Bank and accordingly that such sum be set free for distribution amongst the holders of the Ordinary Shares who would have been entitled thereto if distributed by way of dividend and in the same proportion on condition that the same be not paid in cash but be applied either in or towards paying up 17,280,000 unissued Ordinary Shares of the Bank to be allotted and credited as fully paid up and be distributed amongst the shareholders who at the close of business on 29 April 1988 are registered ordinary shareholders of the Bank in the proportion of one Ordinary Share for every two Ordinary Shares then held by such shareholders respectively and that such new Ordinary Shares shall not rank for final dividend for the year ended 31 December 1987 but in all other respects shall rank *pari passu* with the existing issued Ordinary Shares of and in the Bank. No fractional certificates will be issued but shares representing fractions will be allotted to a trustee to be nominated by the Board of Directors upon trust for sale upon such conditions as they consider expedient and the net proceeds of sale will be distributed proportionately amongst those shareholders who would otherwise be entitled to such fractions and in satisfaction thereof.
- (2) That the Board be and is hereby authorised to allot and issue such new Ordinary Shares for distribution in the manner and proportion aforesaid.

(Sd.) Michael Po-ko Wu

Chairman

WING LUNG BANK, LIMITED

(永隆銀行有限公司)

ORDINARY RESOLUTION

Pursuant to Section 55(1) & (2) and Section 117(1)
of the Companies Ordinance, Cap.32

Passed the 27th day of April 1987

At the Annual General Meeting of the Shareholders of the Company duly convened and held at the Company's Head Office at No 45 Des Voeux Road Central, 21st Floor, Hong Kong on Monday, the 27th day of April 1987 at 3 pm, the following resolution was passed as an Ordinary Resolution:—

"That the authorised capital of the Company be increased from HK\$200,000,000 to HK\$300,000,000 by the creation of 20,000,000 additional shares of HK\$5 each."

(Sd.) Michael Po-ko Wu

Chairman

WING LUNG BANK, LIMITED

(永隆銀行有限公司)

ORDINARY RESOLUTIONS

Passed the 26th day of April 1986

At an Annual General Meeting of the Shareholders of the Company duly convened and held at the Company's Head Office at 45 Des Voeux Road Central, 21st Floor, Hong Kong on Saturday, the 26th day of April 1986, at 10.30 am, the following resolutions were passed as Ordinary Resolutions:—

- (1) That pursuant to Article 140 of the Bank it is desirable to capitalise a sum of \$28,800,000 being part of the amount now standing to the credit of the Share Premium Account of the Bank and accordingly that such sum be set free for distribution amongst the holders of the Ordinary Shares who would have been entitled thereto if distributed by way of dividend and in the same proportion on condition that the same not be paid in cash but be applied either in or towards paying up 5,760,000 unissued Ordinary Shares of the Bank to be allotted and credited as fully paid up and be distributed amongst the shareholders who at the close of business on 26 April 1986 are registered ordinary shareholders of the Bank in the proportion of one Ordinary Share for every five Ordinary Shares then held by such shareholders respectively and that such new Ordinary Shares shall not rank for final dividend for the year ended 31 December 1985 but in all other respects shall rank pari passu with the existing issued Ordinary Shares of and in the Bank. No fractional certificates will be issued but shares representing fractions will be allotted to a trustee to be nominated by the Board of Directors upon trust for sale upon such conditions as they consider expedient and the net proceeds of sale will be distributed proportionately amongst those shareholders who would otherwise be entitled to such fractions and in satisfaction thereof.
- (2) That the Board be and is hereby authorised to allot and issue such new shares for distribution in the manner and proportion aforesaid.

(Sd.) Michael Po-ko Wu

Chairman

WING LUNG BANK, LIMITED

(永隆銀行有限公司)

ORDINARY RESOLUTIONS

Passed the 3rd day of April 1982

At an Annual General Meeting of the Shareholders of the Company duly convened and held at the Company's Head Office at 45 Des Voeux Road Central, 21st Floor, Hong Kong on Saturday, the 3rd day of April 1982, at 11.30 am, the following resolutions were passed as Ordinary Resolutions:—

- (1) That pursuant to Article 140 of the bank it is desirable to capitalise a sum of \$24,000,000 being part of the amount now standing to the credit of the Share Premium Account of the bank and accordingly that such sum be set free for distribution amongst the holders of the Ordinary Shares who would have been entitled thereto if distributed by way of dividend and in the same proportion on condition that the same be not paid in cash but be applied either in or towards paying up 4,800,000 unissued Ordinary Shares of the bank to be allotted and credited as fully paid up and be distributed amongst the shareholders who at the close of business on 3 April 1982 are registered ordinary shareholders of the bank in the proportion of one Ordinary Share for every five Ordinary Shares then held by such shareholders respectively and that such new Ordinary Shares shall not rank for final dividend for the year ended 31 December 1981 but in all other respects shall rank pari passu with the existing issued Ordinary Shares of and in the bank. No fractional certificates will be issued but shares representing fractions will be allotted to a trustee to be nominated by the Board of Directors upon trust for sale upon such conditions as they consider expedient and the net proceeds of sale will be distributed proportionately amongst those shareholders who would otherwise be entitled to such fractions and in satisfaction thereof.
- (2) That the Board be and is hereby authorised to allot and issue such new shares for distribution in the manner and proportion aforesaid.

(Sd.) Jieh-yee Wu

Chairman

WING LUNG BANK, LIMITED

(永隆銀行有限公司)

ORDINARY RESOLUTIONS

Passed the 30th day of March 1981

At an Annual General Meeting of the Shareholders of the Company duly convened and held at the Company's Head Office at 45 Des Voeux Road Central, 21st Floor, Hong Kong on Saturday, the 30th day of March 1981, at 11.00 am, the following resolutions were passed as Ordinary Resolutions:—

- (1) That pursuant to Article 140 of the Bank it is desirable to capitalise a sum of \$20,000,000 being part of the amount now standing to the credit of the Share Premium Account of the Bank and accordingly that such sum be set free for distribution amongst the holders of the Ordinary Shares who would have been entitled thereto if distributed by way of dividend and in the same proportion on condition that the same be not paid in cash but be applied either in or towards paying up 4,000,000 unissued Ordinary Shares of the Bank to be allotted and credited as fully paid up and be distributed amongst the shareholders who at the close of business on 30 March 1981 are registered ordinary shareholders of the Bank in the proportion of one Ordinary Share for every five Ordinary Shares then held by such shareholders respectively and that such new Ordinary Shares shall not rank for final dividend for the year ended 31 December 1980 but in all other respects *pari passu* with the existing issued Ordinary Shares of and in the Bank. No fractional certificates will be issued but shares representing fractions will be allotted to a trustee to be nominated by the Board of Directors upon trust for sale upon such conditions as they consider expedient and the net proceeds of sale will be distributed proportionately amongst those shareholders who would otherwise be entitled to such fractions and in satisfaction thereof.
- (2) That the Board be and is hereby authorised to allot and issue such new shares for distribution in the manner and proportion aforesaid.

(Sd.) Jieh-yee Wu

Chairman

WING LUNG BANK, LIMITED

(永隆銀行有限公司)

SPECIAL RESOLUTIONS

Pursuant to Section 13(1) and Section 117(1) of the
Companies Ordinance, Cap.32

Passed the 5th day of March, 1980

At an Extraordinary General Meeting of the Shareholders of the Company duly convened and held at the Conference Room of the Company's Head Office at No. 45, Des Voeux Road Central, 5th Floor, Hong Kong on Wednesday, the 5th day of March, 1980, at 10:15 o'clock in the forenoon, the following resolution was passed as a Special Resolution:—

"That the Articles of Association of the Company be altered and amended in the following manner:—

1. By deleting the words "other than a Managing Director" at the end of line 18 and the beginning of line 19 of Article 86(b);
2. By deleting the words "A Director so appointed shall not whilst holding that office be subject to retirement by rotation or be taken into account in determining the rotation of retirement of Directors, but his appointment shall be automatically determined if he ceases from any cause to be a Director." at the end of Article 95(a); and
3. By deleting Article 95(b)."

(Sd.) Jieh-yee Wu

Chairman

WING LUNG BANK, LIMITED

(永隆銀行有限公司)

SPECIAL RESOLUTIONS

Pursuant to Section 13(1) and Section 117(1) of the
Companies Ordinance, Cap.32

Passed the 5th day of March, 1980

At an Extraordinary General Meeting of the Shareholders of the Company duly convened and held at the Conference Room of the Company's Head Office at No. 45, Des Voeux Road Central, 5th Floor, Hong Kong on Wednesday, the 5th day of March, 1980, at 10:00 o'clock in the forenoon, the following resolutions were passed as Special Resolutions:—

"That the Articles of Association of the Company be altered and amended in the following manner:—

1. By deleting in Article 12 the words "HK\$5" and substituting therefor the words "HK\$2";
2. By deleting in Article 20 the figure "10" at the end of the 4th line and substituting therefor the figure "15";
3. By deleting in whole of Article 24 and substituting therefor the following:—

"The Board may, if it thinks fit, receive from any member willing to advance the same all or any part of the moneys due upon his shares beyond the sums actually called thereon, and upon the moneys so paid in advance, or so much thereof as exceeds the amount for the time being called up on the shares in respect of which such advance has been made, the Board may pay or allow such interest as may be agreed between it and such member, but so that until such part of the share in respect of which such advance has been made is actually called up the dividends (if any) payable on such share shall be those which would have been payable had no such advance been made. The Board may at any time repay the amount so advanced upon giving to such member not less than 3 months' notice in writing of their intention in that behalf unless before the expiration of such notice the amount so advanced shall have been called up on the shares in respect of which it was advanced.";

4. By adding the words "not being a fully paid share" at the end of line 2 of Article 27 after the words "register a transfer of any share";
5. By deleting Article 28 and substituting therefor the following:
"A fee not exceeding HK\$2 may be charged for registration of a transfer.";
6. By deleting the word "actually" in the last but one line of Article 37 and substituting therefor the word "actually";
7. By deleting the word "directory" in the last but 3rd line of Article 38 and substituting therefor the word "discretionary";
8. By adding the words "having preferential rights" in between the words "in the capital of the Company" and "shall not be deemed" in the third line of Article 52(b);
9. By deleting the words "Directors and" in the last line of Article 58;
10. By deleting the words "or more than eleven" at the end of Article 81;
11. By deleting the words "Managing Director" in Article 83 and substituting therefor the words "Executive Director";
12. By deleting sub-paragraph (h) in Article 84(1);
13. By deleting the words "MANAGING DIRECTORS" in the heading of Article 95 and substituting therefor the words "EXECUTIVE DIRECTORS";
14. (a) By deleting the words "Managing Director" in the 2nd line of Article 95(a) and substituting therefor the words "Executive Director";
(b) By deleting the words "Managing Directors" in the 3rd line of Article 95(a) and substituting therefor the words "Executive Directors";
15. By deleting the words "a managing director" at the end of the 1st and the beginning of the 2nd lines of Article 95(c) and substituting therefor the words "an Executive Director";
16. (a) By deleting the words "Managing Directors" in the 4th and 5th lines of Article 114 and substituting therefor the words "Executive Directors";
(b) By deleting the words "a substitute Managing Director" in the 6th line of Article 114 and substituting therefor the words "an alternate Director to an Executive Director";
(c) By deleting the words "a Managing" at the end of the 6th line of Article 114 and substituting therefor the words "an Executive";

17. By adding the words "(or alternate Directors for the time being entitled to Notice of Board Meetings) in Hong Kong" between the words "all of the Directors" and "shall" at the end of the 1st line of Article 123;
18. By deleting the word "any" in the second last line of Article 125 and substituting therefor the word "and";
19. By deleting the word "seven" at the end of the last but 4th line of Article 143 and substituting therefor the word "fourteen";
20. By adding the following words in the 2nd line of Article 145 between the words "any member either" and "personally or by sending":—

'by advertisement (in at least one leading English language daily newspaper circulating in Hong Kong and at least one leading Chinese language daily newspaper circulating in Hong Kong) or';

21. By deleting the words "Managing Directors" in Article 151 and substituting therefor the words "Executive Directors".

"That the Memorandum and Articles of the Company be reprinted to incorporate all amendments passed since the previous printing thereof and that the Articles be renumbered, with such consequential amendments as may thereby be required, in numerical sequence."

(Sd.) Jieh-yee Wu

Chairman

WING LUNG BANK, LIMITED

(永隆銀行有限公司)

ORDINARY RESOLUTIONS

**PURSUANT TO SECTION 55 OF
THE COMPANIES ORDINANCE, CAP. 32**

Passed the 5th day of March 1980

At an extraordinary General Meeting of the Shareholders of the Company duly convened and held at the Company's Head Office at No 45 Des Voeux Road Central, 5/F, Hong Kong on Wednesday, the 5th day of March 1980 at 10 am, the following resolutions were passed as ordinary resolutions:—

1. "That each of the shares of HK\$10.00 each (whether issued or unissued) in the capital of the Company be subdivided into 2 shares of HK\$5.00 each."
2. "That the authorised capital of the Company be increased from HK\$100,000,000.00 to HK\$200,000,000.00 by the creation of 20,000,000 additional shares of HK\$5.00 each ranking pari passu with the existing shares of the Company in all respects."

(Sd.) Jieh-yee Wu

Chairman

WING LUNG BANK, LIMITED

SPECIAL RESOLUTION

Pursuant to Section 116(2) and filed pursuant to
Section 117(1)

Passed the 23rd day of February, 1973

At an Extraordinary General Meeting of members of WING LUNG BANK, LIMITED, duly convened and held at No. 112, Queen's Road Central, Victoria, Hong Kong, on Friday, the 23rd day of February, 1973, the following resolution was passed as Special Resolution:—

"That the Company henceforth be a public company and that the regulations contained in the printed document submitted to the meeting and for the purpose of identification subscribed by the chairman thereof be approved and adopted as the Articles of Association of the Company, in substitution for, and to the exclusion of, all the existing Articles".

(Signed) Wu Yee Sun

Chairman.

THE COMPANIES ORDINANCE

(Chapter 32 of the Revised Edition, 1950, of the Laws of Hong Kong)

CERTIFICATE OF INCORPORATION ON CHANGE OF NAME

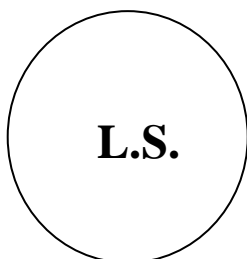
(Pursuant to Section 22(4))

WHEREAS WING LUNG BANK, LIMITED (永隆銀號有限公司) was incorporated as a limited company under the Companies Ordinance (Chapter 32) on the fifth day of December, 1956.

AND WHEREAS by special resolution of the Company and with the approval of His Excellency the Governor given by me on his behalf under delegated powers it has changed its Chinese name to "(永隆銀行有限公司)".

NOW THEREFORE I hereby certify that the Company is a limited company incorporated under the name of **WING LUNG BANK, LIMITED (永隆銀行有限公司)**.

GIVEN under my hand and seal of office at Victoria in the Colony of Hong Kong this Thirty-first day of March One Thousand Nine Hundred and Sixty.



(Signed) W. K. Thomson
*Registrar of Companies,
Hong Kong.*

WING LUNG BANK, LIMITED

SPECIAL RESOLUTION

Pursuant to Section 22(1) and Section 117(1) of
the Companies Ordinance, Cap.32.

Passed the 17th day of March, 1960.

At an Extraordinary General Meeting of the members of Wing Lung Bank, Limited, duly convened and held at No. 112, Queen's Road Central, Victoria, Hong Kong, on Thursday, the 17th day of March, 1960, the following resolution was passed as special resolution:—

"That the Chinese name of the Company be changed from '永隆銀號有限公司' to '永隆銀行有限公司'".

(Signed) Yee Sun Wu
Chairman.

(C O P Y)

CERTIFICATE OF INCORPORATION

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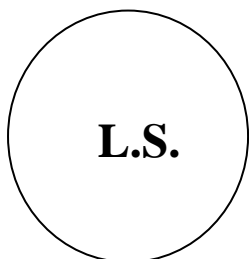
I HEREBY CERTIFY that

WING LUNG BANK, LIMITED

(永 隆 銀 號 有 限 公 司)

is this day incorporated in Hong Kong under the Companies Ordinance, (Chapter 32) and that this Company is limited.

Given under my hand and seal of office this Fifth day of December, One Thousand Nine Hundred and Fifty-six.



(Sd.) W. Aneurin Jones
Registrar of Companies,
Hong Kong.

THE COMPANIES ORDINANCE

Company Limited by Shares

MEMORANDUM OF ASSOCIATION

OF

WING LUNG BANK, LIMITED

(永隆銀行有限公司)

First:— The name of the Company is "WING LUNG BANK, LIMITED"(永隆銀行有限公司).

Second:— The registered office of the Company will be situate in Hong Kong.*

Third:— The objects for which the Company is established are:—

- (a) To acquire and take over as a going concern the business now carried on at No.112, Queen's Road Central, Hong Kong, under the style or firm name of "Wing Lung Bank" and all or any of the assets and liabilities of the partners of that business in connection therewith, and with a view thereto to enter into the agreement referred to in Clause 3 of the Company's Articles of Association and to carry the same into effect with or without modification.* To acquire business.
- (b) To carry on the business of banking in all its branches and departments, including exchange banking and business; the borrowing, raising or taking up money; the lending or advancing money, securities and property on such terms as may be thought fit; the discounting, buying selling and dealing in bills of exchange, promissory notes, coupons, drafts, bills of lading, exchanges, warrants, debentures, certificates, scrip and other instruments and securities, whether transferable or negotiable, or not; the granting and issuing of letters of credit and circular notes; the buying, selling and dealing in bullion and specie; the acquiring, holding, issuing on commission, underwriting and Banking.

dealing with stocks, funds, shares, debentures, debenture stock, bonds, obligations, securities and investments of all kinds, the acquisition, holding and dealing with movable and immovable property of all kinds; the negotiating of loans and advances; the receiving of money and valuables on deposit, or for safe custody, or otherwise; the issuance of deposit or other receipts or acknowledgment either in a negotiable or transferable form or otherwise in respect of moneys deposited; the issuance of demand drafts negotiable or transferable or otherwise; the collecting and transmitting of money and securities; the carrying on of a savings bank; the establishment of branches or agencies throughout the world; the managing of property; and transacting all kinds of agency business commonly transacted by bankers.

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| Financiers, capitalists, etc. | (c) | To carry on business as capitalists, financiers, industrialists, concessionaires, and general merchants, and to undertake and carry on and execute all kinds of financial, commercial, trading and other operations. |
| To establish etc. factories. | (d) | To establish, own, maintain and operate factories of all descriptions and kinds. |
| To carry on other businesses. | (e) | To carry on any other businesses, which may seem to the Company capable of being conveniently carried on in connection with the businesses referred to in paragraph (a) and (b) above, or calculated directly or indirectly to enhance the value of or render profitable any of the Company's property or rights. |
| To purchase other businesses. | (f) | To acquire, and undertake the whole or any part of the business, property, and liabilities of any person, firm or company carrying on any business which the Company is authorised to carry on, or possessed of property suitable for the purposes of this Company. |
| To enter into partnership, etc. | (g) | To enter into partnership or into any arrangement for sharing profits, union of interests, co-operation, joint adventure, reciprocal concession, or otherwise, with any person or company carrying on or engaged in, or about to carry on or engage in, any business or transaction which this Company is authorized to carry on or engage in, or any business or transaction capable of being conducted so as directly or indirectly to benefit this Company. And to lend money to, guarantee the contracts of, or otherwise assist, any such person or company, and to take or otherwise acquire shares and securities of any such company and to sell, hold, re-issue, with or without guarantee, or otherwise deal with the same. |

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| (h) | To take or otherwise acquire, and hold shares in any other company having objects altogether or in part similar to those of this Company or carrying on any business capable of being conducted so as directly or indirectly to benefit this Company. | To take shares in other companies. |
| (i) | To enter into any arrangements with any governments or authorities supreme, municipal, local or otherwise, that may seem conducive to the Company's objects, or any of them and to obtain from any such government or authority, any rights, privileges, and concessions which the Company may think it desirable to obtain, and to carry out, exercise, and comply with any such arrangements, rights, privileges and concessions. | To make arrangements with authorities. |
| (j) | To establish and support or aid in the establishment and support of associations, institutions, funds, trusts, and conveniences calculated to benefit employees or ex-employees of the Company or the dependants or connections of such persons, and to grant pensions and allowances and to make payments towards insurance, and to subscribe or guarantee money for charitable or benevolent objects, or for any exhibition, or for any public, general or useful object. | To benefit employees, etc. |
| (k) | To promote any company or companies for the purpose of acquiring all or any of the property, rights and liabilities of this Company, or for any other purpose which may seem directly or indirectly calculated to benefit this Company. | To promote companies. |
| (l) | Generally to purchase, take on lease or in exchange, hire or otherwise acquire, any real and personal property, and any rights or privileges which the Company may think necessary or convenient for the purpose of its business and in particular any land, buildings, easements, machinery, plant and stock-in-trade. | To purchase property, etc. |
| (m) | To hire, purchase, erect, or otherwise acquire godown or godowns for any of the purposes of the Company and to carry on the business of godown-keepers, or warehousemen. | To carry on business of godown-keepers. |
| (n) | To construct, maintain and alter any buildings or works, necessary or convenient for the purposes of the Company. | To construct buildings. |
| (o) | To invest and deal with the moneys of the Company not immediately required in such manner as may from time to time be determined. | To invest. |

To advance moneys.	(p)	To advance, deposit or lend money, securities and property to or with such persons and on such terms as may seem expedient and either with or without security, and in particular to customers and others having dealings with the Company, and to guarantee the performance of contracts of any such persons.
To guarantee.	(q)	To guarantee or become liable for the payment of money or for the performance of any obligation.
Agency business.	(r)	To transact all kinds of agency business.
To borrow, &c.	(s)	To borrow or raise or secure the payment of money in such manner as the Company shall think fit, and in particular by the issue of debentures, perpetual or otherwise, charged upon all or any of the Company's property (both present and future) including its uncalled capital, and to purchase, redeem or pay off any such securities.
To remunerate.	(t)	To remunerate any person or company for services rendered, or to be rendered, in the conduct of its business.
To draw, accept bills, &c.	(u)	To draw, make, accept, indorse, discount, execute, and issue promissory notes, bills of exchange, bills of lading, warrants, debentures and other negotiable or transferable instruments.
To discount, buy, sell bills, &c.	(v)	To discount, sell and deal in bills, bonds, notes, warrants, coupons, drafts and other negotiable or transferable securities or documents.
To act as trustee.	(w)	To undertake and execute any trusts the undertaking whereof may seem desirable, and also to undertake the office of executors, administrator, receiver, treasurer or registrar, and to keep for any company, government, authority or body any register relating to any stocks, funds, shares or securities, or to undertake any duties in relation to the registration of transfers, the issue of certificates or otherwise.
Sale of undertaking.	(x)	To sell or dispose of the undertaking of the Company or any part thereof, for such consideration as the Company may think fit, and in particular for shares, debentures or securities of any other company having objects altogether or in part similar to those of this Company.

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| (y) | To obtain any provisional order or ordinance for enabling the Company to carry any of its objects into effect, or for effecting any modification of the Company's constitution, or for any other purpose which may seem expedient, and to oppose any legislation, proposals, proceedings, schemes or applications whether of a like nature to those previously indicated in this paragraph or not which may seem calculated directly or indirectly to prejudice the Company's interest. | To obtain order or ordinance. |
| (z) | To procure the Company to be registered or recognized in any country or place outside Hong Kong. | Registration outside Hong Kong. |
| (aa) | To sell, improve, manage, develop, exchange, lease, mortgage, enfranchise, dispose of, turn to account, or otherwise deal with, all or any part of the property and rights of the Company. | To sell, &c. |
| (bb) | To purchase, or otherwise acquire, and to sell, exchange, surrender, lease, mortgage, charge, convert, turn to account, dispose of and deal with property and rights of all kinds, and in particular mortgages, debentures, produce, concessions, options, contracts, patents, annuities, licences, stocks, shares, bonds, book debts, business concerns and undertakings and claims, privileges and choses in action of all kinds. | To purchase, sell, &c. |
| (cc) | To take or concur in taking all such steps and proceedings as may seem best calculated to uphold and support the credit of the Company and to obtain and justify public confidence, and to avert or minimise financial disturbances which might affect the Company. | To uphold credit of company. |
| (dd) | To establish branches, agencies and/or local boards in any place in Hong Kong and elsewhere abroad as the Company may from time to time think fit and the same to regulate, direct and discontinue, dispose of, or otherwise deal with as may seem expedient. | To establish branches. |
| (ee) | To do all or any of the above things in any part of the world and as principals, agents, contractors, trustees, or otherwise, and by or through trustees, agents, or otherwise, and either alone or in conjunction with other or others. | To do any of the above things in any part of the world. |
| (ff) | To do all such other things as are incidental or conducive to the attainment of the above objects or any of them. | General. |

And it is hereby declared that the word "company" in this clause, except where used in reference to this Company, shall be deemed to include	Interpretation.
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any partnership or other body of persons, whether incorporated or not incorporated, and wheresoever domiciled, and the intention is that the objects specified in each paragraph of this clause shall, except where otherwise expressed in such paragraph, be in nowise limited or restricted by reference or to inference from the terms of any other paragraph or the name of the Company.

Fourth:— The liability of the members of the Company is limited.

Capital of the
Company.

Fifth:— The capital of the Company is \$1,500,000,000.00 Hong Kong Currency, divided into 300,000,000 shares of \$5.00 each.*

Increase of Capital,
&c.

Sixth:— The capital of the Company may be increased, and any of the original shares and any new shares, from time to time be created, may, from time to time, be divided into such classes with such preferential, deferred, or special rights, privileges, or conditions and other special incidents as may be prescribed or determined upon by or in accordance with the Articles of Association and Regulations of the Company for the time being or otherwise.

Dividends may be paid in cash or by the distribution of specific assets or otherwise as provided by the Articles of Association of the Company and/or Regulation of the Company for the time being or otherwise.

Promoter.

Seventh:— Wu Yee Suen otherwise known as Yee Sun Wu (伍 宜 孫) is the Promoter of the Company. The Company shall pay to him as Promoter's Bonus such amount of the net profits of the Company each and every year as the Company in general meeting shall from time to time decide.

Permanent Directors.

Eighth:— The said Wu Yee Suen otherwise known as Yee Sun Wu (伍 宜 孫) and Jieh Yee Wu otherwise known as Ng Kit Yee (伍 潔 宜) shall be Permanent Directors of the Company, and each of them shall be entitled to hold office for life, or until he ceases to hold 100 shares in the Company, or until he vacates office by death, resignation, or otherwise, and the provisions of Article 93 of the accompanying Articles of Association shall be deemed to be incorporated into this paragraph, and shall have effect accordingly.

* As amended by Special Resolutions dated 7th December, 1962, 7th February, 1967, 22nd January, 1973, and Ordinary Resolutions dated 5th March, 1980, 27th April, 1987, 28th April, 1990, 27th April, 1991, 25th April, 1992, 23rd April, 1994 and 26th April, 1997.

WE, the several persons whose names, addresses and descriptions are hereto subscribed, are desirous of being formed into a Company in pursuance of this Memorandum of Association, and we respectively agree to take the number of shares in the capital of the Company set opposite to our respective names:—

Names, Addresses and Descriptions of Subscribers	Number of Shares taken by each Subscriber.
<p>(Sd.) YEE SUN WU (伍宜孫) No.14 Dragon Terrace, 1st floor, Hong Kong.</p> <p>Merchant</p>	1
<p>(Sd.) JIEH YEE WU (伍潔宜) No.14 Dragon Terrace, 1st floor, Hong Kong.</p> <p>Merchant</p>	1
Total Number of Shares Taken ...	2

Dated the 30th day of November, 1956.

WITNESS to the above signatures :-

(Sd.) C. Y. KWAN
Solicitor
Hong Kong.

THE COMPANIES ORDINANCE

COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

(Adopted by Special Resolution passed on 23rd February, 1973)

OF

WING LUNG BANK, LIMITED

(永隆銀行有限公司)

TABLE A EXCLUDED

1. The regulations contained in Table A in the First Schedule to the Companies Ordinance shall not apply to the Company but the following shall be the Articles of Association of the Company.

INTERPRETATION

2. In these Articles the words standing in the first column of the table next hereinafter contained shall bear the meanings set opposite to them respectively in the second column thereof, if not inconsistent with the subject or context –

Words	Meanings
The Company	WING LUNG BANK, LIMITED
The Ordinance or the Companies Ordinance	The Companies Ordinance, Chapter 32 of the Laws of Hong Kong.
The Statutes	The Companies Ordinance, Chapter 32 of the Laws of Hong Kong,

and every other Ordinance for the time being in force and affecting the Company.

These Articles	These Articles of Association, as originally framed or as altered from time to time by Special Resolution.
The Board	The Board of Directors for the time being of the Company or the Directors present at a duly convened meeting of Directors at which a quorum is present.
The Office	The registered office for the time being of the Company.
The Seal	The common seal of the Company.
The Official Seal . . .	The Official Seal adopted pursuant to Article 125(b).*
Month	Calendar month.
Paid up	Paid up or credited as paid up.
Dividend	Dividend and/or cash bonus.
Electronic communication	Communication sent by electronic transmission in any form through any medium.**

Writing shall include printing, lithography, photography, typewriting, photocopies, telecopier messages and every other mode of representing words or figures in a visible form (including electronic communication).**

Words importing the singular number only shall include the plural number and *vice versa*.

Words importing the masculine gender only shall include the feminine gender; and

Words importing persons shall include corporations, and the expressions "share" and "shareholder" shall include stock and stockholder, and the expressions "debenture" and "debenture-holder" shall include debenture stock and debenture stockholder, and the expression "Secretary" shall (subject to the provisions of the Statutes) include a temporary or Assistant Secretary and any person appointed by the Board to perform any of the duties of the Secretary.

Reference to any section or provision of the Statutes shall, if not inconsistent with the subject or context, include any corresponding or substituted section or the provision of any Statute amending, consolidating or replacing such Statutes.

* As amended by Special Resolution dated 28th April, 1990.

** As amended by Special Resolution dated 28th April, 2007.

Subject as aforesaid any words or expressions defined in the Statutes shall, if not inconsistent with the subject or context, bear the same meanings in these Articles.

References to a document being executed include references to it being executed under hand or under seal or by electronic signature or by any other method.*

References to a notice or document include a notice or document recorded or stored in any digital, electronic, electrical, magnetic or other retrievable form or medium and information in visible form whether having physical substance or not.*

BUSINESS

3. Any branch or kind of business which the Company is either expressly or by implication authorised to undertake may be undertaken by the Board at such time or times as it shall think fit, and further may be suffered by it to be in abeyance, whether such branch or kind of business may have been actually commenced or not, so long as the Board may deem it expedient not to commence or proceed with the same.

4. The Office shall be at such place in Hong Kong as the Board shall from time to time appoint.

5. The Company shall not give, whether directly or indirectly and whether by means of a loan, guarantee, the provision of security or otherwise, any financial assistance for the purpose of or in connection with a purchase or subscription made or to be made by any person of or for any shares in the Company nor shall the Company make a loan for any purpose whatsoever on the security of its shares but nothing in this Article shall prohibit transactions not prohibited by the Statutes.

This Article shall not prejudicially affect the power of the Company to enforce repayment of any loans to members of the Company or to exercise the lien conferred by Article 13.

SHARES

6. The capital of the Company at the date of the adoption of these Articles of Association is HK\$100,000,000 divided into 10,000,000 Shares by HK\$10 each.

7. Subject to the provisions of the Statutes and these Articles the shares (whether forming part of the initial capital or not) shall be under the control of the Board which may allot and issue the same to such persons (including any Director) on such terms and conditions and at such times as it shall think fit, but so that no shares shall be issued at a discount except

in accordance with the Statutes. Without prejudice to any special rights previously conferred on the holders of the existing shares, any share may be issued with such preferential, deferred, qualified, or other special rights, privileges or conditions, whether in regard to dividend, voting, return of capital or otherwise, as the Company may from time to time by resolution determine. Any Preference Share may, with the sanction of a Special Resolution, be issued on the terms that it is, or at the option of the Company is liable, to be redeemed.*

7A. The Company may exercise any powers conferred or permitted by the Ordinance or any other ordinance from time to time to purchase or otherwise acquire its own shares (including any redeemable shares) at any price or to give, directly or indirectly, by means of a loan, guarantee, the provision of security or otherwise, financial assistance for the purpose of or in connection with a purchase or other acquisition made or to be made by any person of any shares in the Company and should the Company purchase or otherwise acquire its own shares neither the Company nor the Board shall be required to select the shares to be purchased or otherwise acquired ratably or in any other particular manner as between the holders of shares of the same class or as between them and the holders of shares of any other class or in accordance with the rights as to dividends or capital conferred by any class of shares.**

8. The Company (or the Board on behalf of the Company) may pay to any person a commission in consideration of his subscribing or agreeing to subscribe, whether absolutely or conditionally, or procuring or agreeing to procure subscriptions, whether absolute or conditional, for any shares in the Company: Provided that such commission shall not exceed 10 per cent of the price at which such shares are issued or an amount equivalent to such percentage; and the requirements of the Statutes shall be observed. Any such commission may be satisfied in fully paid shares of the Company. The Company (or the Board on behalf of the Company) may also on any issue of shares pay such brokerage as may be lawful.

9. If two or more persons are registered as joint holders of any share, any one of such persons may give effectual receipts for any dividends or other moneys payable in respect of such share, and the Company shall not be bound to register more than four persons as joint holders of any share but such power shall not apply to the legal personal representative of a deceased member.

10. No person shall be recognised by the Company as holding any share upon any trust, and the Company shall not be bound by or required to recognise any equitable, contingent, future or partial interest in any share or any right whatsoever in respect of any share other than an absolute right to the entirety thereof in the registered holder, except as by these Articles otherwise expressly provided or as by the Statutes required or pursuant to any Order of Court.*

* As amended by Special Resolution dated 28th April, 1990.

** As amended by Special Resolutions dated 24th April, 1999, 23rd April, 2005 and 8th June, 2010.

11. Every member shall be entitled, without payment, to receive within two months after allotment or within ten business days after lodgment of a transfer (unless the conditions of issue provide otherwise) one certificate or one series of certificates under the Official Seal for all the shares registered in his name, and the amount paid up thereon: Provided that in the case of joint holders the Company shall not be bound to issue more than one certificate or one series of certificates to all the joint holders, and delivery of such certificate or series of certificates to any one of them shall be sufficient delivery to all: Provided also that where a member has sold or otherwise transferred part only of the shares comprised in his certificate he shall be entitled without charge to a certificate for the balance of his shares: Provided also that a share certificate shall, if sent by post, be at the risk of the member(s) in whose name(s) the shares are registered and the Company shall be under no liability to such member(s) in the event of loss or non-delivery of a certificate if it is proved that the letter containing the certificate was properly addressed and posted as a prepaid letter. Every share certificate shall be issued under the Official Seal.**

12. If any share certificate shall be defaced, worn out, destroyed or lost, a new share certificate may be issued to replace it on such evidence being produced and such indemnity (if any) being given as the Board shall require, and on payment of the out-of-pocket expenses of the Company of investigating such evidence and (in case of defacement or wearing out) on delivery up of the old certificate, and on payment of a fee of HK\$5 or determined by the Directors from time to time.*

LIEN ON SHARES

13. The Company shall have a first and paramount lien upon every share (not being a fully paid up share) registered in the name of any member, either alone or jointly with any other person, for his debts, liabilities and engagements, whether solely or jointly with any other person, to or with the Company, whether the period for the payment, fulfilment or discharge thereof shall have actually arrived or not, and such lien shall extend to all dividends from time to time declared in respect of every such share. But the Board may at any time declare any share to be exempt, wholly or partially, from the provisions of this Article.

14. The Board may sell all or any of the shares subject to any such lien at such time or times and in such manner as it may think fit, but no sale shall be made until such time as the moneys in respect of which such lien exists or some part thereof are or is presently payable or the liability or engagement in respect of which such lien exists is liable to be presently fulfilled or discharged, and until a demand and notice in writing stating the amount due or specifying the liability or engagement and demanding payment or fulfilment or discharge thereof and giving notice of intention to sell in default shall have been served on such member or the persons (if any) entitled by transmission to the shares, and default in payment, fulfilment or discharge shall have been made by him or them for fourteen days after such notice.

* As amended by Special Resolutions dated 5th March, 1980, 28th April, 1990, 24th April, 1999 and 8th June, 2010.

** As amended by Special Resolutions dated 28th April, 1990 and 23rd April, 2005.

15. To give effect to any such sale as aforesaid, the Board may authorise some person to transfer the shares sold to the purchaser and may enter the purchaser's name in the register as holder of the shares, and the purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.

16. The net proceeds of any such sale shall be applied in or towards satisfaction of the amount due to the Company, or of the liability or engagement, as the case may be, and the balance (if any) shall be paid to the member or the person (if any) entitled by transmission to the shares so sold.

CALLS ON SHARES

17. The Board may, subject to the provisions of these Articles, from time to time make such calls upon the members in respect of all moneys unpaid on their shares as it may think fit, provided that fourteen days' notice at least is given of each call and each member shall be liable to pay the amount of every call so made upon him to the persons, by the instalments (if any) and at the times and places appointed by the Board.

18. A call shall be deemed to have been made at the time when the resolution of the Board authorising such call was passed and may be required to be paid by instalments.

19. The joint holders of a share shall be jointly and severally liable to the payment of all calls and instalments in respect thereof.

20. If before or on the day appointed for payment thereof a call or an instalment payable in respect of a share is not paid, the person from whom the same is due shall pay interest on the amount of the call or instalment at such rate not exceeding 15 per cent per annum as the Board shall fix from the day appointed for payment thereof to the time of actual payment, but the Board may waive payment of such interest wholly or in part.*

21. No member shall be entitled to receive any dividend or to be present and vote at any General Meeting either personally or (save as proxy for another member) by proxy, or be reckoned in a quorum, or to exercise any other privilege as a member until he shall have paid all calls for the time being due and payable on every share held by him, whether alone or jointly with any other person, together with interest and expenses of the Company that may have accrued by reason of such non-payment (if any).

22. Any sum which by the terms of issue of a share is made payable upon allotment or at any fixed date, whether on account of the amount of the share or by way of premium, shall, for all purposes of these Articles be deemed to be a call duly made and payable on the date fixed for payment, and in case of non-payment the provisions of these Articles as to

* As amended by Special Resolution dated 5th March, 1980.

payment of interest and expenses, forfeiture and the like, and all the other relevant provisions of these Articles shall apply as if such sum were a call duly made and notified as hereby provided.

23. The Board may, from time to time, make arrangements on the issue of shares for a difference between the holders of such shares in the amount of calls to be paid and in the time of payment of such calls.

24. The Board may, if it thinks fit, receive from any member willing to advance the same all or any part of the moneys due upon his shares beyond the sums actually called up thereon, and upon the moneys so paid in advance, or so much thereof as exceeds the amount for the time being called up on the shares in respect of which such advance has been made, the Board may pay or allow such interest as may be agreed between it and such member, but so that until such part of the share in respect of which such advance has been made is actually called up the dividends (if any) payable on such share shall be those which would have been payable had no such advance been made. The Board may at any time repay the amount so advanced upon giving to such member not less than 3 months' notice in writing of their intention in that behalf, unless before the expiration of such notice the amount so advanced shall have been called up on the share in respect of which it was advanced.*

TRANSFER OF SHARES

25. Subject to such of the restrictions of these regulations as may be applicable any member may transfer all or any of his shares by instrument in writing in the usual common form, or in such other form as the Board shall from time to time approve, which must be left at the Office or such other place as the Board shall determine, accompanied by the certificate of the shares to be transferred and such other evidence (if any) as the Board may require to prove the title of the intending transferor. Every transfer must be in respect of only one class of shares.

26. The instrument of transfer of a share shall be signed by or on behalf of the transferor and the transferee, and the transferor shall be deemed to remain the holder of the share until the name of the transferee is entered in the register of members in respect thereof.**

27. The Board may, in its absolute discretion, and without assigning any reason, refuse to register a transfer of any share whether or not it is a fully paid share to a person of whom it does not approve, and it may also refuse to register any transfer of shares on which the Company has a lien. If the Board shall refuse to register a transfer of any share, it shall, within two months after the date on which the transfer was lodged with the Company, send to the transferee notice of the refusal as required by the Statutes.***

* As amended by Special Resolutions dated 5th March, 1980.

** As amended by Special Resolutions dated 27th April, 1996, 24th April, 1999 and 8th June, 2010.

*** As amended by Special Resolutions dated 5th March, 1980, 23rd April, 2005 and 8th June, 2010.

28. A fee not exceeding HK\$5 may be charged for registration of a transfer.*

29. A fee shall be charged on the registration of any probate, letters of administration, certificate of death or marriage, power of attorney, notice in lieu of distringas, or other instrument relating to or affecting the title to any shares from time to time determined by the Board which shall not exceed HK\$5.**

30. The registration of transfers may be suspended at such times and for such periods as the Board may from time to time determine, provided always that such registration shall not be suspended for more than thirty days in any year.

TRANSMISSION OF SHARES

31. In the case of the death of a member, the survivors or survivor, where the deceased was a joint holder, and the executors or administrators of the deceased, where he was a sole or only surviving holder, shall be the only persons recognised by the Company as having any title to his shares, but nothing herein contained shall release the estate of a deceased joint holder from any liability in respect of any share jointly held by him.

32. Subject to the provisions of these Articles, any person becoming entitled to a share in consequence of the death or bankruptcy of a member may, upon such evidence as to his title being produced as may from time to time be required by the Board, elect either to be registered himself as holder of the share or to have some person nominated by him registered as the transferee thereof.

33. If the person so becoming entitled shall elect to be registered himself, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects. If he shall elect to have another person registered, he shall testify his election by executing a transfer of such share to such person. All the limitations, restrictions and provisions of these Articles relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice of transfer as aforesaid as if the death or bankruptcy of the member had not occurred and the notice of transfer were a transfer executed by such member.

34. A person entitled to a share by transmission shall be entitled to receive, and may give a discharge for, any dividends or other moneys, payable in respect of the share, but he shall not be entitled in respect of it to receive notices of, or to attend or vote at meetings of the Company, or save as aforesaid, to exercise any of the rights or privileges of a member, unless and until he shall become a member in respect of the share.

* As amended by Special Resolutions dated 5th March, 1980, 27th April, 1996, 24th April, 1999, 23rd April, 2005 and 8th June, 2010

** As amended by Special Resolutions dated 24th April, 1999 and 23rd April, 2005 and 8th June, 2010

FORFEITURE OF SHARES

35. If a member fails to pay the whole or any part of any call or instalment of a call on or before the day appointed for the payment thereof, the Board may at any time thereafter, during such time as the call or instalment or any part thereof remains unpaid, serve a notice on him or on the person entitled to the share by transmission requiring him to pay such call or instalment, or such part thereof as remains unpaid, together with interest at such rate not exceeding 10 per cent per annum as the Board shall determine, and any expenses that may have accrued by reason of such non-payment.

36. The notice shall name a further day (not earlier than the expiration of fourteen days from the date of the notice) on or before which such call or instalment, or such part as aforesaid and all interest and expenses that have accrued by reason of such non-payment, are to be paid. It shall also name the place where the payment is to be made, and shall state that, in the event of non-payment at or before the time and at the place appointed, the shares in respect of which such call was made will be liable to be forfeited.

37. If the requirements of any such notice as aforesaid are not complied with, any share in respect of which such notice has been given may at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect. A forfeiture of shares shall include all dividends in respect of the shares not actually paid before the forfeiture, notwithstanding that they shall have been declared.*

38. When any share has been forfeited in accordance with these Articles, notice of the forfeiture shall forthwith be given to the holder of the share or to the person entitled to the share by transmission, as the case may be, and an entry of such notice having been given, and of the forfeiture with the date thereof, shall forthwith be made in the register of members opposite to the share; but the provisions of this Article are discretionary only, and no forfeiture shall be in any manner invalidated by any omission or neglect to give such notice or to make such entry as aforesaid.*

39. Notwithstanding any such forfeiture as aforesaid, the Board may, at any time before the forfeited share has been otherwise disposed of, annul the forfeiture, upon the terms of payment of all calls and interest due thereon and all expenses incurred in respect of the share and upon such further terms (if any) as it shall see fit.

40. Every share which shall be forfeited may be sold, re-allotted, or otherwise disposed of, either to the person who was before forfeiture the holder thereof, or entitled thereto, or to any other person, upon such terms and in such manner as the Board shall think fit, and the Board may, if necessary, authorise some person to transfer the same to such other person as aforesaid.

41. A shareholder whose shares have been forfeited shall, notwithstanding, be liable to pay to the Company, all calls made and not paid on such shares at the time of forfeiture,

* As amended by Special Resolution dated 5th March, 1980.

interest thereon to the date of payment and expenses of the Company that may have accrued by reason of such non-payment, in the same manner in all respects as if the shares had not been forfeited, and to satisfy all (if any) the claims and demands which the Company might have enforced in respect of the shares at the time of forfeiture without any deduction or allowance for the value of the shares at the time of forfeiture.

42. The forfeiture of a share shall involve the extinction at the time of forfeiture of all interest in and all claims and demands against the Company in respect of the share, and all other rights and liabilities incidental to the share as between the shareholder whose share is forfeited and the Company, except only such of those rights and liabilities as are by these Articles expressly saved, or as are by the Statutes given or imposed in the case of past members.

43. A statutory declaration in writing that the declarant is a Director or Secretary of the Company, and that a share has been duly forfeited in pursuance of these Articles, and stating the date upon which it was forfeited, shall, as against all persons claiming to be entitled to the share adversely to the forfeiture thereof, be conclusive evidence of the facts therein stated and such declaration, together with the receipt of the Company for the consideration (if any) given for the share on the sale or disposition thereof, and a certificate for the share under the Official Seal delivered to the person to whom the same is sold or disposed of, shall constitute a good title to the share, and (subject to the execution of any necessary transfer) such person shall be registered as the holder of the share and shall be discharged from all calls made prior to such sale or disposition, and shall not be bound to see to the application of the purchase money (if any), nor shall his title to the share be affected by any act, omission or irregularity relating to or connected with the proceedings in reference to the forfeiture, sale, re-allotment or disposal of the share.*

CONVERSION OF SHARES INTO STOCK

44. The Company may by Ordinary Resolution convert any paid-up shares into stock, and reconvert any stock into paid-up shares of any denomination.

45. The holders of stock may transfer the same, or any part thereof, in the same manner, and subject to the same regulations, as and subject to which the shares from which the stock arose might previously to conversion have been transferred, or as near thereto as circumstances admit; and the Board may from time to time fix the minimum amount of stock transferable, and restrict or forbid the transfer of fractions of that minimum but so that such minimum shall not exceed the nominal amount of the shares from which the stock arose.

46. The holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the Company and other matters, and be subject to the same provisions of these Articles as if they held the shares from which the stock arose, but no such privilege or advantage shall be

conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.

47. Such of the provisions of these Articles as are applicable to paid-up shares shall apply to stock.

ALTERATIONS OF CAPITAL

48. The Company may from time to time by Ordinary Resolution –

- (a) Consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;
- (b) Cancel any shares which at the date of the passing of the resolution have not been taken or agreed to be taken by any person;
- (c) Sub-divide its shares or any of them into shares of smaller amount than is fixed by its Memorandum of Association subject nevertheless to the provisions of the Statutes, and so that the resolution whereby any share is sub-divided may determine that, as between the holders of the shares resulting from such sub-division, one or more of the shares may have any such preferred or other special rights over, or may have such deferred rights, or be subject to any such restrictions as compared with the others as the Company has power to attach to unissued or new shares;

and by Special Resolution–

- (d) reduce its share capital or any capital redemption reserve fund in any manner authorised and subject to any conditions prescribed by the Statutes.

INCREASE OF CAPITAL

49. The Company in General Meeting may from time to time, whether all the shares for the time being authorised shall have been issued or all the shares for the time being issued shall have been fully called up or not, by Ordinary Resolution increase its share capital by the creation of new shares, such new capital to be of such amount and to be divided into shares of such respective amounts and to carry such preferential, deferred, qualified or other special rights or privileges (if any), or to be subject to such conditions or restrictions (if any), in regard to dividend, return of capital, voting or otherwise as the General Meeting resolving upon such increase directs.

50. Subject to any provisions made by the Company when resolving on the increase of capital, the new shares shall be at the disposal of the Board in accordance with Article 7 hereof.

51. Except so far as otherwise provided by or pursuant to these Articles or by the conditions of issue, any new share capital shall be considered as part of the original share capital of the Company, and shall be subject to the same provisions with reference to the payment of calls, lien, transfer, transmission, forfeiture and otherwise as the original share capital.

MODIFICATION OF CLASS RIGHTS

52. (a) All or any of the rights or privileges for the time being attached to any shares or class of shares in the capital of the Company may, either with the consent in writing of the holders of not less than three-fourths of the issued shares of the class in the case where there are more than one holder of shares of the class, and one person where there is only one holder of shares of the class, or with the sanction of a Special Resolution passed at a separate General Meeting of the holders of shares of the class duly convened and held as hereinafter provided (but not otherwise), be varied or abrogated. All the provisions hereinafter contained as to General Meetings shall *mutatis mutandis* apply to every such meeting, but so that the quorum thereat shall be two persons holding or representing by proxy at least one-third of the capital paid up on the issued shares of the class, and that each holder of shares of the class, present in person or by proxy, shall on a poll be entitled to one vote for each share of the class held by him, and if at any adjourned meeting of such holders such quorum as aforesaid is not present a holder of shares of the class who is personally present or by proxy shall be a quorum. The Board shall comply with the provisions of the Statutes as to forwarding a copy of any such consent or resolution to the Registrar of Companies.*

(b) Subject to the terms upon which any shares may be issued, the rights or privileges attached to any class of shares in the capital of the Company having preferential rights shall not be deemed to be varied or abrogated by the issue of any new shares hereafter created as shares of that class ranking *pari passu* in all respects with those already issued.**

GENERAL MEETINGS

53. The Company shall in each year hold a General Meeting as its Annual General Meeting in addition to any other meetings in that year. Not more than fifteen months shall elapse between the date of one Annual General Meeting of the Company and that of the next. The Annual General Meeting shall be held at such time and place as the Board shall determine. All General Meetings, other than Annual General Meetings, shall be called Extraordinary General Meetings.

* As amended by Special Resolutions dated 28th April, 1990 and 8th June, 2010.

** As amended by Special Resolution dated 5th March, 1980.

54. The Board may call an Extraordinary General Meeting whenever it thinks fit, and Extraordinary General Meetings shall also be convened on such requisition, or in default may be convened by such requisitionists, as provided by the Statutes. The requisition must in each case state the objects of the meeting, and must be signed by the requisitionists, and deposited at the Office, and may consist of several documents in like form, each signed by one or more of the requisitionists. If the Directors do not proceed to cause a meeting to be held within twenty-one days from the date of the requisition being so deposited, the requisitionists, or a majority of them in value, may themselves convene the meeting, but any meeting so convened shall not be held after three months from the date of such deposit. Any meeting convened under this Article by the requisitionists shall be convened in the same manner as nearly as possible as that in which meetings are to be convened by the Board.

55. The Company shall comply with the provisions of the Statutes as to giving notice of resolution and circulating statements on the requisition of members.

56. Subject to the provisions of the Ordinance relating to Special Resolution, twenty one days' notice at the least for an Annual General Meeting and fourteen days' notice at the least for an Extraordinary General Meeting (exclusive of the day on which the notice is served or deemed to be served, but inclusive of the day for which notice is given), specifying the place, the day and the hour of meeting, and in the case of special business the general nature of such business shall be given in manner hereinafter mentioned and to such persons as are under the provisions of these Articles entitled to receive notices of General Meetings from the Company, but with the consent of all persons for the time being entitled as aforesaid or of such proportion thereof as is prescribed by the Statutes, a meeting may be convened upon a shorter notice, and in such manner as such persons may approve. The accidental omission to give such notice to, or the non-receipt of such notice by, any such person shall not invalidate any resolution passed or proceeding at any such meeting. Every notice convening an Annual General Meeting of the Company shall describe the meeting as an Annual General Meeting.**

57. In cases where instruments of proxy are sent out with notices, the accidental omission to send such instrument of proxy to, or the non-receipt of such instrument of proxy by, any person entitled to receive notice shall not invalidate the proceedings at the meeting.

PROCEEDINGS AT GENERAL MEETINGS

58. All business shall be deemed special that is transacted at an Extraordinary General Meeting, and all that is transacted at an Annual General Meeting shall also be deemed special, with the exception of declaring a dividend, the consideration of the accounts and balance sheet and the reports of the Directors and Auditors, and any other documents accompanying or annexed to the balance sheet, the election of Directors and Auditors and the fixing of the remuneration of the Directors and Auditors.*

59. No business shall be transacted at any General Meeting unless a quorum is present when the meeting proceeds to business; saved as herein otherwise provided, if the Company has more than one member, 2 members present in person shall be a quorum. If the Company has only one member, one member present in person shall be a quorum. ***

* As amended by Special Resolutions dated 5th March, 1980 and 28th April, 1990.

** As amended by Special Resolutions dated 28th April, 1990 and 8th June, 2010.

*** As amended by Special Resolution dated 8th June, 2010.

60. If within half an hour from the time appointed for the holding of a General Meeting a quorum is not present, the meeting if convened on the requisition of members, shall be dissolved. In any other case it shall stand adjourned to the same day in the next week at the same time and place, or to such other day and at such time and place as the Board may determine, and if at such adjourned meeting a quorum is not present within half an hour from the time appointed for holding the meeting, the members present shall be a quorum.

61. The Chairman (if any) of the Board shall preside at every General Meeting of the Company. If there be no such Chairman, or if at any meeting he shall not be present within fifteen minutes after the time appointed for holding the same, or shall be unwilling to act as Chairman, one of the Vice-Chairmen shall if present and willing to act preside at such meeting, but if the Chairman and a Vice-Chairman shall not be so present and willing to act the Directors present shall choose one of their number to act, or if there be only one Director present he shall be Chairman if willing to act. If there be no Director present and willing to act, the members present shall choose one of their number to be Chairman of the meeting.

62. The Chairman may, with the consent of any meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn any meeting from time to time and from place to place as the meeting shall determine. Whenever a meeting is adjourned for fourteen days or more, seven clear days' notice at the least, specifying the place, the day and the hour of the adjourned meeting shall be given in the same manner as in the case of an original meeting, but it shall not be necessary to specify in such notice the nature of the business to be transacted at the adjourned meeting. Save as aforesaid, no member shall be entitled to any notice of an adjournment or of the business to be transacted at an adjourned meeting. No business shall be transacted at any adjourned meeting other than the business which might have been transacted at the meeting from which the adjournment took place.

63. At any General Meeting a resolution put to the vote of the meeting shall be decided on a show of hands, unless before or upon the declaration of the result of the show of hands a poll be demanded by the Chairman or by at least two members present in person or by proxy for the time being entitled to vote at the meeting, or by a member or members representing not less than 10 per cent of the total voting rights of all the members having the right to vote at the meeting, or by a member or members holding shares conferring a right to vote at the meeting being shares on which an aggregate sum has been paid up equal to not less than 10 per cent of the total sum paid up on all the shares conferring that right, and unless a poll be so demanded a declaration by the Chairman of the meeting that a resolution has on a show of hands been carried, or carried unanimously, or by a particular majority, or lost, or not carried by a particular majority, shall be conclusive, and an entry to that effect in the minute book of the Company shall be conclusive evidence thereof, without proof of the number or proportion of the votes recorded in favour of or against such resolution. If any votes shall be counted which ought not to have been counted, or might have been rejected, the error shall not vitiate the resolution, unless it be pointed out at the same meeting, and unless it shall in the opinion of the Chairman of the meeting be of sufficient magnitude to vitiate the resolution.*

64. If a poll be demanded in manner aforesaid, it shall be taken at such time and place, and in such manner, as the Chairman shall direct (including the use of ballot or voting papers or tickets), and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.

65. A poll demanded on the election of a Chairman or on a question of adjournment shall be taken forthwith. A poll demanded on any other question shall be taken at such time and place as the Chairman directs not being more than thirty days from the date of meeting or adjourned meeting at which the poll was demanded.

66. In the case of an equality of votes, either on a show of hands or on a poll, the Chairman of the meeting at which the show of hands takes place or at which the poll is demanded shall be entitled to a second or casting vote.

67. The demand for a poll shall not prevent the continuance of a meeting for the transaction of any business, other than the question on which a poll has been demanded.

68. The demand for a poll may be withdrawn and no notice need be given of a poll not taken immediately.

VOTES OF MEMBERS

69. Subject and without prejudice to any special rights, privileges or restrictions as to voting for the time being attached to any special class of shares for the time being forming part of the capital of the Company, at any General Meeting on a show of hands every member who (being an individual) is present in person or (being a corporation) is present by proxy or by a duly authorised representative, shall have one vote, and in case of a poll every member present in person or by proxy shall have one vote for every share of which he is the holder.*

70. A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee, receiver, *curator bonis*, or other person in the nature of a committee, receiver, or *curator bonis* appointed by such court, and such committee, receiver, *curator bonis* or other person may on a poll vote by proxy, provided that such evidence as the Board may require of the authority of the person claiming to vote shall have been deposited at the Office not less than thirty-six hours before the time for holding the meeting.

71. If two or more persons are jointly entitled to a share, then in voting upon any question the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other registered holders of the share, and for this purpose seniority shall be determined by the order in which the names stand in the register of members.

72. Save as herein expressly provided, no person other than a member duly registered and who shall have paid everything for the time being due from him and payable to the Company in respect of his shares shall be entitled to be present or to vote on any question either personally or by proxy, or to be reckoned in a quorum, at any General Meeting.

73. On a poll votes may be given either personally or by proxy.

74. Any person (whether a member of the Company or not) may be appointed to act as a proxy. A member may appoint more than one proxy to attend on the same occasion Provided That the number of proxies so appointed by the member to attend on the same occasion shall not exceed 2.**

75. The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing, or if such appointor is a corporation, either under its common seal or under the hand of some officer duly authorised in that behalf. An instrument appointing a proxy to vote at a meeting shall be deemed to include the power to demand or concur in demanding a poll on behalf of the appointor.

76. The instrument appointing a proxy and the power of attorney or other authority (if any) under which it is signed, or a notarially certified copy (where executed abroad) or office copy of such power or authority, shall be deposited at the Office or at such other place within Hong Kong as is specified in the notice of meeting or in the instrument of proxy issued by the Company not less than twenty-four hours before the time appointed for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote and in default the instrument of proxy shall not be treated as valid.*

* As amended by Special Resolutions dated 28th April, 1990 and 8th June, 2010.

** As amended by Special Resolutions dated 27th April, 1996, 24th April, 1999, 23rd April, 2005 and 8th June, 2010.

77. (a) An instrument appointing a proxy shall be in the following form, or in any other form of which the Directors shall approve and need not be witnessed:—

WING LUNG BANK, LIMITED

I _____ of _____ being a
Member of the Wing Lung Bank, Limited hereby appoint _____ of
_____ and failing him _____ of
as my proxy to vote for me and on my behalf at the Annual (or Extraordinary, as the
case may be) General Meeting of the Company to be held on the _____ day of
19____, and at any adjournment thereof.

Dated this _____ day of _____ 19____.

Signature of member.

(b) Where it is desired to afford members an opportunity of voting for or against a resolution the instrument appointing a proxy shall be in the following form or a form as near thereto as circumstances admit—

WING LUNG BANK, LIMITED

I/We, _____, of _____, being
a Member/Members of Wing Lung Bank, Limited hereby appoint
of _____, or failing him, _____ of
as my/our proxy to vote for me/us on my/our behalf at the (Annual or Extraordinary,
as the case may be) General Meeting of the company, to be held on the _____ day of
19____, and at any adjournment thereof.

Signed this _____ day of _____ 19____.

This form is to be used _____
* in favour of _____ the resolution.
against _____

Unless otherwise instructed, the proxy will vote as he thinks fit.

* Strike out whichever is not desired." **

78. The Board may at the expense of the Company send, by post or otherwise, to the members instruments of proxy (with or without stamped envelopes for their return), for use at any General Meeting or at any meeting of any class of members of the Company, either in blank or nominating in the alternative any one or more of the Directors or any other persons. If for the purpose of any meeting invitations to appoint as proxy a person or one of a number of persons specified in the invitations are issued at the expense of the Company, such invitations shall be issued to all (and not to some only) of the members entitled to be sent a notice of the meeting and to vote thereat by proxy.

79. A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the death or insanity of the principal or the revocation of the instrument of proxy, or of the authority under which the instrument of proxy was executed, or the transfer of the share in respect of which the instrument of proxy is given, provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the Company at the Office before the commencement of the meeting or adjourned meeting at which the instrument of proxy is used.

CORPORATION ACTING BY REPRESENTATIVES

80. Any corporation which is a member of the Company may, by resolution of its directors or other governing body, authorise such person as it thinks fit to act as its representative at any meeting of the Company, or at any meeting of any class of members of the Company, and the person so authorised shall be entitled to exercise the same powers on behalf of the corporation which he represents as that corporation could exercise if it were an individual member of the Company.

DIRECTORS

81. Until otherwise determined by a General Meeting the number of Directors shall not be less than four.*

82. A Director shall not be required to hold any share qualification.

83. The Directors shall be paid out of the funds of the Company, by way of remuneration, such sum (if any) as may from time to time be determined by the Company in General Meeting. Unless otherwise directed by the resolution by which it is voted, any such remuneration shall be divided amongst the Directors as they may agree, or, failing agreement, equally. All such remuneration shall be exclusive of the sums (if any) which, under the provisions hereinafter contained, the Board may agree to pay to any Executive Director or to any Director holding any other office in the management of the business of the Company. The Directors shall also be entitled to be repaid all travelling and hotel expenses incurred by them respectively in or about the performance of their duties as Directors, including their expenses of travelling to and from Board Meetings, Committee Meetings or General Meetings, or otherwise

incurred while engaged on the business of the Company. If by arrangement with the other Directors any Director shall perform or render any special duties or service outside his ordinary duties as a Director, the Board may pay him special remuneration, in addition to his ordinary remuneration, and such special remuneration may be by way of salary, commission, participation in profits or otherwise as may be arranged, and shall be charged as part of the Company's ordinary working expenses.*

84. (1) Subject as herein otherwise provided the office of a Director shall be vacated:—

- (a) If a receiving order is made against him or he makes any arrangement or composition with his creditors.
- (b) If he is found lunatic or becomes of unsound mind.
- (c) If he absents himself from the meetings of the Board during a continuous period of six months without special leave of absence from the Board, and his alternate Director (if any) shall not during such period have attended in his stead, and the Board passes a resolution that he has by reason of such absence vacated his office.
- (d) If he is prohibited from being a Director by any order made under any provision of the Statutes.
- (e) If by notice in writing given to the Company he resigns his office.
- (f) If he is requested in writing by all the other Directors to resign his office.
- (g) If he is removed from office by Ordinary Resolution in accordance with the provisions of Article 107.
- (h) Deleted*

(2) There shall be no retiring age for a director and no person shall be debarred from being a director or be required to vacate his office of director by reason of his age.

85. A Director of the Company may be or become a Director or other officer of, or otherwise interested in, any company promoted by the Company or in which the Company may be interested, and no such Director shall be accountable for any remuneration or other benefits received by him as a Director or officer of, or from his interest in such other company. The Board may also exercise the voting power conferred by the shares in any other company held or owned by the Company in such manner in all respects as it thinks fit, including the exercise in favour of any resolution appointing it, or any of its number, Directors or officers of such other company or voting or providing for the remuneration of any Directors or officers of such other company. And any Director of the Company may vote in favour of the exercise of such voting

* As amended by Special Resolution dated 5th March, 1980.

rights in manner aforesaid notwithstanding that he may be, or be about to become, a Director or officer of such other company and as such, or in any other manner, is or may be interested in the exercise of such voting rights in manner aforesaid.

86. (a) A Director may be appointed by the Board to any other office or place of profit under the Company, except that of Auditor, for such period on such terms and at such remuneration (by way of salary, percentage of profits, pension, superannuation or otherwise) as the Board may determine, and such remuneration shall be charged as part of the Company's ordinary working expenses. A Director may vote as a Director in regard to the appointment or continuance in any such office as is mentioned in this Article of any other Director and in regard to the remuneration (including any pension, superannuation or other rights) of such other Director in respect thereof notwithstanding that he may be regarded as interested in the matter by reason that he himself also holds or may be about to hold another such office and any Director may vote as a Director in regard to any matter relating to any superannuation or pension fund notwithstanding that he may himself be or be about to become a member of or contributor to such fund. A Director may not vote on his own appointment or the arrangement of the terms thereof.

(b) No Director or intending Director shall be disqualified by his office from contracting with the Company either as vendor, purchaser or otherwise, nor shall any such contract or any contract or arrangement entered into by or on behalf of the Company in which any Director is in any way directly or indirectly interested be liable to be avoided, nor shall any Director so contracting or being so interested be liable to account to the Company for any profit realised by any such contract or arrangement by reason of such Director holding that office, or of the fiduciary relation thereby established, but the nature of his interest must be declared by him at the meeting of the Board at which the question of entering into the contract or arrangement is first taken into consideration, or if the Director was not at the date of that meeting interested in the proposed contract or arrangement, then at the next meeting of the Board held after he became so interested, and in a case where the Director becomes interested in a contract or arrangement after it is made, then at the first meeting of the Board held after he becomes so interested: Provided nevertheless that a Director shall not vote in respect of any contract or arrangement in which he or any of his associates (as defined below) is materially interested, and if he shall do so his vote shall not be counted, but this prohibition shall not apply to any contract or arrangement by a Director or any of his associates to subscribe for or purchase shares or debentures of the Company, or of any other company which the Company may promote or be interested in, where the Director or any of his associates is interested or to be interested as a participant in the underwriting or sub-underwriting of such purchase or subscription, nor to any contract or resolution for giving to a Director any security or indemnity in respect of money lent or obligations undertaken by him or any of his associates for the benefit of the Company or any of its subsidiaries, nor to any contract or resolution for the giving of any security or indemnity to a third party in respect of a debt or obligation of the Company or any of its subsidiaries for which the Director or any of his associates has himself or themselves assumed responsibility in whole or in part and whether alone or jointly under a guarantee or indemnity or by the giving of security, nor to any contract or dealing with a corporation where the interest of a Director is that he or any of his associates is or are interested

only whether directly or indirectly as a member, officer or executive or of such corporation, nor to any proposal or arrangement concerning the benefit of employees of the Company or its subsidiaries including the adoption, modification or operation of any employees' share scheme or any share incentive or share option scheme under which the Director or any of his associates may benefit; or the adoption, modification or operation of a pension fund or retirement, death or disability benefits scheme which relates both to the Directors, his associates and employees of the Company or any of its subsidiaries and does not provide in respect of any Director, or any of his associates, as such any privilege or advantage not generally accorded to the class of persons to which such scheme or fund relates, nor to any contract or arrangement in which the Director or any of his associates is/are interested in the same manner as other holders of shares or debentures or other securities of the Company by virtue only of his or their interest in shares or debentures or other securities of the Company provided that he together with any of his associates, is not beneficially interested in five per cent or more of the issued shares of any class of such corporation (or of any third company through which his interest or that of his associates is derived) or of the voting rights, and it may at any time be suspended or relaxed to any extent, and either generally or in respect of any particular contract, arrangement or transaction, by the Company in General Meeting at which the Director or any of his associates who is materially interested in such contract, arrangement or transaction does not exercise any voting rights which he would otherwise be entitled to exercise at such General Meeting. A general notice in writing given to the Board by any Director to the effect that he or any of his associates is a member of any specified company or firm, and is to be regarded as interested in any contract which may thereafter be made with that company or firm, shall (if such Director shall give the same at a meeting of the Board or shall take reasonable steps to secure that the same is brought up and read at the next meeting of the Board after it is given) be deemed a sufficient declaration of interest in relation to any contract so made.*

(c) A Director notwithstanding his interest may be counted in the quorum present at any meeting whereat he or any other Director is appointed to hold any such office or place of profit under the Company or whereat the terms of any such appointment are arranged but he shall not be counted in the quorum present at any meeting whereat any contract in which he or any of his associates is materially interested is considered.**

(d) In this Article, "associate" in relation to a Director means:

- (i) his spouse and any child or step-child, natural or adopted, under the age of 18 years of the Director or of his spouse ("family interests"); and**
- (ii) the trustees, acting in their capacity as such trustees, of any trust of which he or any of his family interests is a beneficiary or, in the case of a discretionary trust, is (to his knowledge) a discretionary object; and**
- (iii) any company ("the trustee-controlled company") in the equity capital of which the trustees, acting in their capacity as such trustees, are directly or indirectly interested so as to exercise or control the exercise of 30 per cent

* As amended by Special Resolutions dated 5th March, 1980, 28th April, 1990 and 23rd April, 2005.

** As amended by Special Resolution dated 23rd April, 2005.

(or such lower amount as may from time to time be specified in the Takeover Code as being the level for triggering a mandatory general offer) or more of the voting power at general meetings, or to control the composition of a majority of the board of directors and any other company which is its subsidiary (together the "trustee interests"); and*

- (iv) a holding company of a trustee-controlled company or a subsidiary of any such holding company; and**
- (v) any company in the equity capital of which the Director, his family interests, any of the trustees referred to in (d)(ii) and (iii) above, acting in their capacity as such trustees, and/or any trustee interests taken together are directly or indirectly interested so as to exercise or control the exercise of 30% (or such other amount as may from time to time be specified in the Takeovers Code as being the level for triggering a mandatory general offer) or more of the voting power at general meetings, or to control the composition of a majority of the board of directors and any other company which is its subsidiary or holding company or a fellow subsidiary of any such holding company.**

87. Any Director may act by himself or his firm in a professional capacity for the Company and he or his firm shall be entitled to remuneration for professional services as if he were not a Director, provided that nothing herein contained shall authorise a Director or his firm to act as Auditor to the Company.

POWERS AND DUTIES OF DIRECTORS

88. The business of the Company shall be managed by the Board, who may exercise all such powers of the Company, and do on behalf of the Company all such acts as may be exercised and done by the Company, and as are not by the Statutes or by these Articles required to be exercised or done by the Company in General Meeting, subject nevertheless to any regulations of these Articles, to the provisions of the Statutes, and to such regulations being not inconsistent with such aforesaid regulations or provisions as may be prescribed by the Company in General Meeting, but no regulation made by the Company in General Meeting shall invalidate any prior act of the Board which would have been valid if such regulation had not been made. The general powers given by this Article shall not be limited or restricted by any special authority or power given to the Board by any other Article.

89. The Directors may exercise all the powers of the Company to borrow and raise money, and to mortgage or charge its undertaking, property and assets (present and future) and uncalled capital, or any part thereof, and to issue debentures, debenture stock and other securities, whether outright or as security for any debt, liability or obligation of the Company or of any third party.

* As amended by Special Resolutions dated 28th April, 1990 and 23rd April, 2005.

** As amended by Special Resolution dated 23rd April, 2005.

90. The continuing Directors may act as a Board at any time notwithstanding any vacancy in their body: Provided always that in case the Directors shall at any time be reduced in number to less than the minimum number prescribed by or in accordance with these Articles, it shall be lawful for them to act as Directors for the purpose of filling up vacancies in their body, or of summoning a General Meeting of the Company but not for any other purpose.

91. All cheques, promissory notes, drafts, bills of exchange and other negotiable instruments, and all receipts for moneys paid to the Company shall be signed, drawn, accepted, endorsed or otherwise executed as the case may be, in such manner as the Board shall from time to time by resolution determine.

92. The Board may establish any committees, local boards or agencies for managing any of the affairs of the Company, either in Hong Kong or elsewhere, and may appoint any persons to be members of such committees, local boards or agencies and may fix their remuneration, and may delegate to any committee, local board, or agent any of the powers, authorities and discretions vested in the Board (other than their power to make calls, forfeit shares or accept surrenders of shares), with power to sub-delegate, and may authorise the members of any local board, or any of them, to fill any vacancies therein, and to act notwithstanding vacancies, and any such appointment or delegation may be made upon such terms and subject to such conditions as the Board may think fit, and the Board may remove any person so appointed, and may annul or vary any such delegation, but no person dealing in good faith and without notice of any such annulment or variation shall be affected thereby.

93. (a) The Board may establish and maintain or concur in or procure the establishment and maintenance of trusts, funds or schemes (whether contributory or non-contributory) with a view to providing pensions or other benefits for any persons who are or have at any time been in the employment or service of the Company or its associated or subsidiary companies or who are or have at any time been Directors or officers of the Company or of any such other company as aforesaid and the wives, widows, families and dependents of any such persons and may give or procure the giving of donations, gratuities, pensions, allowances and bonuses to and may make payments for or towards insurance on the lives of any such persons as aforesaid, their wives, widows, families and dependents. The Board may also establish or support and subsidise or subscribe to any institutions, associations, clubs or funds calculated to be, whether directly or indirectly, for the benefit of the Company or of such person as aforesaid or their wives, widows, families and dependents and may subscribe or guarantee money for any national, charitable, benevolent, public, general or useful object or for any exhibition. The Board may do any of the matters aforesaid either alone or in conjunction with any such other company as aforesaid.

(b) Except in the case of a Director (and his wife, widow, family and dependents) who holds or has held a salaried office or employment in the Company or in an associated or subsidiary company the Board shall only permit Directors of the Company and their wives, widows, families and dependents to participate in any such trust, fund or scheme as mentioned in paragraph (a) of this Article provided that the aggregate amount of the contributions paid or other provision made by the Company in respect of the Directors (other

than Directors excepted as aforesaid) and their wives, widows, families and dependents in any year when added to the aggregate remuneration paid to the Directors (other than remuneration in respect of the salaried offices or employments of the Directors excepted as aforesaid) by the Company in such year does not exceed the sum determined by the Company in General Meeting under Article 83 as the remuneration of the Directors for such year. Any Director shall be entitled to participate in and retain for his own benefit any such donation, gratuity, pension, allowance or bonus as is mentioned in paragraph (a) of this Article, but the provisions of this Article shall be subject to the provisions of the Statutes so far as the same may be applicable.

94. The Board may from time to time, and at any time, by power of attorney under the Seal, appoint any company, firm or person, or any fluctuating body of persons, whether nominated directly or indirectly by the Board, to be the attorney or attorneys of the Company for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Board under these presents) and for such period and subject to such conditions as they may think fit, and any such power of attorney may contain such provisions for the protection and convenience of persons dealing with any such attorney as the Board may think fit, and may also authorise any such attorney to sub-delegate all or any of the powers, authorities and discretions vested in him.

EXECUTIVE DIRECTORS*

95. (a) The Directors may from time to time appoint one or more of their body to the office of Executive Director (but so that the total number of Executive Directors shall not be less than two at any one time) for such period and on such terms as it thinks fit and, subject to the terms of any agreement in any particular case, may revoke such appointment.*

(b) Deleted*

(c) The directors may entrust to and confer upon an Executive Director any of the powers exercisable by them upon such terms and conditions and with such restrictions as they may think fit, and either collaterally with or to the exclusion of their own powers and may from time to time revoke, withdraw, alter or vary all or any of such powers.*

GENERAL MANAGERS

96. The Company shall have one or more General Managers.

97. Subject to the last preceding Article, the Directors may, from time to time, appoint any person to be a General Manager of the Company, either for a fixed term or without any limitation as to the period for which he is to hold such office, and may from time to time (subject to the provisions of any contract between him and the Company) remove or dismiss him from office and appoint other in this place.

98. The remuneration of a General Manager shall (subject to the provisions of any contract between him and the Company) from time to time be fixed by the Directors, and may be by way of fixed salary, or commission on dividends, profits or turnover of the Company or of any other company in which the Company is interested, or by participation in any such profits, or by any, or all of these modes provided that, unless otherwise agreed, the General Manager's remuneration or money payable to him hereunder shall be in addition to his remuneration as a Director, if he is one, and in addition to any other remuneration that may be provided by any contract between him and the Company.

99. The Directors may from time to time entrust to and confer upon the General Manager for the time being such of the powers exercisable under these Presents by the Directors as they may think fit, and may confer such powers for such time, and to be exercised for such objects and purposes, and upon such terms and conditions, and with such restrictions as they think expedient; and they may confer such powers, either collaterally with, or to the exclusion of, and in substitution for, all or any of the powers of the Directors in that behalf; and may from time to time revoke, withdraw, alter or vary all or any of such powers.

ROTATION APPOINTMENT AND REMOVAL OF DIRECTORS

100. At the Annual General Meeting of the Company in every year one-third of the Directors for the time being, or, if their number is not three or a multiple of three, then the number nearest to but not exceeding one-third, shall retire from office.

101. The Directors to retire in every year shall be those who have been longest in office since their last election, but as between persons who became Directors on the same day those to retire shall (unless they otherwise agree among themselves) be determined by lot.

102. A retiring Director shall be eligible for re-election.

103. The Company at the meeting at which a Director retires in manner aforesaid may fill the vacated office by electing a person thereto, and in default the retiring Director shall if offering himself for re-election be deemed to have been re-elected, unless at such meeting it is expressly resolved not to fill such vacated office or unless a resolution for the re-election of such Director shall have been put to the meeting and lost.

104. No person other than a Director retiring at the meeting shall, unless recommended by the Directors, be eligible for election to the office of Director at any General Meeting unless not less than seven nor more than twenty-one days before the date appointed for the meeting there shall have been left at the Office notice in writing signed by a member duly qualified to attend and vote at the meeting for which such notice is given of his intention to propose such person for election, and also notice in writing signed by that person of his willingness to be elected.*

105. The Company may from time to time by Ordinary Resolution increase or reduce the number of Directors, and may also determine in what rotation the increased or reduced number is to go out of office.

106. The Directors shall have power at any time, and from time to time, to appoint any person to be a Director, either to fill a casual vacancy or as an addition to the existing Directors. Any Director so appointed shall hold office only until the next following Annual General Meeting and shall then be eligible for re-election but shall not be taken into account in determining the Directors who are to retire by rotation at such meeting.

107. The Company may by Ordinary Resolution remove any Director before the expiration of his period of office notwithstanding anything in these regulations or in any agreement between the Company and such Director. Such removal shall be without prejudice to any claim such Director may have for damages for breach of any contract of service between him and the Company.

108. The Company may by Ordinary Resolution appoint another person in place of a Director removed from office under the immediately preceding regulation, and without prejudice to the powers of the Directors under Article 106 the Company in General Meeting may appoint any person to be a Director either to fill a casual vacancy or as an additional Director. A person appointed in place of a Director so removed or to fill such a vacancy shall be subject to retirement at the same time as if he had become a Director on the day on which the Director in whose place he is appointed was last elected a Director.

ALTERNATE DIRECTORS

109. A Director shall have the power to nominate any other Director or any other person approved for that purpose by a resolution of the Board to act as an alternate Director in his place during his absence, and at his discretion to revoke such nomination, and, on such appointment being made, each alternate Director, whilst so acting shall exercise and discharge all the functions, powers and duties and undertake all the liabilities and obligations of the Director he represents, but shall not require any qualification and shall not be entitled to receive any remuneration from the Company. A nomination as an alternate Director shall *ipso facto* be revoked if the appointor ceases for any reason to be a Director.

110. Notice of all Board and General Meetings shall be sent to every alternate Director as if he were a Director and member of the Company until revocation of his appointment.

111. The appointment of an alternate Director shall be revoked and the alternate Director shall cease to hold office whenever the Director who appointed such alternate Director shall give notice in writing to the Secretary of the Company that he revokes such appointment.

112. Every person acting as an alternate Director shall while so acting be deemed to be an officer of the Company and shall alone be responsible to the Company for his own acts and defaults, and he shall not be deemed to be the agent of or for the Director appointing him.

113. Any instrument appointing an alternate Director shall be left at the office and shall, as nearly as circumstances will admit, be in the form or to the effect following:-

WING LUNG BANK, LIMITED

I,
a Director of the above-named Company, in pursuance of the power in that behalf contained in Article 109 of the Articles of Association of the Company, do hereby nominate and appoint _____, of _____, to act as alternate Director in my place during my absence, and to exercise and discharge all my duties as a Director of the Company.

Dated this _____ day of _____ 19 ____.

Signature of Director.

PROCEEDINGS OF DIRECTORS

114. The Directors may meet together for the despatch of business, adjourn, and otherwise regulate their meetings and proceedings, as they think fit, and may determine the quorum necessary for the transaction of business. Until otherwise determined, two Executive Directors shall constitute a quorum. For the purposes of this Article an alternate Director to an Executive Director shall be deemed to be an Executive Director. A director interested is to be counted in a quorum notwithstanding his interest.*

115. A Director may, and on the request of a Director the Secretary shall, at any time summon a meeting of the Board. It shall not be necessary to give notice of a Board Meeting to any Director for the time being absent from Hong Kong.

116. The Board may from time to time elect a Chairman and one or more Vice-Chairmen and determine the period for which each of them is to hold office. The Chairman, or in his absence any one of the Vice-Chairmen, shall preside at meetings of the Board, but if no such Chairman or Vice-Chairman be elected, or if at any meeting the Chairman or Vice-Chairman be not present within five minutes after the time appointed for holding the same, the Directors present shall choose some one of their number to be Chairman of such meeting.

117. A meeting of the Directors for the time being at which a quorum is present shall be competent to exercise all or any of the authorities, powers, and discretions by or under the regulations of the Company for the time being vested in or exercisable by the Directors generally.

118. Questions arising at any meeting shall be decided by a majority of votes and in case of an equality of votes the Chairman of the meeting shall have a second and casting vote.

119. The Directors may delegate any of their powers to committees consisting of such member or members of their body as they think fit, and may, from time to time, revoke such delegation or revoke the appointment of and discharge any such committee either wholly or in part, and either as to persons or purposes; but every committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may from time to time be imposed on it by the Directors.

120. All acts done by such committee in conformity with such regulations and in fulfilment of the purposes for which it is appointed, but not otherwise, shall have the like force and effect, as if done by the Directors, and the Directors shall have power, with the consent of the Company in general meeting, to remunerate the members of any such committee, and charge such remuneration to the current expenses of the Company.

121. The meetings and proceedings of any such committee, consisting of two or more members, shall be governed by the provisions herein contained for regulating the meetings and proceedings of the Directors, so far as the same are applicable thereto, and are not superseded by any regulations made by the Directors under Article 119 hereof.

122. All acts done by any meeting of the Directors or of a committee of Directors or by any person acting as a Director, shall, notwithstanding that it shall afterwards be discovered that there was some defect in the appointment of any such Directors or persons acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such person had been duly appointed and was qualified to be a Director.

123. A resolution in writing signed by all the Directors or alternate Directors for the time being entitled to Notice of Board Meetings in Hong Kong shall be as effective for all purposes as a resolution passed at a meeting of the Board duly convened, held and constituted and may consist of several documents in like form each signed by one or more of the Directors.*

MINUTES

124. The Board shall cause minutes to be made –

(a) Of all appointments of officers made by the Board.

- (b) Of the names of the Directors present at each meeting of the Board and of any committee of Directors.
- (c) Of all resolutions and proceedings at all meetings of the Company and of the Board and of committees of Directors.

Any such minute if purporting to be signed by the Chairman of the meeting at which the proceedings were held, or by the Chairman of the next succeeding meeting, shall be conclusive evidence of the proceedings.

THE SEAL AND THE OFFICIAL SEAL

125. (a) The Board shall provide for the safe custody of the Seal, and the Seal shall not be used without the prior authority of the Board, and two members of the Board or one member of the Board together with one other person so appointed by the Board shall sign every instrument to which the Seal is affixed. Every instrument executed in the manner provided by this Article shall be deemed to be sealed and executed with the authority of the Directors previously given.*

(b) The Company shall have, for use for sealing share certificates issued by the Company and such other documents constituting securities to be issued by the Company as the Board may from time to time approve (in this Article referred to as an "Authorised Document"), an Official Seal which is a facsimile of the Seal of the Company with the addition on its face of the word "securities". No signature of any director, officer or any other person and no mechanical reproduction thereof shall be required on any of the Company's share certificates or Authorised Documents and every share certificate and Authorised Document to which such Official Seal is affixed shall be valid and shall be deemed to have been sealed and executed with the authority of the Board notwithstanding the absence of any such signature or mechanical reproduction thereof as aforesaid.*

SECRETARY

126. The Secretary shall be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any Secretary so appointed may be removed by the Board. Anything by the Statutes or these Articles required or authorised to be done by or to the Secretary may, if the office is vacant or there is for any other reason no Secretary capable of acting, be done by or to any assistant or deputy Secretary, or if there is no assistant or deputy Secretary capable of acting, by or to any officer of the Company authorised generally or specially in that behalf by the Board.

127. No person shall be appointed or hold office as Secretary who is –

- (a) the sole Director of the Company; or

- (b) a corporation the sole Director of which is the sole Director of the Company; or
- (c) the sole Director of a corporation which is the sole Director of the Company.

128. A provision of the Statutes or these Articles requiring or authorising a thing to be done by or to a Director and the Secretary shall not be satisfied by its being done by or to the same person acting both as Director and as, or in place of, the Secretary.

DIVIDENDS AND RESERVE FUND

129. The profits of the Company, which it may from time to time determine to distribute by way of dividend, shall be applied in the payment of dividends on the several classes of shares in the Company in accordance with their respective rights and priorities and the Company in General Meeting may declare dividends accordingly.

130. All dividends shall be declared and paid according to the amounts paid on the shares in respect whereof the dividend is paid, but no amount paid on a share in advance of calls shall be treated for purposes of this Article as paid on the share. All dividends shall be apportioned and paid *pro rata* according to the amounts paid up on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.

131. No dividend shall be payable except out of the profits of the Company. The Board may, if it thinks fit, from time to time declare and pay to the members such interim dividends as appear to it to be justified by the position of the Company, and may also from time to time, if in its opinion such payment is so justified, pay any preferential dividends on fixed dates. No higher dividend shall be paid than is recommended by the Board but the Company may by Ordinary Resolution declare a smaller dividend. The declaration of the Board as to the amount of the net profits shall be conclusive.

132. A General Meeting declaring a dividend may direct payment of such dividend wholly or in part by the distribution of specific assets, and in particular of paid-up shares or debentures of any other company, and the Board shall give effect to such resolution; and where any difficulty arises in regard to the distribution it may settle the same as it thinks expedient and in particular to deal with fractions, and may fix the value for distribution of such specific assets or any part thereof, and may determine that cash payments shall be made to any members upon the footing of the value so fixed in order to adjust the rights of members, and may vest any specific assets in trustees upon trust for the persons entitled to the dividend as may seem expedient to the Board, and generally may make such arrangements for the allotment, acceptance and sale of such specific assets or otherwise as it thinks fit. Where required, a contract shall be filed in accordance with the provisions of the Ordinance and the Board may

appoint any person to sign such contract on behalf of the persons entitled to the dividends and such appointment shall be effective and binding on such persons.*

133. Before recommending any dividend the Board may out of the profits of the Company set aside such sums as it thinks proper as a depreciation fund for meeting depreciation of and repairing and maintaining the Company's assets and property or as suspense funds for the purpose of meeting contingent or unascertained losses or as a reserve or reserves which shall at the discretion of the Directors be applicable for any purpose to which the profits of the Company may be properly applied.

134. After deduction being made for all expenses properly chargeable against gross profits, including any sums set aside for any depreciation suspense or reserve fund, any part of the ultimate profits may from time to time be carried forward to the following year.

135. Any depreciation, suspense or reserve fund or any part thereof, may be invested in such manner as the Board may determine, or may be retained as part of the general assets of the Company and not be otherwise invested, and may from time to time be applied for the purpose of equalising dividends for the purpose of paying special dividends or bonuses, or for such of the purposes of the Company as the Board may think fit.

136. Any dividend or other moneys payable on or in respect of a share may be paid by cheque or warrant sent through the post to the registered address of the member or person entitled thereto, and in the case of joint holders to any one of such joint holders, or to such person and such address as the holder or joint holders may direct. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent or to such person as the holder or joint holders may direct, and payment of the cheque or warrant, shall be a good discharge to the Company. Every such cheque or warrant shall be sent at the risk of the person entitled to the money represented thereby. If a cheque or warrant is not cashed after it is sent to the member or person entitled thereto in manner aforesaid on two separate but consecutive occasions, the Board may, if it deems fit, cease sending further cheques or warrants to such member. The Company may also cease sending further cheques or warrants to a member if the cheque or warrant is returned undelivered.*

137. The Board may deduct from any dividend or other moneys payable to any member on or in respect of a share all sums of money (if any) presently payable by him to the Company on account of calls or otherwise in relation to the shares of the Company.

138. All unclaimed dividends may be invested or otherwise made use of by the Board for the benefit of the Company until claimed. No dividend shall bear interest as against the Company. All dividends unclaimed for a period of twelve years after having been declared shall be forfeited and shall revert to the Company.

139. The Company may by Ordinary Resolution upon the declaration of a dividend resolve that the same or any part thereof be applied in paying up *pro tanto* the capital (if any) uncalled upon the shares held by the members to whom such dividend would otherwise be

payable and the Board shall give effect to such resolution provided that any member whose shares are fully paid up shall be entitled to be paid his proportion of the dividend in cash.

CAPITALISATION OF PROFITS

140. (a) The Company in General Meeting may upon the recommendation of the Board resolve that it is desirable to capitalise any part of the amount for the time being standing to the credit of any of the Company's reserve accounts (including capital reserves) or to the credit of the profit and loss account or otherwise available for distribution, and accordingly that such sum be set free for distribution amongst the members who would have been entitled thereto if distributed by way of dividend and in the same proportions on condition that the same be not paid in cash but be applied either in or towards paying up any amounts for the time being unpaid on any shares held by such members respectively or paying up in full unissued shares or debentures of the Company to be allotted and distributed credited as fully paid up to and amongst such members in the proportion aforesaid, or partly in the one way and partly in the other, and the Board shall give effect to such resolution:

Provided that a share premium account and a capital redemption reserve fund may, for the purposes of this regulation, only be applied in the paying up of unissued shares to be issued to members of the Company as fully paid shares.

(b) Whenever such a resolution as aforesaid shall have been passed the Board shall make all appropriations and applications of the undivided profits resolved to be capitalised thereby, and all allotments and issues of fully paid shares or debentures if any, and generally shall do all acts and things required to give effect thereto with full power to the Board to make such provision by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit for the case of shares or debentures becoming distributable in fractions, and also to authorise any person to enter on behalf of all the members entitled thereto into an agreement with the Company providing for allotment to them respectively, credited as fully paid up, of any further shares or debentures to which they may be entitled upon such capitalisation, or (as the case may require) for the payment up by the Company on their behalf, by the application thereto of their respective proportions of the profits resolved to be capitalised, of the amounts or any part of the amounts remaining unpaid on their existing shares, and any agreement made under such authority shall be effective and binding on all such members.

ACCOUNTS

141. The Board shall cause such accounts to be kept—

- (a) of the assets and liabilities of the Company,
- (b) of all sums of money received and expended by the Company, and the matters in respect of which such receipts and expenditure take place, as are

necessary to give a true and fair view of the Company's affairs and to explain its transactions. The books of account shall be kept at the Office, or at such other place or places as the Board shall think fit, and shall always be open to the inspection of the Directors.

142. The Board shall from time to time determine whether, in any particular case or class of cases, or generally, and to what extent, and at what times and places and under what conditions or regulations, the accounts and books of the Company, or any of them, shall be open to the inspection of members, and no member (not being a Director) shall have any right of inspecting any account or book or document of the Company, except as conferred by Statutes or authorised by the Board or by a resolution of the Company in General Meeting.

143. The Directors shall from time to time in accordance with the Statutes, cause to be prepared and to be laid before the Company in an Annual General Meeting the report of the Directors, such profit and loss accounts, balance sheets, group accounts (if any) and reports as are prescribed by the Statutes. Copies of all such documents and any other documents required by law to be annexed thereto shall not less than twenty-one days before the date of the meeting before which they are to be laid be sent to all the members and to the Auditors as required by and subject to the provisions of the Statutes.*

143A.Deleted **

143B.Deleted **

AUDIT

144. Auditors shall be appointed and their duties regulated in accordance with the Statutes.

NOTICES

145. Any notice or other document to be given or issued by the Company to a member, whether or not under the Statutes, other applicable laws, rules and regulations or these Articles, may be given in writing or by cable, telex or facsimile transmission message, any form of electronic communication or transmission or in any other form of permitted means of communication and any such notice and document may be served or delivered by the Company on or to any member (i) personally or (ii) by sending it through the post in a prepaid letter, envelope or wrapper addressed to such member at his registered address as appearing in the register of members, whether in or outside Hong Kong, or by delivering it or leaving it at such registered address as aforesaid or (iii) as the case may be, by transmitting it to any such address or any telex or facsimile transmission number or electronic number or address or website supplied by that member to the Company for giving of notice or document to that member or (iv) (in the case of a notice) by advertisement in an English language daily newspaper and a Chinese language daily newspaper circulating in Hong Kong or (v) in any other permitted manner from time to time.*

146. All notices directed to be given to the members shall, with respect to any share to which persons are jointly entitled, be given to whichever of such persons is named first in the register of members, and any notice so given shall be sufficient notice to the holders of such share.

147. Any member described in the register of members shall be entitled to have served upon him at his registered address as appearing in the register of members whether in Hong Kong or overseas any notice to which he would be entitled under these Articles.**

148. A notice or other document may be given by or on behalf of the Company to the person entitled to a share in consequence of the death, mental disorder or bankruptcy of a member in such manner as provided in Article 145 in which the same might have been given if the death, mental disorder or bankruptcy had not occurred.***

148A. Any notice or other document delivered or sent to any member in such manner as provided in Article 145 in pursuance of these Articles shall, notwithstanding that such member be then deceased, suffering from mental disorder or bankrupt and whether or not the Company has notice of his death, mental disorder or bankruptcy, be deemed to have been duly

* As amended by Special Resolutions dated 5th March, 1980, 28th April, 2007 and 8th June, 2010.

** As amended by Special Resolutions dated 28th April, 1990 and 23rd April, 2005.

*** As amended by Special Resolution dated 28th April, 2007.

served in respect of any registered shares whether held solely or jointly with other persons by such member until some other person is registered in his stead as the holder or joint holder thereof, and such service shall for all purposes of these Articles be deemed as sufficient service of such notice or document on his personal or legal representatives and all persons (if any) jointly interested with him in any such shares.*

149. Any member present, either personally or by proxy, at any meeting of the Company shall for all purposes be deemed to have received due notice of such meeting, and, where requisite, of the purposes for which such meeting was convened.

150. Any notice or other document given or issued by the Company:*

- (i) if served by post, shall be deemed to have been served at the expiration of forty-eight hours after the envelope or wrapper containing the same is posted and in proving such service it shall be sufficient to prove that the envelope or wrapper containing the notice or other document was properly prepaid, addressed and posted (in the case of an address outside Hong Kong by air-mail postage prepaid where air-mail posting from Hong Kong to such place is available) and a certificate in writing signed by the Secretary or other person appointed by the Board that the envelope or wrapper containing the notice or other document was so addressed and put into the post shall be conclusive evidence thereof;*
- (ii) if sent by electronic communication, shall be deemed to be given on the day on which it is transmitted from the server of the Company or its agent;*
- (iii) if served or delivered in any other manner contemplated by these Articles other than by advertisement in newspapers in accordance with Article 145, shall be deemed to have been served or delivered at the time of personal service or delivery or, as the case may be, at the time of the relevant despatch or transmission; and in proving such service or delivery a certificate in writing signed by the Secretary or other person appointed by the Board as to the fact and time of such service, delivery, despatch or transmission shall be conclusive evidence thereof;*
- (iv) if served by advertisement in newspapers in accordance with Article 145, shall be deemed to have been served on the day on which the notice is first published; and*
- (v) may be given to a member either in the English language or the Chinese language only or in both the English language and Chinese language, subject to due compliance with the Statutes and other applicable laws, rules and regulations.*

INDEMNITY

151. The Executive Directors, Directors, Auditors, Secretary and other Officers for the time being of the Company shall be indemnified out of the assets of the Company against any liability incurred by them or any of them as the holder of any such office or appointment in defending any proceedings, whether civil or criminal, in which judgment is given in their favour or in which they are acquitted or in connection with any application under Section 358 of the Statutes in which relief is granted by the Court save and except any liability in respect of any negligence, default, breach of duty or breach of trust of which he may be guilty in relation to the Company or the subsidiary or holding company of the Company or the subsidiary of the holding company of the Company.*

WINDING UP

152. If the Company shall be wound up and the assets available for distribution among the Members as such shall be insufficient to repay the whole of the paid-up Capital, such assets shall be distributed so that as near as may be the loss shall be borne by the members in proportion to the capital paid up or which ought to have been paid up at the commencement of the winding up on the shares held by them respectively and if in a winding up the assets available for distribution among the Members shall be more than sufficient to repay the whole of the capital paid up at the commencement of the winding up the excess shall be distributed among the members in proportion to the Capital at the commencement of the winding up paid up or which ought to have been paid up on the shares held by them respectively. But this Article is to be without prejudice to the rights of the holders of any share issued upon special terms and conditions.

153. If the Company shall be wound up the Liquidator may, with the sanction of a Special Resolution of the Company and any other sanction required by the Statutes, divide amongst the Members in specie or kind the whole or any part of the assets of the Company (whether they shall consist of property of the same kind or not) and may, for such purpose, set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members. The Liquidator may, with the like sanction, vest the whole or any part of the assets in trustees upon such trusts for the benefit of the members or any of them as the Liquidator, with the like sanction, shall think fit, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.**

* As amended by Special Resolutions dated 5th March, 1980 and 23rd April, 2005.

** As amended by Special Resolution dated 24th April, 1999.

2. HK\$800,000,000 subordinated floating rate note due 2019

1	Issuer	Wing Lung Bank Limited
2	Unique identifier (eg CUSIP, ISIN or Bloomberg identifier for private placement)	NA
3	Governing law(s) of the instrument	Law of Hong Kong Special Administrative Region
	<i>Regulatory treatment</i>	
4	Transitional Basel III rules#	Tier 2
5	Post-transitional Basel III rules+	Ineligible
6	Eligible at solo*/group/group & solo	Solo and group
7	Instrument type (types to be specified by each jurisdiction)	Other Tier 2 instruments - Subordinated Notes
8	Amount recognised in regulatory capital (Currency in million, as of most recent reporting date)	HK\$720 million as at 30 June 2013
9	Par value of instrument	HK\$800 million
10	Accounting classification	Liability - amortised cost
11	Original date of issuance	14 July 2009
12	Perpetual or dated	Dated
13	Original maturity date	14 July 2019
14	Issuer call subject to prior supervisory approval	Yes
15	Optional call date, contingent call dates and redemption amount	Optional redemption date: 15 July 2014 Redemption for taxation reasons: Yes Redemption price: Redemption at the principal amount together with accrued interest
16	Subsequent call dates, if applicable	NA
	<i>Coupons / dividends</i>	
17	Fixed or floating dividend/coupon	Floating
18	Coupon rate and any related index	Interest rate for the note is set on a quarterly basis based on 3-month HIBOR plus 200 basis points for the first 5 years from the date of issue to the optional redemption date. Thereafter, if the note is not redeemed, the interest rate will reset and the note will bear interest at 3-months HIBOR plus 250 basis points.
19	Existence of a dividend stopper	No
20	Fully discretionary, partially discretionary or mandatory	Mandatory
21	Existence of step up or other incentive to redeem	Yes
22	Noncumulative or cumulative	Cumulative
23	Convertible or non-convertible	Non-convertible
24	If convertible, conversion trigger(s)	NA
25	If convertible, fully or partially	NA
26	If convertible, conversion rate	NA
27	If convertible, mandatory or optional conversion	NA
28	If convertible, specify instrument type convertible into	NA
29	If convertible, specify issuer of instrument it converts into	NA
30	Write-down feature	No
31	If write-down, write-down trigger(s)	NA
32	If write-down, full or partial	NA
33	If write-down, permanent or temporary	NA
34	If temporary write-down, description of write-up mechanism	NA
35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	Unsubordinated creditors and depositors
36	Non-compliant transitioned features	Yes
37	If yes, specify non-compliant features	Existence of step up and no write-down feature

Footnote:

Regulatory treatment of capital instruments subject to transitional arrangements provided for in Schedule 4H of the Banking (Capital) Rules

+ Regulatory treatment of capital instruments not subject to transitional arrangements provided for in Schedule 4H of the Banking (Capital) Rules

* Include solo-consolidated

SUMMARY OF HK\$800,000,000 SUBORDINATED FLOATING RATE NOTE DUE 2019

Principal Amount : HK\$800,000,000

Currency	: Hong Kong Dollars (HK\$)	Series No.	: SN001
Issue Date	: 14 July 2009	Margin over HIBOR	: 200 basis points for the first 5 years and 250 basis points afterward
Issue Price	: 100 per cent	Redemption Price	: 100 per cent
Maturity Date	: The Interest Payment Date falling on 14 July 2019	HIBOR basis	: Three months HIBOR Reuters Page "HKABHIBOR"
Put Option	: Not Applicable	Noteholder	: Name of Noteholder
Call Option	: Applicable	Option Redemption Date	: 15 July 2014
Day Count Fractions	: Actual/365	Business Day Convention	: Modified Following
Issuing, Paying and Reference Agent	: Wing Lung Bank Limited	Business Centre	: Hong Kong
Custodian	: N/A		

HK\$800,000,000 SUBORDINATED FLOATING RATE NOTE DUE 2019

CONDITIONS

1. Status, Subordination and Conditionality

- 1.1 The Note constitutes direct, unsecured obligations of the Issuer, conditional and subordinated as described below, (a) ranking *pari passu* without any preference among themselves and (b) ranking at least *pari passu* with all other present and future unsecured and subordinated obligations of the Issuer which by their terms rank equal with the Note and in priority to any obligations of the Issuer which by their terms rank junior to the Note including, but not limited to, ordinary shares and preference shares. The rights of Noteholder will, in the event of the winding-up of the Issuer, be subordinated in right of payment to the claims of depositors and all other creditors of the Issuer other than claimants in respect of any Subordinated Indebtedness (as defined below).

- 1.2 The Issuer's obligation to make any payment of interest and, where applicable, any repayment of principal in respect of the Note is conditional upon the Issuer being able to make such payment and remain Solvent immediately thereafter.

For the purposes of this Condition 1.2, "**Solvent**" means that the Issuer:

- (a) is able to pay its debts as they fall due; and
- (b) has Assets that exceed its Liabilities (other than its Liabilities to persons in respect of any Subordinated Indebtedness and any principal and interest payable in respect of the Note).

- 1.3 Claims in respect of the Note may not be set-off, or be the subject of a counterclaim, by the Noteholder against or in respect of any obligations of the Noteholder to the Issuer or to any other persons and the Noteholder shall be deemed to have waived all such rights of set-off.

- 1.4 In this Condition 1, the following expressions have the following meanings:

"**Assets**" means the unconsolidated gross assets (including contingencies) of the Issuer and "**Liabilities**" means the unconsolidated gross liabilities (including contingencies) of the Issuer, all as shown in the latest published balance sheet; and

"**Subordinated Indebtedness**" means any liability of the Issuer howsoever arising for the payment of money, the right to payment of which by the Issuer by the terms whereof is, or is expressed to be, subordinated in the event of a winding-up of the Issuer to the claims of depositors or of all or any of the creditors of the Issuer.

2. Interest Payment Dates, Interest Periods and Payments

- 2.1 The Principal Amount bears interest from the Issue Date and, subject to Condition 2.2, such interest will be payable on the 14th day of January, April, July and October of each year, each an "**Interest Payment Date**", commencing on 14 October 2009 and ending on 14 July 2019 (the "**Maturity Date**").

- 2.2 If any Interest Payment Date, including the Maturity Date, would otherwise fall on a day which is not a Business Day it shall be postponed to the immediately succeeding Business Day unless such immediately succeeding Business Day falls in the next calendar month in which case the relevant Interest Payment Date or Maturity Date shall be brought forward to the immediately preceding Business Day.
- 2.3 The period from and including the Issue Date to but excluding the first Interest Payment Day and each subsequent period from and including an Interest Payment Date to but excluding the next Interest Payment Date are each referred to as an "**Interest Period**".
- 2.4 Interest will be calculated on the basis of the actual number of days elapsed in an Interest Period and a year of 365 days.
- 2.5 Interest on the Principal Amount shall accrue from and including the Issue Date until but excluding the Maturity Date at the Interest Rate and shall be payable subject to Condition 2.2, on or after the Interest Payment Date.

3. **Rates of Interest**

- 3.1 The rate of interest per annum ("**Interest Rate**") payable on the Principal Amount in respect of each Interest Period shall be calculated by the Reference Agent as the aggregate of the Margin and the HIBOR, calculated in accordance with Condition 3.2, in effect on the second Hong Kong Business Day before the first day of such Interest Period (the "**Interest Determination Date**") for a period equivalent to such Interest Period.
- 3.2 For the purposes of Condition 3.1 "**HIBOR**" shall be the rate determined by the Reference Agent on the basis of the following provisions:

HIBOR:

- 3.2.1 If, at or about 11 a.m. (Hong Kong time) on the Interest Determination Date an offered rate for HK dollar deposits for the same period as the relevant Interest Period (or, if the periods are not the same, such period, if any, as the Reference Agent determines to be substantially the same) is quoted on the three months HIBOR Reuters Page "HKABHIBOR" (or such other page or service as may replace it for the purpose of displaying Hong Kong inter-bank offered rates of leading banks for HK dollars), then HIBOR for the relevant Interest Period shall be such rate.
- 3.2.2 If on any Interest Determination Date the rate described in Condition 3.2.1 above does not appear, the Reference Agent will request each of the Reference Banks (being the principal Hong Kong offices of three major banks, as selected by the Reference Agent, who are active in the Hong Kong inter-bank HK dollars deposits market) to provide the Reference Agent with its offered quotation to leading banks for HK dollar deposits in Hong Kong for a period equivalent, or approximately equivalent, to the relevant Interest Period in an amount equal or approximately equal to the Principal Amount as at about 11 a.m. (Hong Kong time) on the Interest Determination Date in question and HIBOR for the relevant Interest Period shall, subject as provided below, be the arithmetic mean (rounded, if necessary, to five decimal places) of such offered quotations, as determined by the Reference Agent.

- 3.2.3 If on any Interest Determination Date one or two only of the Reference Banks when requested to do so provide the Reference Agent with such offered quotations, HIBOR for the Interest Period concerned shall be determined as in Condition 3.2.2 above on the basis of the offered quotations of those Reference Banks providing such quotations.
- 3.2.4 If on any Interest Determination Date none of the Reference Banks when requested to do so provides the Reference Agent with such offered quotations HIBOR shall, subject as provided below, be HIBOR in effect for the last preceding Interest Period to which Condition 3.2.1, 3.2.2 or 3.2.3 above shall have applied; provided that if at any time during such relevant Interest Period the Reference Agent determines that a rate can once again be determined in accordance with Condition 3.2.1, 3.2.2 or 3.2.3 above the Reference Agent shall determine such rate and references to an Interest Period shall be construed as being references to the period from such date of determination until the next succeeding Interest Payment Date.
- 3.3 The Reference Agent will, as soon as practicable after 11 a.m. on each Interest Determination Date calculate the amount of interest payable in respect of the Note for the relevant Interest Period (the "**Interest Amount**").
- 3.4 The Reference Agent's Note as to the amount on which and the rate at which interest accrues during any Interest Period and as to the amount of interest accrued in respect of any Interest Period or part thereof shall be conclusive and binding on the Noteholder after Noteholder's acceptance.
- 3.5 The Reference Agent shall as soon as practicable after the receipt of a request from the Noteholder certify to the Noteholder the Interest Rate in respect of any Interest Period and the Interest Amount payable in respect of such Interest Period.
- 3.6 If full repayment is improperly withheld or refused on any due date interest will continue to be accrued on the Principal Amount at a rate calculated by reference to the Margin and the Interest Rate determined by the Reference Agent, on the basis of interest periods having approximately the same length as the Interest Periods.
- 3.7 Deferral of Interest:
- (i) Where during the 12 calendar months preceding a date on which interest is due to be paid in respect of the Note no dividend has been declared or paid on any class of share capital of the Issuer, such due date shall be referred to as an "**Optional Interest Payment Date**".
 - (ii) The Issuer may if it so elects, but shall not be obliged to, pay on any Optional Interest Payment Date the interest that would, but for this paragraph, be due to be paid on such date in respect of the Note and any failure so to pay shall not constitute a default by the Issuer for any purpose. Any interest not paid on an Optional Interest Payment Date shall (except to the extent such interest shall subsequently have been paid) constitute "**Arrears of Interest**".

- (iii) In relation to the Note, Arrears of Interest may, prior to the commencement of the winding-up of the Issuer, be paid in whole or in part upon the expiration of not less than seven days' notice given to the Noteholder in accordance with Condition 8, but payment in respect of Interest Periods during which Arrears of Interest have accrued shall be made taking the earliest Interest Period first. Arrears of Interest shall otherwise only become payable on (i) the due date for repayment of the Note to which such Arrears of Interest relate, (ii) the date on which any declaration or payment of any dividend on any class of share capital of the Issuer is made or (iii) the commencement of the winding-up of the Issuer (except for the purposes of a reconstruction, amalgamation or otherwise the terms of which have previously been approved by an Extraordinary Resolution of the Noteholder). If notice is given by the Issuer of its intention to pay any Arrears of Interest, the Issuer shall be obliged to do so upon the expiration of such notice. Arrears of Interest shall not themselves bear interest.
- (iv) The Issuer shall give written notice in accordance with Condition 8:
 - (1) not more than 30 days nor less than seven days prior to any Optional Interest Payment Date in respect of which it will elect not to make any payment of interest in accordance with the above provisions, of such election; and
 - (2) of any date on which Arrears of Interest shall have become payable.
- (v) For the purposes of this Condition 3.7, "**Extraordinary Resolution**" means a resolution passed at a meeting duly convened and held by a majority of not less than three quarters of the votes cast.

4. **Call Option**

- 4.1 Subject to Condition 6, the Issuer may at its option redeem the Note in whole but not in part on the Option Redemption Date on giving not more than 45 nor less than 30 days' prior written notice to the Paying Agent and the Noteholder of its intention to exercise such option, which notice shall be irrevocable and shall be binding on both the Issuer and the Noteholder.
- 4.2 Upon giving notice in accordance with the provisions of Condition 4.1, the Issuer shall be obliged to repay the Principal Amount on the Option Redemption Date upon surrender of the Note to the Paying Agent. Notice shall be deemed to have been given to the Noteholder when delivered or sent in accordance with the Condition 6.

5. **Redemption for Taxation Reasons**

Subject to Condition 6, the Note may be redeemed in whole but not in part at the option of the Issuer, on any Interest Payment Date and on giving not less than 30 nor more than 60 days' notice to the Noteholder in accordance with Condition 6 below (which notice shall be irrevocable) at the principal amount thereof together with accrued interest if:

- (i) the Issuer has or will become obliged to pay any Hong Kong tax, duties or other levies under or in connection with this Note as the result of any change in, or amendment to, the laws or regulations of Hong Kong or any political subdivision or any authority thereof or therein having power to tax, or any change in the application or official interpretation of such laws or regulations, which change or amendment becomes effective on or after the Issue Date; and

- (ii) such obligation cannot be avoided by the Issuer taking reasonable measures available to it,

provided that no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Issuer would be obliged to pay such additional amounts were a payment in respect of the Note then due. Prior to the publication of any notice of redemption pursuant to this paragraph, the Issuer shall deliver to the Paying Agent a certificate signed by one of its directors stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer so to redeem have occurred and an opinion of independent legal advisers in Hong Kong of recognised standing to the effect that the Issuer has or will become obliged to pay such additional amounts as a result of such change or amendment.

5.1 Taxes

All payments hereunder will be made without deduction or withholding for or on account of taxes, duties or other levies of whatsoever nature imposed or levied by or on behalf of Hong Kong or any authority thereof or therein having power to tax unless the Issuer is required by law to deduct or withhold any such taxes, duties or other levies, in which event the Issuer will pay in like manner and at the same time such additional amounts shall be necessary in order that the net amounts received by the Noteholder after such deduction or withholding shall equal the amount which would have been receivable by the Noteholder had no such deduction or withholding been required to be made except that no such additional amounts shall be payable in respect of any payment to be made

- (i) to, or to a person on behalf of, the Noteholder who is liable to such taxes, duties, assessments or governmental charges in respect of his interest in this Note by reason of his having some connection with Hong Kong other than the mere holding of his interest in this Note; or
- (ii) more than 30 days after the Relevant Date except to the extent that the Noteholder would have been entitled to such additional amounts on the last day of such period of 30 days.

"Relevant Date" means the date on which such payment first becomes due and is available for payments.

6. Conditions of Redemption and Purchase

Notwithstanding any other provision in these Conditions, the Note (subject as provided below) may not be redeemed (other than redemption at the Maturity Date) or purchased and cancelled without the prior consent of the Hong Kong Monetary Authority (the "**HKMA**") (or any successor thereto). Accordingly the Issuer shall not give any notice of redemption (other than redemption at the Maturity Date) and redeem any of such Note, and none of the Issuer or its subsidiaries shall purchase or cancel the Note, unless the prior written consent of the HKMA thereto shall have been obtained provided, however, that if from time to time the consent of the HKMA is not a requirement for any such Note to constitute Category II Supplementary Capital (or equivalent) of Wing Lung Bank Limited for the purposes of the Banking Ordinance (Cap. 155) of Hong Kong, or any successor legislation, then the condition to the redemption of the relevant Note set out in this Condition 6 shall not apply for so long as such consent is not so required.

Noteholder should note that it is intended that such Note should constitute Category II Supplementary Capital of Wing Lung Bank Limited and accordingly, under statutory requirements prevailing at the date hereof relative to Category II Supplementary Capital, and by virtue of the above provisions, any redemption of such Note, other than at maturity, is subject to the prior consent of the Hong Kong Monetary Authority at the relevant time.

7. Restrictions of Transfer

- 7.1 The Issuer shall not transfer all or any of its rights or obligations under the Note without the consent of the Noteholder.
- 7.2 The Note shall not be transferable by the Noteholder unless prior consent from the Issuer is obtained.

8. Notices

Notices will be given to the Noteholder specifying (i) the Interest Rate, the applicable amounts on which interest will accrue in respect of each Interest Period and the Interest Amount, (ii) any change of Paying Agent or Reference Agent or office thereof within 14 days of such change and (iii) any notice to be given in accordance with Condition 3, 4.1 or 5 above. Any notice to be given for any purposes under this Note shall be given in writing and, unless otherwise stated, may be made by hand delivery, courier or by facsimile. Any such notice shall be given as follows:

To the Issuer, Paying Agent
and Reference Agent:

Wing Lung Bank Limited
45 Des Voeux Road Central
Hong Kong

Attention: Alex Cheung
Facsimile number: (852) 2868-5807

To the Noteholder:

Name of Noteholder
Address of Noteholder

Attention: Name of contact person of Noteholder
Facsimile number of Noteholder

or to such other address or facsimile number as shall have been notified (in accordance with this condition 8) to the other parties. Any notice delivered by hand or sent by courier as set out above shall be deemed to have been given when received and any notice sent by facsimile transmission as set out above shall be deemed to have been given when received and confirmed by an activity report confirming such transmission was successfully completed.

9. **Definitions**

In this Note:

"Business Day" means a day (other than a Saturday, a Sunday or a public holiday) on which banks and foreign exchange markets are open for business in Hong Kong.

"Hong Kong Business Day" means a day (other than a Saturday, a Sunday or a public holiday) on which commercial banks are open for business (including dealings in foreign exchange and foreign currency deposits) in Hong Kong.

"Paying Agent" means Wing Lung Bank Limited at its office at 45 Des Voeux Road Central, Central, Hong Kong or any successor Paying Agent.

"Reference Agent" means Wing Lung Bank Limited at its office at 45 Des Voeux Road Central, Central, Hong Kong or any successor Reference Agent.

"HK\$" or "HK dollars" means the legal currency for the time being of the Special Administrative Region of Hong Kong.

3. HK\$700,000,000 subordinated floating rate note due 2019

1	Issuer	Wing Lung Bank Limited
2	Unique identifier (eg CUSIP, ISIN or Bloomberg identifier for private placement)	NA
3	Governing law(s) of the instrument	Law of Hong Kong Special Administrative Region
<i>Regulatory treatment</i>		
4	Transitional Basel III rules#	Tier 2
5	Post-transitional Basel III rules+	Ineligible
6	Eligible at solo*/group/group & solo	Solo and group
7	Instrument type (types to be specified by each jurisdiction)	Other Tier 2 instruments - Subordinated Notes
8	Amount recognised in regulatory capital (Currency in million, as of most recent reporting date)	HK\$630 million as at 30 June 2013
9	Par value of instrument	HK\$700 million
10	Accounting classification	Liability - amortised cost
11	Original date of issuance	22 September 2009
12	Perpetual or dated	Dated
13	Original maturity date	22 September 2019
14	Issuer call subject to prior supervisory approval	Yes
15	Optional call date, contingent call dates and redemption amount	Optional redemption date: 23 September 2014 Redemption for taxation reasons: Yes Redemption price: Redemption at the principal amount together with accrued interest
16	Subsequent call dates, if applicable	NA
<i>Coupons / dividends</i>		
17	Fixed or floating dividend/coupon	Floating
18	Coupon rate and any related index	Interest rate for the note is set on a quarterly basis based on 3-month HIBOR plus 200 basis points for the first 5 years from the date of issue to the optional redemption date. Thereafter, if the note is not redeemed, the interest rate will reset and the note will bear interest at 3-month HIBOR plus 250 basis points.
19	Existence of a dividend stopper	No
20	Fully discretionary, partially discretionary or mandatory	Mandatory
21	Existence of step up or other incentive to redeem	Yes
22	Noncumulative or cumulative	Cumulative
23	Convertible or non-convertible	Non-convertible
24	If convertible, conversion trigger (s)	NA
25	If convertible, fully or partially	NA
26	If convertible, conversion rate	NA
27	If convertible, mandatory or optional conversion	NA
28	If convertible, specify instrument type convertible into	NA
29	If convertible, specify issuer of instrument it converts into	NA
30	Write-down feature	No
31	If write-down, write-down trigger(s)	NA
32	If write-down, full or partial	NA
33	If write-down, permanent or temporary	NA
34	If temporary write-down, description of write-up mechanism	NA
35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	Unsubordinated creditors and depositors
36	Non-compliant transitioned features	Yes
37	If yes, specify non-compliant features	Existence of step up and no write-down feature

Footnote:

Regulatory treatment of capital instruments subject to transitional arrangements provided for in Schedule 4H of the Banking (Capital) Rules

+ Regulatory treatment of capital instruments not subject to transitional arrangements provided for in Schedule 4H of the Banking (Capital) Rules

* Include solo-consolidated

SUMMARY OF HK\$700,000,000 SUBORDINATED FLOATING RATE NOTE DUE 2019

Principal Amount : HK\$700,000,000

Currency	: Hong Kong Dollars (HK\$)	Series No.	: SN002
Issue Date	: 22 September 2009	Margin over HIBOR	: 200 basis points for the first 5 years and 250 basis points afterward
Issue Price	: 100 per cent	Redemption Price	: 100 per cent
Maturity Date	: The Interest Payment Date falling on 22 September 2019	HIBOR basis	: Three months HIBOR Reuters Page "HKABHIBOR"
Put Option	: Not Applicable	Noteholder	: Name of Noteholder
Call Option	: Applicable	Option Redemption Date	: 23 September 2014
Day Count Fractions	: Actual/365	Business Day Convention	: Modified Following
Issuing, Paying and Reference Agent	: Wing Lung Bank Limited	Business Centre	: Hong Kong
Custodian	: N/A		

HK\$700,000,000 SUBORDINATED FLOATING RATE NOTE DUE 2019

CONDITIONS

1. Status, Subordination and Conditionality

- 1.1 The Note constitutes direct, unsecured obligations of the Issuer, conditional and subordinated as described below, (a) ranking *pari passu* without any preference among themselves and (b) ranking at least *pari passu* with all other present and future unsecured and subordinated obligations of the Issuer which by their terms rank equal with the Note and in priority to any obligations of the Issuer which by their terms rank junior to the Note including, but not limited to, ordinary shares and preference shares. The rights of Noteholder will, in the event of the winding-up of the Issuer, be subordinated in right of payment to the claims of depositors and all other creditors of the Issuer other than claimants in respect of any Subordinated Indebtedness (as defined below).

- 1.2 The Issuer's obligation to make any payment of interest and, where applicable, any repayment of principal in respect of the Note is conditional upon the Issuer being able to make such payment and remain Solvent immediately thereafter.

For the purposes of this Condition 1.2, "**Solvent**" means that the Issuer:

- (a) is able to pay its debts as they fall due; and
- (b) has Assets that exceed its Liabilities (other than its Liabilities to persons in respect of any Subordinated Indebtedness and any principal and interest payable in respect of the Note).

- 1.3 Claims in respect of the Note may not be set-off, or be the subject of a counterclaim, by the Noteholder against or in respect of any obligations of the Noteholder to the Issuer or to any other persons and the Noteholder shall be deemed to have waived all such rights of set-off.

- 1.4 In this Condition 1, the following expressions have the following meanings:

"**Assets**" means the unconsolidated gross assets (including contingencies) of the Issuer and "**Liabilities**" means the unconsolidated gross liabilities (including contingencies) of the Issuer, all as shown in the latest published balance sheet; and

"**Subordinated Indebtedness**" means any liability of the Issuer howsoever arising for the payment of money, the right to payment of which by the Issuer by the terms whereof is, or is expressed to be, subordinated in the event of a winding-up of the Issuer to the claims of depositors or of all or any of the creditors of the Issuer.

2. Interest Payment Dates, Interest Periods and Payments

- 2.1 The Principal Amount bears interest from the Issue Date and, subject to Condition 2.2, such interest will be payable on the 22nd day of March, June, September and December of each year, each an "**Interest Payment Date**", commencing on 22 December 2009 and ending on 22 September 2019 (the "**Maturity Date**").

- 2.2 If any Interest Payment Date, including the Maturity Date, would otherwise fall on a day which is not a Business Day it shall be postponed to the immediately succeeding Business Day unless such immediately succeeding Business Day falls in the next calendar month in which case the relevant Interest Payment Date or Maturity Date shall be brought forward to the immediately preceding Business Day.
- 2.3 The period from and including the Issue Date to but excluding the first Interest Payment Day and each subsequent period from and including an Interest Payment Date to but excluding the next Interest Payment Date are each referred to as an "**Interest Period**".
- 2.4 Interest will be calculated on the basis of the actual number of days elapsed in an Interest Period and a year of 365 days.
- 2.5 Interest on the Principal Amount shall accrue from and including the Issue Date until but excluding the Maturity Date at the Interest Rate and shall be payable subject to Condition 2.2, on or after the Interest Payment Date.

3. **Rates of Interest**

- 3.1 The rate of interest per annum ("**Interest Rate**") payable on the Principal Amount in respect of each Interest Period shall be calculated by the Reference Agent as the aggregate of the Margin and the HIBOR, calculated in accordance with Condition 3.2, in effect on the second Hong Kong Business Day before the first day of such Interest Period (the "**Interest Determination Date**") for a period equivalent to such Interest Period.
- 3.2 For the purposes of Condition 3.1 "**HIBOR**" shall be the rate determined by the Reference Agent on the basis of the following provisions:

HIBOR:

- 3.2.1 If, at or about 11 a.m. (Hong Kong time) on the Interest Determination Date an offered rate for HK dollar deposits for the same period as the relevant Interest Period (or, if the periods are not the same, such period, if any, as the Reference Agent determines to be substantially the same) is quoted on the three months HIBOR Reuters Page "HKABHIBOR" (or such other page or service as may replace it for the purpose of displaying Hong Kong inter-bank offered rates of leading banks for HK dollars), then HIBOR for the relevant Interest Period shall be such rate.
- 3.2.2 If on any Interest Determination Date the rate described in Condition 3.2.1 above does not appear, the Reference Agent will request each of the Reference Banks (being the principal Hong Kong offices of three major banks, as selected by the Reference Agent, who are active in the Hong Kong inter-bank HK dollars deposits market) to provide the Reference Agent with its offered quotation to leading banks for HK dollar deposits in Hong Kong for a period equivalent, or approximately equivalent, to the relevant Interest Period in an amount equal or approximately equal to the Principal Amount as at about 11 a.m. (Hong Kong time) on the Interest Determination Date in question and HIBOR for the relevant Interest Period shall, subject as provided below, be the arithmetic mean (rounded, if necessary, to five decimal places) of such offered quotations, as determined by the Reference Agent.

- 3.2.3 If on any Interest Determination Date one or two only of the Reference Banks when requested to do so provide the Reference Agent with such offered quotations, HIBOR for the Interest Period concerned shall be determined as in Condition 3.2.2 above on the basis of the offered quotations of those Reference Banks providing such quotations.
- 3.2.4 If on any Interest Determination Date none of the Reference Banks when requested to do so provides the Reference Agent with such offered quotations HIBOR shall, subject as provided below, be HIBOR in effect for the last preceding Interest Period to which Condition 3.2.1, 3.2.2 or 3.2.3 above shall have applied; provided that if at any time during such relevant Interest Period the Reference Agent determines that a rate can once again be determined in accordance with Condition 3.2.1, 3.2.2 or 3.2.3 above the Reference Agent shall determine such rate and references to an Interest Period shall be construed as being references to the period from such date of determination until the next succeeding Interest Payment Date.
- 3.3 The Reference Agent will, as soon as practicable after 11 a.m. on each Interest Determination Date calculate the amount of interest payable in respect of the Note for the relevant Interest Period (the "**Interest Amount**").
- 3.4 The Reference Agent's Note as to the amount on which and the rate at which interest accrues during any Interest Period and as to the amount of interest accrued in respect of any Interest Period or part thereof shall be conclusive and binding on the Noteholder after Noteholder's acceptance.
- 3.5 The Reference Agent shall as soon as practicable after the receipt of a request from the Noteholder certify to the Noteholder the Interest Rate in respect of any Interest Period and the Interest Amount payable in respect of such Interest Period.
- 3.6 If full repayment is improperly withheld or refused on any due date interest will continue to be accrued on the Principal Amount at a rate calculated by reference to the Margin and the Interest Rate determined by the Reference Agent, on the basis of interest periods having approximately the same length as the Interest Periods.
- 3.7 Deferral of Interest:
- (i) Where during the 12 calendar months preceding a date on which interest is due to be paid in respect of the Note no dividend has been declared or paid on any class of share capital of the Issuer, such due date shall be referred to as an "**Optional Interest Payment Date**".
 - (ii) The Issuer may if it so elects, but shall not be obliged to, pay on any Optional Interest Payment Date the interest that would, but for this paragraph, be due to be paid on such date in respect of the Note and any failure so to pay shall not constitute a default by the Issuer for any purpose. Any interest not paid on an Optional Interest Payment Date shall (except to the extent such interest shall subsequently have been paid) constitute "**Arrears of Interest**".

- (iii) In relation to the Note, Arrears of Interest may, prior to the commencement of the winding-up of the Issuer, be paid in whole or in part upon the expiration of not less than seven days' notice given to the Noteholder in accordance with Condition 8, but payment in respect of Interest Periods during which Arrears of Interest have accrued shall be made taking the earliest Interest Period first. Arrears of Interest shall otherwise only become payable on (i) the due date for repayment of the Note to which such Arrears of Interest relate, (ii) the date on which any declaration or payment of any dividend on any class of share capital of the Issuer is made or (iii) the commencement of the winding-up of the Issuer (except for the purposes of a reconstruction, amalgamation or otherwise the terms of which have previously been approved by an Extraordinary Resolution of the Noteholder). If notice is given by the Issuer of its intention to pay any Arrears of Interest, the Issuer shall be obliged to do so upon the expiration of such notice. Arrears of Interest shall not themselves bear interest.
- (iv) The Issuer shall give written notice in accordance with Condition 8:
 - (1) not more than 30 days nor less than seven days prior to any Optional Interest Payment Date in respect of which it will elect not to make any payment of interest in accordance with the above provisions, of such election; and
 - (2) of any date on which Arrears of Interest shall have become payable.
- (v) For the purposes of this Condition 3.7, "**Extraordinary Resolution**" means a resolution passed at a meeting duly convened and held by a majority of not less than three quarters of the votes cast.

4. **Call Option**

- 4.1 Subject to Condition 6, the Issuer may at its option redeem the Note in whole but not in part on the Option Redemption Date on giving not more than 45 nor less than 30 days' prior written notice to the Paying Agent and the Noteholder of its intention to exercise such option, which notice shall be irrevocable and shall be binding on both the Issuer and the Noteholder.
- 4.2 Upon giving notice in accordance with the provisions of Condition 4.1, the Issuer shall be obliged to repay the Principal Amount on the Option Redemption Date upon surrender of the Note to the Paying Agent. Notice shall be deemed to have been given to the Noteholder when delivered or sent in accordance with the Condition 6.

5. **Redemption for Taxation Reasons**

Subject to Condition 6, the Note may be redeemed in whole but not in part at the option of the Issuer, on any Interest Payment Date and on giving not less than 30 nor more than 60 days' notice to the Noteholder in accordance with Condition 6 below (which notice shall be irrevocable) at the principal amount thereof together with accrued interest if:

- (i) the Issuer has or will become obliged to pay any Hong Kong tax, duties or other levies under or in connection with this Note as the result of any change in, or amendment to, the laws or regulations of Hong Kong or any political subdivision or any authority thereof or therein having power to tax, or any change in the application or official interpretation of such laws or regulations, which change or amendment becomes effective on or after the Issue Date; and

- (ii) such obligation cannot be avoided by the Issuer taking reasonable measures available to it,

provided that no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Issuer would be obliged to pay such additional amounts were a payment in respect of the Note then due. Prior to the publication of any notice of redemption pursuant to this paragraph, the Issuer shall deliver to the Paying Agent a certificate signed by one of its directors stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer so to redeem have occurred and an opinion of independent legal advisers in Hong Kong of recognised standing to the effect that the Issuer has or will become obliged to pay such additional amounts as a result of such change or amendment.

5.1 Taxes

All payments hereunder will be made without deduction or withholding for or on account of taxes, duties or other levies of whatsoever nature imposed or levied by or on behalf of Hong Kong or any authority thereof or therein having power to tax unless the Issuer is required by law to deduct or withhold any such taxes, duties or other levies, in which event the Issuer will pay in like manner and at the same time such additional amounts shall be necessary in order that the net amounts received by the Noteholder after such deduction or withholding shall equal the amount which would have been receivable by the Noteholder had no such deduction or withholding been required to be made except that no such additional amounts shall be payable in respect of any payment to be made

- (i) to, or to a person on behalf of, the Noteholder who is liable to such taxes, duties, assessments or governmental charges in respect of his interest in this Note by reason of his having some connection with Hong Kong other than the mere holding of his interest in this Note; or
- (ii) more than 30 days after the Relevant Date except to the extent that the Noteholder would have been entitled to such additional amounts on the last day of such period of 30 days.

"Relevant Date" means the date on which such payment first becomes due and is available for payments.

6. Conditions of Redemption and Purchase

Notwithstanding any other provision in these Conditions, the Note (subject as provided below) may not be redeemed (other than redemption at the Maturity Date) or purchased and cancelled without the prior consent of the Hong Kong Monetary Authority (the "**HKMA**") (or any successor thereto). Accordingly the Issuer shall not give any notice of redemption (other than redemption at the Maturity Date) and redeem any of such Note, and none of the Issuer or its subsidiaries shall purchase or cancel the Note, unless the prior written consent of the HKMA thereto shall have been obtained provided, however, that if from time to time the consent of the HKMA is not a requirement for any such Note to constitute Category II Supplementary Capital (or equivalent) of Wing Lung Bank Limited for the purposes of the Banking Ordinance (Cap. 155) of Hong Kong, or any successor legislation, then the condition to the redemption of the relevant Note set out in this Condition 6 shall not apply for so long as such consent is not so required.

Noteholder should note that it is intended that such Note should constitute Category II Supplementary Capital of Wing Lung Bank Limited and accordingly, under statutory requirements prevailing at the date hereof relative to Category II Supplementary Capital, and by virtue of the above provisions, any redemption of such Note, other than at maturity, is subject to the prior consent of the Hong Kong Monetary Authority at the relevant time.

7. Restrictions of Transfer

- 7.1 The Issuer shall not transfer all or any of its rights or obligations under the Note without the consent of the Noteholder.
- 7.2 The Note shall not be transferable by the Noteholder unless prior consent from the Issuer is obtained.

8. Notices

Notices will be given to the Noteholder specifying (i) the Interest Rate, the applicable amounts on which interest will accrue in respect of each Interest Period and the Interest Amount, (ii) any change of Paying Agent or Reference Agent or office thereof within 14 days of such change and (iii) any notice to be given in accordance with Condition 3, 4.1 or 5 above. Any notice to be given for any purposes under this Note shall be given in writing and, unless otherwise stated, may be made by hand delivery, courier or by facsimile. Any such notice shall be given as follows:

To the Issuer, Paying Agent
and Reference Agent:

Wing Lung Bank Limited
45 Des Voeux Road Central
Hong Kong

Attention: Alex Cheung
Facsimile number: (852) 2868-5807

To the Noteholder:

Name of Noteholder
Address of Noteholder

Attention: Name of contact person of Noteholder
Facsimile number of Noteholder

or to such other address or facsimile number as shall have been notified (in accordance with this condition 8) to the other parties. Any notice delivered by hand or sent by courier as set out above shall be deemed to have been given when received and any notice sent by facsimile transmission as set out above shall be deemed to have been given when received and confirmed by an activity report confirming such transmission was successfully completed.

9. **Definitions**

In this Note:

"Business Day" means a day (other than a Saturday, a Sunday or a public holiday) on which banks and foreign exchange markets are open for business in Hong Kong.

"Hong Kong Business Day" means a day (other than a Saturday, a Sunday or a public holiday) on which commercial banks are open for business (including dealings in foreign exchange and foreign currency deposits) in Hong Kong.

"Paying Agent" means Wing Lung Bank Limited at its office at 45 Des Voeux Road Central, Central, Hong Kong or any successor Paying Agent.

"Reference Agent" means Wing Lung Bank Limited at its office at 45 Des Voeux Road Central, Central, Hong Kong or any successor Reference Agent.

"HK\$" or "HK dollars" means the legal currency for the time being of the Special Administrative Region of Hong Kong.

4. HK\$1,500,000,000 subordinated fixed rate notes due 2021

1	Issuer	Wing Lung Bank Limited
2	Unique identifier (eg CUSIP, ISIN or Bloomberg identifier for private placement)	CMU Number: WLHKFN09007
3	Governing law(s) of the instrument	Law of Hong Kong Special Administrative Region
	<i>Regulatory treatment</i>	
4	Transitional Basel III rules#	Tier 2
5	Post-transitional Basel III rules+	Ineligible
6	Eligible at solo*/group/group & solo	Solo and group
7	Instrument type (types to be specified by each jurisdiction)	Other Tier 2 instruments - Subordinated Notes
8	Amount recognised in regulatory capital (Currency in million, as of most recent reporting date)	HK\$1,350 million as at 30 June 2013
9	Par value of instrument	HK\$1,500 million
10	Accounting classification	Liability - amortised cost
11	Original date of issuance	28 December 2009
12	Perpetual or dated	Dated
13	Original maturity date	28 December 2021
14	Issuer call subject to prior supervisory approval	Yes
15	Optional call date, contingent call dates and redemption amount	Optional redemption date: 28 December 2016 Redemption for taxation reasons: Yes Redemption price: Redemption at par together with interest accrued to the date fixed for redemption
16	Subsequent call dates, if applicable	NA
	<i>Coupons / dividends</i>	
17	Fixed or floating dividend/coupon	Fixed
18	Coupon rate and any related index	Interest at 5.7% per annum is payable on a quarterly basis.
19	Existence of a dividend stopper	No
20	Fully discretionary, partially discretionary or mandatory	Mandatory
21	Existence of step up or other incentive to redeem	No
22	Noncumulative or cumulative	Cumulative
23	Convertible or non-convertible	Non-convertible
24	If convertible, conversion trigger (s)	NA
25	If convertible, fully or partially	NA
26	If convertible, conversion rate	NA
27	If convertible, mandatory or optional conversion	NA
28	If convertible, specify instrument type convertible into	NA
29	If convertible, specify issuer of instrument it converts into	NA
30	Write-down feature	No
31	If write-down, write-down trigger(s)	NA
32	If write-down, full or partial	NA
33	If write-down, permanent or temporary	NA
34	If temporary write-down, description of write-up mechanism	NA
35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	Unsubordinated creditors and depositors
36	Non-compliant transitioned features	Yes
37	If yes, specify non-compliant features	No write-down feature

Footnote:

Regulatory treatment of capital instruments subject to transitional arrangements provided for in Schedule 4H of the Banking (Capital) Rules

+ Regulatory treatment of capital instruments not subject to transitional arrangements provided for in Schedule 4H of the Banking (Capital) Rules

* Include solo-consolidated

HK\$1,500,000,000 SUBORDINATED FIXED RATE NOTE DUE 2021

Terms and Conditions of the Notes

WARNING

The contents of this document have not been reviewed by any regulatory authority in Hong Kong. You are advised to exercise caution in relation to the offer. If you are in any doubt about any of the contents of this document, you should obtain independent professional advice.

The issue of the Notes was authorised by a resolution of the Board of Directors of Wing Lung Bank Limited (the “**Issuer**”) dated 4 December 2009. A fiscal agency agreement dated 28 December 2009 (the “**Fiscal Agency Agreement**”) has been entered into in relation to the Notes between the Issuer, Wing Lung Bank Limited as fiscal agent, CMU lodging agent and paying agent. The fiscal agent, the CMU lodging agent and any paying agents for the time being are referred to below respectively as the “**Fiscal Agent**”, the “**CMU Lodging Agent**” and the “**Paying Agents**” (which expression shall include the Fiscal Agent). The Fiscal Agency Agreement includes the form of the Notes and the coupons relating to them (the “**Coupons**”). Copies of the Fiscal Agency Agreement are available for inspection during normal business hours at the specified offices of the Paying Agents. The holders of the Notes (the “**Noteholders**”) and the holders of the Coupons (whether or not attached to the relevant Notes) (the “**Couponholders**”) are deemed to have notice of all the provisions of the Fiscal Agency Agreement applicable to them.

1 Form, Denomination and Title

- (a) **Form and denomination:** The Notes are serially numbered and in bearer form in the denomination of HK\$500,000, each with Coupons attached on issue.
- (b) **Title:** Title to the Notes and Coupons passes by delivery. The holder of any Note or Coupon will (except as otherwise required by law) be treated as its absolute owner for all purposes (whether or not it is overdue and regardless of any notice of ownership, trust or any interest in it, any writing on it, or its theft or loss) and no person will be liable for so treating the holder.

2 Status

- (a) **Subordination:**
 - (i) The Notes and the Coupons constitute direct, unsecured and, in accordance with Condition 2(a)(ii) below, subordinated obligations of the Issuer, ranking *pari passu* without any preference among themselves.
 - (ii) The claims of the holders of the Notes and the Coupons will, in the event of the winding up of the Issuer, be subordinated in right of payment to the claims of depositors and all other unsubordinated creditors of the Issuer. Accordingly, in the event of the winding up of the Issuer, (x) depositors and all other unsubordinated creditors of the Issuer will be entitled to be paid in full before any payment is made to the Noteholders or Couponholders in respect of the Notes; (y) claims of the holders of the Notes and the Coupons will rank at least *pari passu* in right of payment with all other Subordinated Indebtedness, present and future, of the Issuer; and (z) claims in respect of the Notes and the Coupons will rank in priority to the

rights and claims of holders of subordinated liabilities which by their terms rank or are expressed to rank in right of payment junior to the Notes and of all classes of equity securities of the Issuer, including holders of preference shares, if any.

- (b) **Waiver of Set-Off:** Claims in respect of any Notes or Coupons may not be set-off, or be the subject of a counterclaim, by the holder against or in respect of any obligations of the holder to the Issuer or to any other persons and the holder of any Note or Coupon shall, by virtue of being the holder of any Note or Coupon, be deemed to have waived all such rights of set-off and counterclaim to the fullest extent permitted by applicable law.
- (c) **Definition:** For the purposes of this Condition 2, "**Subordinated Indebtedness**" means all indebtedness which is subordinated, in the event of the winding up of the Issuer, in right of payment to the claims of depositors and other unsubordinated creditors of the Issuer, and for this purpose indebtedness shall include all liabilities, whether actual or contingent.

3 Interest

The Notes bear interest from and including 28 December 2009 at the rate of 5.70 per cent. per annum, payable quarterly in arrear on 28 March, 28 June, 28 September and 28 December in each year (each an "**Interest Payment Date**"). Each Note will cease to bear interest from the due date for redemption unless, upon due presentation, payment of principal is improperly withheld or refused. In such event it shall continue to bear interest at such rate (both before and after judgment) until whichever is the earlier of (a) the day on which all sums due in respect of such Note up to that day are received by or on behalf of the relevant holder, and (b) the day seven days after the Fiscal Agent has notified Noteholders of receipt of all sums due in respect of all the Notes up to that seventh day (except to the extent that there is failure in the subsequent payment to the relevant holders under these terms and conditions (the "**Conditions**")).

In these Conditions, the period beginning on and including 28 December 2009 and ending on but excluding the first Interest Payment Date and each successive period beginning on and including an Interest Payment Date and ending on but excluding the next succeeding Interest Payment Date is called an "**Interest Period**".

Interest in respect of any Note shall be calculated per HK\$500,000 in principal amount of the Notes (the "**Calculation Amount**"). The amount of interest payable per Calculation Amount for any period shall be equal to the product of 5.70 per cent., the Calculation Amount and the day-count fraction for the relevant period, rounding the resulting figure to the nearest cent (half a cent being rounded upwards). "**Day Count Fraction**" for the relevant period means the actual number of days elapsed in the relevant Interest Period divided by 365.

4 Redemption and Purchase

- (a) **Final redemption:** Unless previously redeemed, or purchased and cancelled, the Notes will be redeemed at their principal amount on 28 December 2021. The Notes may not be redeemed at the option of the Issuer other than in accordance with this Condition.

- (b) **Redemption for taxation reasons:** Subject to Condition 4(g), the Notes may be redeemed at the option of the Issuer in whole, but not in part, at any time, on giving not less than 30 nor more than 60 days' notice to the Noteholders (which notice shall be irrevocable), at their principal amount, (together with interest accrued to the date fixed for redemption), if (i) the Issuer has or will become obliged to pay additional amounts as provided or referred to in Condition 6 as a result of any change in, or amendment to, the laws or regulations of Hong Kong or any political subdivision or any authority thereof or therein having power to tax, or any change in the application or official interpretation of such laws or regulations, which change or amendment becomes effective on or after 23 December 2009, and (ii) such obligation cannot be avoided by the Issuer taking reasonable measures available to it, provided that no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Issuer would be obliged to pay such additional amounts were a payment in respect of the Notes then due. Prior to the publication of any notice of redemption pursuant to this Condition 4(b), the Issuer shall deliver to the Fiscal Agent a certificate signed by two directors of the Issuer stating that he Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer so to redeem have occurred, and an opinion of independent legal advisers of recognised standing to the effect that the Issuer has or will become obliged to pay such additional amounts as a result of such change or amendment.
- (c) **Redemption at the option of the Issuer:** Subject to Condition 4(g), the Issuer may, at any time on 28 December 2016, on giving not less than 30 nor more than 60 nor less than 30 days' irrevocable notice to the Noteholders, redeem all, but not some only, of the Notes at their principal amount, together with interest accrued to the date fixed for redemption.
- (d) **Notice of redemption:** All Notes in respect of which any notice of redemption is given under this Condition shall be redeemed on the date specified in such notice in accordance with this Condition.
- (e) **Purchase:** The Issuer and its Subsidiaries (as defined in the Fiscal Agency Agreement) may at any time purchase Notes in the open market or otherwise at any price (provided that, if they should be cancelled under Condition 4(f) below, they are purchased together with all unmatured Coupons relating to them). The Notes so purchased, while held by or on behalf of the Issuer or any such Subsidiary, shall not entitle the holder to vote at any meetings of the Noteholders and shall not be deemed to be outstanding for the purposes of calculating quorums at meetings of the Noteholders or for the purposes of Condition 10(a).
- (f) **Cancellation:** All Notes so redeemed or purchased and any unmatured Coupons attached to or surrendered with them will be cancelled and may not be re-issued or resold.
- (g) **Conditions for redemption and purchase:** Notwithstanding any other provision in these Conditions, the Notes (subject as provided below) may not be redeemed (other than pursuant to Condition 4(a) or Condition 7) or purchased by the Issuer or any of its Subsidiaries without the prior written consent of the Hong Kong Monetary Authority or any successor thereto (the "HKMA"). Accordingly, the Issuer shall not redeem any of the Notes (other than pursuant to Condition 4(a) or Condition 7) and the Issuer or any of its Subsidiaries shall not purchase any of the Notes unless the

prior written consent of the HKMA thereto shall have been obtained. For the avoidance of doubt, this provision shall not apply to the Issuer or any of its Subsidiaries holding the Notes in a purely nominee capacity.

5 Payments

- (a) **Method of Payment:** In respect of any Notes which are not held by the CMU Service, payments of principal and interest will be made against presentation and surrender (or, in the case of a partial payment, endorsement) of Notes or the appropriate Coupons (as the case may be) at the specified office of any Paying Agent by Hong Kong dollar cheque drawn on, or by transfer to a Hong Kong dollar account maintained by the payee with, a bank in Hong Kong. Payments of interest due in respect of any Note other than on presentation and surrender of matured Coupons shall be made only against presentation and either surrender or endorsement (as appropriate) of the relevant Note.

In respect of Notes which are held by the CMU Service, principal and interest will be paid by the Fiscal Agent or a Paying Agent to the person(s) for whose account(s) the relevant interests in such Note(s) is/are credited as being held by the CMU Service at the relevant time as notified to the Fiscal Agent by the CMU Service in a relevant CMU Instrument Position Report (as defined in the CMU Rules) or any other relevant notification by the CMU Service.

- (b) **Payments subject to fiscal laws:** All payments are subject in all cases to any applicable fiscal or other laws and regulations in the place of payment, but without prejudice to the provisions of Condition 6. No commissions or expenses shall be charged to the Noteholders or Couponholders in respect of such payments.
- (c) **Surrender of unmatured Coupons:** Each Bond should be presented for redemption together with all unmatured Coupons relating to it, failing which the amount of any such missing unmatured Coupon (or, in the case of payment not being made in full, that proportion of the amount of such missing unmatured Coupon which the sum of principal so paid bears to the total principal amount due) will be deducted from the sum due for payment. Each amount of principal so deducted will be paid in the manner mentioned above against surrender of the relevant missing Coupon not later than 10 years after the Relevant Date (as defined in Condition 6) for the relevant payment of principal.
- (d) **Payments on business days:** A Note or Coupon may only be presented for payment on a day which is a business day in the place of presentation (and, in the case of payment by transfer to a Hong Kong dollar account, in Hong Kong. No further interest or other payment will be made as a consequence of the day on which the relevant Note or Coupon may be presented for payment under this Condition falling after the due date. In this Condition “business day” means (i), if the relevant Note(s) is/are not lodged with the CMU Service, any day on which banks are open for business in the relevant place or, if the relevant Note(s) is/are lodged with the CMU Service, any day on which the CMU Service is operating and (ii), in the case of payment by transfer to a Hong Kong dollar account as referred to above, any day on which commercial banks and foreign exchange markets are open in Hong Kong.

- (e) **Paying Agents:** The initial Paying Agents and their initial specified offices are listed below. The Issuer reserves the right at any time to vary or terminate the appointment of any Paying Agent and appoint additional or other Paying Agents, provided that it will maintain (i) a Fiscal Agent and (ii) a Paying Agent having a specified office in Hong Kong. Notice of any change in the Paying Agents or their specified offices will promptly be given to the Noteholders.

6 Taxation

All payments of principal and interest by or on behalf of the Issuer in respect of the Notes and the Coupons shall be made free and clear of, and without withholding or deduction for, any taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or within Hong Kong or any authority therein or thereof having power to tax, unless such withholding or deduction is required by law. In that event the Issuer shall pay such additional amounts as will result in receipt by the Noteholders and the Couponholders of such amounts as would have been received by them had no such withholding or deduction been required, except that no such additional amounts shall be payable in respect of any Note or Coupon presented for payment:

- (a) **Other connection:** by or on behalf of a holder who is liable to such taxes, duties, assessments or governmental charges in respect of such Note or Coupon by reason of his having some connection with Hong Kong other than the mere holding of the Note or Coupon or
- (b) **Presentation more than 30 days after the Relevant Date:** more than 30 days after the Relevant Date except to the extent that the holder of it would have been entitled to such additional amounts on presenting such Note or Coupon for payment on the last day of such period of 30 days or
- (c) **Payment to individuals:** where such withholding or deduction is imposed on a payment to an individual and is required to be made pursuant to any European Union Directive on the taxation of savings implementing the conclusions of the ECOFIN Council meeting of 26-27 November 2000 or any law implementing or complying with, or introduced in order to conform to, such Directive or
- (d) **Payment by another Paying Agent:** by or on behalf of a Noteholder who would have been able to avoid such withholding or deduction by presenting the relevant Definitive Certificate to another Paying Agent in a European Union member state.

“**Relevant Date**” means whichever is the later of (i) the date on which such payment first becomes due and (ii) if the full amount payable has not been received in Hong Kong by the Fiscal Agent on or prior to such due date, the date on which, the full amount having been so received, notice to that effect shall have been given to the Noteholders. Any reference in these Conditions to principal and/or interest shall be deemed to include any additional amounts which may be payable under this Condition.

7 Events of Default

- (a) **Non-Payment:** If default is made in the payment of principal or interest due in respect of the Notes or any of them and the default continues for a period of five Business Days in Hong Kong (in the case of principal) or 10 Business Days in Hong Kong (in the case of interest) (each such event, an “**Event of Default**”), then any Noteholder at its discretion may, after giving the Issuer five days’ notice,

institute proceedings for the winding-up of the Issuer in Hong Kong, but may take no further action in respect of such default (but without prejudice to Condition 7(b) below).

- (b) **Winding-up:** If an order is made or an effective resolution is passed for the winding-up, liquidation or dissolution of the Issuer in Hong Kong (except for the purposes of a reconstruction, amalgamation or reorganisation the terms of which have previously been approved by an Extraordinary Resolution of the Noteholders) (such event also, an “**Event of Default**”), then any Noteholder may, by written notice to the Issuer at the specified office of the Fiscal Agent, effective upon the date of receipt thereof by the Fiscal Agent, declare any Notes held by that Noteholder be forthwith due and repayable at their principal amount together with accrued interest (if any) to the date of repayment, without presentation, demand, protest or other notice of any kind.

8 Prescription

Claims in respect of principal and interest will become void unless presentation for payment is made as required by Condition 5 within a period of 10 years in the case of principal and five years in the case of interest from the appropriate Relevant Date.

9 Replacement of Notes and Coupons

If any Note or Coupon is lost, stolen, mutilated, defaced or destroyed it may be replaced at the specified office of the Fiscal Agent subject to all applicable laws and stock exchange or other relevant authority requirements, upon payment by the claimant of the expenses incurred in connection with such replacement and on such terms as to evidence, security, indemnity and otherwise as the Issuer may require (provided that the requirement is reasonable in the light of prevailing market practice). Mutilated or defaced Notes or Coupons must be surrendered before replacements will be issued.

10 Meetings of Noteholders and Modification

- (a) **Meetings of Noteholders:** The Fiscal Agency Agreement contains provisions for convening meetings of Noteholders to consider matters affecting their interests, including the sanctioning by Extraordinary Resolution of a modification of any of these Conditions. Such a meeting may be convened by Noteholders holding not less than 10 per cent in principal amount of the Notes for the time being outstanding. The quorum for any meeting convened to consider an Extraordinary Resolution will be two or more persons holding or representing a clear majority in principal amount of the Notes for the time being outstanding, or at any adjourned meeting two or more persons being or representing Noteholders whatever the principal amount of the Notes held or represented, unless the business of such meeting includes consideration of proposals, *inter alia*, (i) to modify the maturity of the Notes or the dates on which interest is payable in respect of the Notes, (ii) to reduce or cancel the principal amount of, or interest on or to vary the method of calculating the rate of interest on, the Notes, (iii) to change the currency of payment of the Notes or the Coupons, (iv) to modify the provisions concerning the quorum required at any meeting of Noteholders or the majority required to pass an Extraordinary Resolution, in which case the necessary quorum will be two or more persons holding or representing not less than $66\frac{2}{3}$ per cent, or at any adjourned

meeting not less than $33\frac{1}{3}$ per cent, in principal amount of the Notes for the time being outstanding. Any Extraordinary Resolution duly passed shall be binding on Noteholders (whether or not they were present at the meeting at which such resolution was passed) and on all Couponholders.

The Fiscal Agency Agreement provides that a resolution in writing signed by or on behalf of the holders of not less than 90 per cent. in principal amount of the Notes outstanding shall for all purposes be as valid and effective as an Extraordinary Resolution passed at a meeting of Noteholders duly convened and held. Such a resolution in writing may be contained in one document or several documents in the same form, each signed by or on behalf of one or more Noteholders.

- (b) **Modification of Fiscal Agency Agreement:** The Issuer shall only permit any modification of, or any waiver or authorisation of any breach or proposed breach of or any failure to comply with, the Fiscal Agency Agreement, if to do so could not reasonably be expected to be prejudicial to the interests of the Noteholders.
- (c) **Substitution:** The Issuer, or any previous substituted company, may at any time, subject to the prior written approval of the HKMA (if and to the extent then required) but without the consent of the Noteholders or the Couponholders, substitute for itself as principal debtor under the Notes and the Coupons such company (the “**Substitute**”) as is specified in the Fiscal Agency Agreement, provided that no payment in respect of the Notes or the Coupons is at the relevant time overdue. The substitution shall be made by a deed poll (the “**Deed Poll**”), to be substantially in the form exhibited to the Fiscal Agency Agreement, and may take place only if (i) the Substitute shall, by means of the Deed Poll, agree to indemnify each Noteholder and Couponholder against any tax, duty, assessment or governmental charge which is imposed on it by (or by any authority in or of) the jurisdiction of the country of the Substitute’s residence for tax purposes and, if different, of its incorporation with respect to any Note or Coupon and which would not have been so imposed had the substitution not been made, as well as against any tax, duty, assessment or governmental charge, and any cost or expense, relating to the substitution, (ii) the obligations of the Substitute under the Deed Poll, the Notes and the Coupons shall be unconditionally guaranteed by the Issuer by means of the Deed Poll, (iii) all action, conditions and things required to be taken, fulfilled and done (including the obtaining of any necessary consents) to ensure that the Deed Poll, the Notes and Coupons represent valid, legally binding and enforceable obligations of the Substitute and in the case of the Deed Poll of the Issuer have been taken, fulfilled and done and are in full force and effect, (iv) the Substitute shall have become party to the Fiscal Agency Agreement, with any appropriate consequential amendments, as if it had been an original party to it, (v) legal opinions addressed to the Noteholders shall have been delivered to them (care of the Fiscal Agent) from a lawyer or firm of lawyers with a leading securities practice in each jurisdiction referred to in (i) above and in England as to the fulfilment of the preceding conditions of this Condition 10(c) and the other matters specified in the Deed Poll and (vi) the Issuer shall have given at least 14 days’ prior notice of such substitution to the Noteholders, stating that copies, or pending execution the agreed text, of all documents in relation to the substitution which are referred to above, or which might otherwise reasonably be regarded as material to Noteholders, will be available for inspection at the specified office of each of the Paying Agents. References in Condition 7 to obligations under the Notes shall be

deemed to include obligations under the Deed Poll, and, where the Deed Poll contains a guarantee, the events listed in Condition 7 shall be deemed to include that guarantee not being (or being claimed by the guarantor not to be) in full force and effect and the provisions of Condition 7(b) shall be deemed to apply in addition to the guarantor.

11 Further Issues

The Issuer may from time to time without the consent of the Noteholders or Couponholders create and issue further securities either having the same terms and conditions as the Notes in all respects (or in all respects except for the first payment of interest on them) and so that such further issue shall be consolidated and form a single series with the outstanding securities of any series (including the Notes) or upon such terms as the Issuer may determine at the time of their issue. References in these Conditions to the Notes include (unless the context requires otherwise) any other securities issued pursuant to this Condition and forming a single series with the Notes.

12 Notices

Notices to Noteholders will be valid if published in a leading newspaper having general circulation in Hong Kong (which is expected to be the *South China Morning Post*) or, if such publication shall not be practicable, in an English language newspaper of general circulation in Asia. Any such notice shall be deemed to have been given on the date of such publication or, if published more than once on the first date on which publication is made. Couponholders will be deemed for all purposes to have notice of the contents of any notice given to the Noteholders in accordance with this Condition.

13 Governing Law

- (a) **Governing Law:** The Fiscal Agency Agreement, the Notes and the Coupons are governed by and shall be construed in accordance with Hong Kong law.
- (b) **Jurisdiction:** The courts of Hong Kong are to have jurisdiction to settle any disputes which may arise out of or in connection with the Notes, or the Coupons and accordingly any legal action or proceedings arising out of or in connection with the Notes, or the Coupons ("**Proceedings**") may be brought in such courts. The Issuer irrevocably submits to the jurisdiction of such courts and waives any objection to Proceedings in such courts whether on the ground of venue or on the ground that the Proceedings have been brought in an inconvenient forum. All service of process in any Proceedings in Hong Kong shall be to the Issuer's principal place business at 45 Des Voeux Road Central, Hong Kong.

5. US\$200,000,000 subordinated fixed rate notes due 2022

1	Issuer	Wing Lung Bank Limited
2	Unique identifier (eg CUSIP, ISIN or Bloomberg identifier for private placement)	ISIN number: XS0848710108
3	Governing law(s) of the instrument	English Law (subordination governed by Law of Hong Kong Special Administrative Region)
<i>Regulatory treatment</i>		
4	Transitional Basel III rules#	Tier 2
5	Post-transitional Basel III rules+	Ineligible
6	Eligible at solo*/group/group & solo	Solo and group
7	Instrument type (types to be specified by each jurisdiction)	Other Tier 2 instruments - Subordinated Notes
8	Amount recognised in regulatory capital (Currency in million, as of most recent reporting date)	US\$178.34 million as at 30 June 2013
9	Par value of instrument	US\$200 million
10	Accounting classification	Liability - amortised cost
11	Original date of issuance	6 November 2012
12	Perpetual or dated	Dated
13	Original maturity date	7 November 2022
14	Issuer call subject to prior supervisory approval	Yes
15	Optional call date, contingent call dates and redemption amount	Optional redemption date: 7 November 2017 (First Call Date) Redemption for taxation reasons: Yes Redemption price: Redemption at par together with interest accrued to the date fixed for redemption Redemption for regulatory reasons: Redemption at 101 per cent with interest accrued but unpaid to but excluding the date fixed for redemption
16	Subsequent call dates, if applicable	Any Interest Payment Date after the First Call Date
<i>Coupons / dividends</i>		
17	Fixed or floating dividend/coupon	Fixed
18	Coupon rate and any related index	Interest at 3.5% per annum is payable on a semi-annually basis for the first 5 years from the date of issue to the optional redemption date. Thereafter, if the notes are not redeemed, the interest rate will reset and the notes will bear interest at 5 years US Treasury yield on that date plus 280 basis points.
19	Existence of a dividend stopper	No
20	Fully discretionary, partially discretionary or mandatory	Mandatory
21	Existence of step up or other incentive to redeem	No
22	Noncumulative or cumulative	Cumulative
23	Convertible or non-convertible	Non-convertible
24	If convertible, conversion trigger (s)	NA
25	If convertible, fully or partially	NA
26	If convertible, conversion rate	NA
27	If convertible, mandatory or optional conversion	NA
28	If convertible, specify instrument type convertible into	NA
29	If convertible, specify issuer of instrument it converts into	NA
30	Write-down feature	No
31	If write-down, write-down trigger(s)	NA
32	If write-down, full or partial	NA
33	If write-down, permanent or temporary	NA
34	If temporary write-down, description of write-up mechanism	NA
35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	Unsubordinated creditors and depositors

36	Non-compliant transitioned features	Yes
37	If yes, specify non-compliant features	No write-down feature

Footnote:

Regulatory treatment of capital instruments subject to transitional arrangements provided for in Schedule 4H of the Banking (Capital) Rules

+ Regulatory treatment of capital instruments not subject to transitional arrangements provided for in Schedule 4H of the Banking (Capital) Rules

* Include solo-consolidated

US\$200,000,000 SUBORDINATED FIXED RATE NOTE DUE 2022

This document constitutes the Pricing Supplement relating to the issue of Notes described herein. Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the Offering Circular dated 18 October 2012 (the “**Offering Circular**”). This Pricing Supplement contains the final terms of the Notes and must be read in conjunction with such Offering Circular. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of the Offering Circular and this Pricing Supplement.

1	Issuer:	Wing Lung Bank Limited
2	(i) Series Number:	1
	(ii) Tranche Number	1
	(If fungible with an existing Series, details of that Series, including the date on which the Notes become fungible.)	
3	Specified Currency or Currencies:	U.S. dollars
4	Aggregate Nominal Amount:	
	(i) Series:	US\$200,000,000
	(ii) Tranche:	US\$200,000,000
5	(i) Issue Price:	99.578 per cent. of the Aggregate Nominal Amount
	(ii) Net proceeds:	US\$198,156,000 (after deducting management and underwriting commission and certain expenses)
6	(i) Specified Denominations:	US\$200,000 and integral multiples of US\$1,000 in excess thereof
	(ii) Calculation Amount:	US\$1,000
7	(i) Issue Date:	6 November 2012
	(ii) Interest Commencement Date:	Issue date
8	Maturity Date:	7 November 2022
9	Interest Basis:	3.50 per cent. Fixed Rate (further particulars specified below)
10	Redemption/Payment Basis:	Redemption at par
11	Change of Interest or Redemption/ Payment Basis:	Interest rate reset. See paragraph 17(i) below.
12	Put/Call Options:	Issuer Call (further particulars specified below)
13	Tax Call	As set out in Condition 6(c)

14	Status of the Notes:	Subordinated Notes
15	Listing:	Singapore Exchange Securities Trading Limited
16	Method of distribution:	Syndicated

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

17	Fixed Rate Note Provisions	Applicable
	(i) Rate [(s)] of Interest:	<p>From (and including) the Issue Date to (but excluding) the First Call Date (as defined in paragraph 22(i) below), the Notes will bear interest at a rate of 3.50 per cent. per annum payable semi-annually in arrear</p> <p>From (and including) the First Call Date to (but excluding) the Maturity Date, the Notes will bear interest at a rate of interest expressed as a percentage per annum equal to the sum of (a) the initial spread of 2.80 per cent. and (b) the Treasury Rate (as defined below) payable semi-annually in arrear.</p> <p>For the purposes of this Pricing Supplement:</p> <p>“Comparable Treasury Issue” means the U.S. Treasury security selected by the Fiscal Agent as having a maturity of five years that would be utilised, at the time of selection and in accordance with customary financial practice, in pricing new issues of corporate debt securities with a maturity of five years;</p> <p>“Comparable Treasury Price” means the average of the Reference Treasury Dealer Quotations for the First Call Date, after excluding the highest and lowest of such Reference Treasury Dealer Quotations;</p> <p>“Reuters Screen USAUCTION 10/11” means the display on the Reuters (or any successor service) pages designated as “USAUCTION 10” or “USAUCTION 11” or any other page that replaces the applicable page on that service for the purpose of displaying the rate for the most recent auction of Treasury bills;</p> <p>“Reference Treasury Dealer” means (a) Credit Suisse Securities (Europe) Limited, The Royal Bank of Scotland plc, UBS AG, Hong Kong Branch or the respective successor of any of</p>

them; provided, however, that if any of the foregoing shall cease to be a primary U.S. government securities dealer in the United States (a “**Primary Treasury Dealer**”), the Fiscal Agent will substitute therefor another Primary Treasury Dealer; and (b) any other Primary Treasury Dealer selected by the Fiscal Agent;

“Reference Treasury Dealer Quotations”

means, with respect to each Reference Treasury Dealer, the average, as determined by the Fiscal Agent, of the bid and asked prices for the Comparable Treasury Issue (expressed in each case as a percentage of its principal amount), as provided to the Fiscal Agent by that Reference Treasury Dealer at 5:00 p.m., New York City time, on the New York Business Day preceding the First Call Date; and

“Treasury Rate” means the rate in per cent. per annum notified by the Fiscal Agent to the Issuer and the holders of the Notes (in accordance with Condition 15) equal to the yield on U.S. Treasury securities having a maturity of five years as is displayed on Bloomberg page “PX1” (or any successor page or service displaying yields on U.S. Treasury securities as agreed between the Fiscal Agent and the Issuer) at 3.00 p.m. (Hong Kong time) on the First Call Date. If such page (or any successor page or service) does not display the relevant yield at 3.00 p.m. (Hong Kong time) on the First Call Date, **“Treasury Rate”** shall mean the rate in per cent. per annum equal to the semi-annual equivalent yield to maturity of the Comparable Treasury Issue, calculated using a price for the Comparable Treasury Issue (expressed as a percentage of its principal amount) equal to the Comparable Treasury Price for the First Call Date.

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|--|---|
| (ii) Interest Payment Date(s): | 7 May and 7 November in each year, commencing on 7 May 2013 |
| (iii) Fixed Coupon Amount[(s)]: | Not Applicable |
| (iv) Broken Amount: | Not Applicable (except as set out in paragraphs 7 and 17 above) |
| (v) Day Count Fraction (Condition 5(j)): | 30/360 |

	(vi) Determination Date(s) (Condition 5(j)):	Not Applicable
	(vii) Other terms relating to the method of calculating interest for Fixed Rate Notes:	Not Applicable
18	Floating Rate Note Provisions	Not Applicable
19	Zero Coupon Note Provisions	Not Applicable
20	Index Linked Interest Note Provisions	Not Applicable
21	Dual Currency Note Provisions	Not Applicable

PROVISIONS RELATING TO REDEMPTION

22	Call Option	Applicable
	(i) Optional Redemption Date(s):	7 November 2017 (the “ First Call Date ”) or any Interest Payment Date thereafter, subject to the prior written consent of the Hong Kong Monetary Authority (or any successor thereto) (the “ HKMA ”).
	(ii) Optional Redemption Amount(s) of each Note and method, if any, of calculation of such amount(s):	US\$1,000 per Calculation Amount
	(iii) If redeemable in part:	Not Applicable
	(iv) Notice period:	As set out in Condition 6(d)
23	Put Option	Not Applicable
24	Final Redemption Amount of each Note	US\$1,000 per Calculation Amount
25	Early Redemption Amount	
	(i) Early Redemption Amount(s) per Calculation Amount payable on redemption for taxation reasons (Condition 6(c)) or Event of Default (Condition 10(a) or 10(b)) and/or the method of calculating the same (if required or if different from that set out in the Conditions):	US\$1,000 per Calculation Amount

GENERAL PROVISIONS APPLICABLE TO THE NOTES

26	Form of Notes:	Registered Notes
		Permanent Global Certificate exchangeable for Definitive Certificates at any time/in the limited circumstances specified in the permanent Global Certificate
27	Financial Centre(s) (Condition 7(h)) or other special provisions relating to payment dates:	New York, Hong Kong
28	Talons for future Coupons or Receipts to be attached to Definitive Notes (and dates on	Not Applicable

	which such Talons mature):	
29	Details relating to Partly Paid Notes: amount of each payment comprising the Issue Price and date on which each payment is to be made and consequences (if any) of failure to pay, including any right of the Issuer to forfeit the Notes and interest due on late payment:	Not Applicable
30	Details relating to Instalment Notes:	Not Applicable
31	Redenomination, renominalisation and reconventioning provisions:	Not Applicable
32	Consolidation provisions:	Not Applicable
33	Other terms or special conditions:	<p>Redemption for Regulatory Reasons</p> <p>The Notes may be redeemed at the option of the Issuer in whole, but not in part, (but subject to the consent thereto having been obtained from the HKMA) at any time on giving not less than 30 days' and not more than 60 days' notice to the Noteholders (which notice shall be irrevocable) at 101 per cent. of their principal amount together with interest accrued but unpaid to but excluding the date fixed for redemption following the occurrence of a Regulatory Redemption Event.</p> <p>For the purposes of this Pricing Supplement, a “Regulatory Redemption Event” occurs if the Notes no longer qualify as term subordinated debt for inclusion in Category II – Supplementary Capital of the Issuer as a result of amendments to the relevant provisions of the Banking Ordinance of Hong Kong Cap. 155, the Banking (Capital) Rules or the statutory guidelines issued by the HKMA in relation thereto after the Issue Date, excluding non-qualification (a) solely by virtue of the Issuer already having in issue securities with an aggregate principal amount up to or in excess of the limit of Supplementary Capital permitted from time to time by the HKMA or solely as a result of any discounting requirements as to the eligibility of the Notes for such inclusion pursuant to the relevant legislation and statutory guidelines in force from time to time, or (b) as a result of the implementation into Hong Kong law and regulation of the Basel III reforms, as set out in the consultation paper entitled “Implementation of Basel III capital standards</p>

in Hong Kong (C1)” in January 2012 based on the publications entitled “Basel III: A global regulatory framework for more resilient banks and banking systems” published by the Basel Committee on Banking Supervision in December 2010 and revised in June 2011.

DISTRIBUTION

34	(i) If syndicated, names of Managers:	Credit Suisse Securities (Europe) Limited, The Royal Bank of Scotland plc, UBS AG, Hong Kong Branch
	(ii) Stabilising Manager (if any):	The Royal Bank of Scotland plc
35	If non-syndicated, name of Dealer:	Not Applicable
36	U.S. Selling Restrictions	Reg. S Category 1; TEFRA Not Applicable
37	Additional selling restrictions:	Not Applicable

OPERATIONAL INFORMATION

38	ISIN Code:	XS0848710108
39	Common Code:	084871010
40	CMU Instrument Number:	Not Applicable
41	Any clearing system(s) other than Euroclear, Clearstream, Luxembourg and the CMU Service and the relevant identification number(s):	Not Applicable
42	Delivery:	Delivery against payment
43	Additional Paying Agents (if any):	Not Applicable

GENERAL

44	The aggregate principal amount of Notes issued has been translated into US dollars at the rate of [●], producing a sum of (for Notes not denominated in US dollars):	Not Applicable
45	In the case of Registered Notes, specify the location of the office of the Registrar if other than Hong Kong:	Luxembourg
46	In the case of Bearer Notes, specify the location of the office of the Fiscal Agent if other than London:	Not Applicable
47	Ratings	The Notes to be issued have been rated: Moody's: A3

LISTING

This Pricing Supplement comprises the final terms required for the issue and admission to trading on Singapore Exchange Securities Trading Limited of Notes described herein pursuant to the US\$2,000,000,000 Euro Medium Term Note Programme of Wing Lung Bank Limited.

STABILISING

In connection with the issue of any Tranche of Notes, one or more of the Dealers named as Stabilising Manager (or persons acting on behalf of any Stabilising Manager(s)) in this Pricing Supplement may over-allot Notes or effect transactions with a view to supporting the market price of the Notes at a level higher than that which might otherwise prevail for a limited period after the closing date of the relevant Tranche of Notes. However, there is no obligation on the Stabilising Manager(s) (or persons acting on behalf of any Stabilising Manager) to do this. Such stabilising if commenced may be discontinued at any time, and must be brought to an end after a limited period. Such stabilising shall be in compliance with all applicable laws, regulations and rules.

TERMS AND CONDITIONS OF THE NOTES

The following is the text of the terms and conditions that, subject to completion and amendment and as supplemented or varied in accordance with the provisions of the relevant Pricing Supplement, shall be applicable to the Notes in definitive form (if any) issued in exchange for the Global Note(s) or the Global Certificate representing each Series. Either (i) the full text of these terms and conditions together with the relevant provisions of the Pricing Supplement or (ii) these terms and conditions as so completed, amended, supplemented or varied (and subject to simplification by the deletion of non-applicable provisions), shall be endorsed on such Bearer Notes or on the Certificates relating to such Registered Notes. All capitalised terms that are not defined in these Conditions will have the meanings given to them in the relevant Pricing Supplements. Those definitions will be endorsed on the definitive Notes or Certificates, as the case may be. References in the Conditions to “Notes” are to the Notes of one Series only, not to all Notes that may be issued under the Programme.

The Notes are part of a Series (as defined below) of Notes issued by Wing Lung Bank (the “Issuer”) and are issued pursuant to a fiscal agency agreement (as amended or supplemented as at the Issue Date, the “Fiscal Agency Agreement”) dated 18 October 2012 which has been entered into in relation to the Notes between the Issuer, The Hong Kong and Shanghai Banking Corporation Limited as fiscal agent, CMU lodging and paying agent and the other agents named in it. The fiscal agent, the CMU lodging and paying agent, the other paying agents, the registrars, the transfer agent(s) and the calculation agent(s) for the time being (if any) are referred to below respectively as the “Fiscal Agent”, the “CMU Lodging and Paying Agent”, the “Paying Agents” (which expression shall include the Fiscal Agent and the CMU Lodging and Paying Agent), the “Registrars”, the “Transfer Agents” (which expression shall include the Registrars) and the “Calculation Agent(s)” (such Fiscal Agent, CMU Lodging and Paying Agent, Paying Agents, Registrars and Transfer Agent(s) being together referred to as the “Agents”). For the purposes of these terms and conditions (the “Conditions”), all references to the Fiscal Agent shall, with respect to a Series of Notes to be held in the CMU, be deemed to be a reference to the CMU Lodging and Paying Agent and all such references shall be construed accordingly. Copies of the Fiscal Agency Agreement are available for inspection during usual business hours at the specified offices of the Paying Agents, the Registrar and the Transfer Agents.

The Noteholders, the holders of the interest coupons (the “Coupons”) relating to interest bearing Notes in bearer form and, where applicable in the case of such Notes, talons for further Coupons (the “Talons”) (the “Couponholders”) and the holders of the receipts for the payment of instalments of principal (the “Receipts”) relating to Notes in bearer form of which the principal is payable in instalments are entitled to the benefit of, are bound by, and are deemed to have notice of, all the provisions of the Fiscal Agency Agreement.

As used in these Conditions, “Tranche” means Notes which are identical in all respects.

1. FORM, DENOMINATION AND TITLE

The Notes are issued in bearer form (“Bearer Notes”) or in registered form (“Registered Notes”) in each case in the Specified Denomination(s) shown hereon.

This Note is a Fixed Rate Note, a Floating Rate Note, a Zero Coupon Note, an Index Linked Interest Note, an Index Linked Redemption Note, an Instalment Note, a Senior Note, a Subordinated Note, a Dual Currency Note or a Partly Paid Note, a combination of any of the foregoing or any other kind of Note, depending upon the Interest and Redemption/Payment Basis shown hereon.

Bearer Notes are serially numbered and are issued with Coupons (and, where appropriate, a Talon) attached, save in the case of Zero Coupon Notes in which case references to interest (other than in relation to interest due after the Maturity Date), Coupons and Talons in these Conditions are not applicable. Instalment Notes are issued with one or more Receipts attached.

Registered Notes are represented by registered certificates (“Certificates”) and, save as provided in Condition 2(c), each Certificate shall represent the entire holding of Registered Notes by the same holder.

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Title to the Bearer Notes and the Receipts, Coupons and Talons shall pass by delivery. Title to the Registered Notes shall pass by registration in the register that the Issuer shall procure to be kept by the Registrar in accordance with the provisions of the Fiscal Agency Agreement (the “Register”). Except as ordered by a court of competent jurisdiction or as required by law, the holder (as defined below) of any Note, Receipt, Coupon or Talon shall be deemed to be and may be treated as its absolute owner for all purposes whether or not it is overdue and regardless of any notice of ownership, trust or an interest in it, any writing on it (or on the Certificate representing it) or its theft or loss (or that of the related Certificate) and no person shall be liable for so treating the holder.

In these Conditions, “Noteholder” means the bearer of any Bearer Note and the Receipts relating to it or the person in whose name a Registered Note is registered (as the case may be), “holder” (in relation to a Note, Receipt, Coupon or Talon) means the bearer of any Bearer Note, Receipt, Coupon or Talon or the person in whose name a Registered Note is registered (as the case may be) and capitalised terms have the meanings given to them hereon, the absence of any such meaning indicating that such term is not applicable to the Notes, the expression “Senior Noteholder” shall be construed accordingly in relation to Senior Notes and the expression “Subordinated Noteholder” shall be construed accordingly in relation to Subordinated Notes.

2. NO EXCHANGE OF NOTES AND TRANSFERS OF REGISTERED NOTES

- (a) **No Exchange of Notes:** Registered Notes may not be exchanged for Bearer Notes. Bearer Notes of one Specified Denomination may not be exchanged for Bearer Notes of another Specified Denomination. Bearer Notes may not be exchanged for Registered Notes.
- (b) **Transfer of Registered Notes:** One or more Registered Notes may be transferred upon the surrender (at the specified office of the Registrar or any Transfer Agent) of the Certificate representing such Registered Notes to be transferred, together with the form of transfer endorsed on such Certificate, (or another form of transfer substantially in the same form and containing the same representations and certifications (if any), unless otherwise agreed by the Issuer), duly completed and executed and any other evidence as the Registrar or Transfer Agent may reasonably require to prove the title of the transferor and the authority of the individuals that have executed the form of transfer. In the case of a transfer of part only of a holding of Registered Notes represented by one Certificate, a new Certificate shall be issued to the transferee in respect of the part transferred and a further new Certificate in respect of the balance of the holding not transferred shall be issued to the transferor. All transfers of Notes and entries on the Register will be made subject to the detailed regulations concerning transfers of Notes scheduled to the Fiscal Agency Agreement. The regulations may be changed by the Issuer, with the prior written approval of the Registrar and the Noteholders. A copy of the current regulations will be made available by the Registrar to any Noteholder upon request.
- (c) **Exercise of Options or Partial Redemption in Respect of Registered Notes:** In the case of an exercise of an Issuer’s or Noteholders’ option in respect of, or a partial redemption of, a holding of Registered Notes represented by a single Certificate, a new Certificate shall be issued to the holder to reflect the exercise of such option or in respect of the balance of the holding not redeemed. In the case of a partial exercise of an option resulting in Registered Notes of the same holding having different terms, separate Certificates shall be issued in respect of those Notes of that holding that have the same terms. New Certificates shall only be issued against surrender of the existing Certificates to a Registrar or any other Transfer Agent. In the case of a transfer of Registered Notes to a person who is already a holder of Registered Notes, a new Certificate representing the enlarged holding shall only be issued against surrender of the Certificate representing the existing holding.

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- (d) **Delivery of New Certificates:** Each new Certificate to be issued pursuant to Conditions 2(b) or 2(c) shall be available for delivery within three business days of receipt of the form of transfer or Exercise Notice (as defined in Condition 6(e)) and surrender of the Certificate for exchange. Delivery of the new Certificate(s) shall be made at the specified office of the Registrar or any other Transfer Agent (as the case may be) to whom delivery or surrender of such form of transfer, Exercise Notice or Certificate shall have been made or, at the option of the holder making such delivery or surrender as aforesaid and as specified in the form of transfer, Exercise Notice or otherwise in writing, be mailed by uninsured post at the risk of the holder entitled to the new Certificate to such address as may be so specified, unless such holder requests otherwise and pays in advance to the relevant Agent (as defined in the Fiscal Agency Agreement) the costs of such other method of delivery and/or such insurance as it may specify. In this Condition 2(d), “business day” means a day, other than a Saturday or Sunday, on which banks are open for business in the place of the specified office of the Registrar or the relevant other Transfer Agent (as the case may be).
- (e) **Transfers Free of Charge:** Transfers of Notes and Certificates on registration, transfer, exercise of an option or partial redemption shall be effected without charge by or on behalf of the Issuer, the Registrar or the Transfer Agents, but upon payment of any tax or other governmental charges that may be imposed in relation to it (or the giving of such indemnity and/or security and/or pre-funding as the Registrar or the relevant other Transfer Agent may require) in respect of taxes or charges.
- (f) **Closed Periods:** No Noteholder may require the transfer of a Registered Note to be registered (i) during the period of 15 days ending on the due date for redemption of, or payment of any Instalment Amount in respect of, that Note, (ii) during the period of 15 days before any date on which Notes may be called for redemption by the Issuer at its option pursuant to Condition 6(d), (iii) after any such Note has been called for redemption or (iv) during the period of seven days ending on (and including) any Record Date.

3. STATUS

- (a) **Status of Senior Notes:** The Senior Notes (being those Notes that specify their status as Senior) and the Receipts and the Coupons relating to them constitute direct, unconditional, unsubordinated and (subject to Condition 4) unsecured obligations of the Issuer and shall at all times rank *pari passu* and without any preference among themselves. The payment obligations of the Issuer under the Senior Notes and the Receipts and the Coupons relating to them shall, save for such exceptions as may be provided by applicable legislation and subject to Condition 4, at all times rank at least equally with all other unsecured and unsubordinated indebtedness and monetary obligations of the Issuer, present and future.
- (b) **Status of Subordinated Notes:** The Subordinated Notes (being those Notes that specify their status as Subordinated) and the Receipts and Coupons relating to them constitute subordinated obligations of the Issuer and rank *pari passu* and without any preference among themselves. The claims of Noteholders will, in the event of the Winding-Up (as defined in Condition 10) of the Issuer, be subordinated in right of payment in the manner provided in this Condition 3(b) to the claims of depositors and all other unsubordinated creditors of the Issuer and will rank, in the event of the Winding-Up of the Issuer, at least *pari passu* in right of payment with all other Subordinated Indebtedness (as defined below in this Condition 3(b)), present and future, of the Issuer. Claims in respect of Subordinated Notes will rank in priority to the rights and claims of holders (i) of subordinated liabilities which by their terms rank or are expressed to rank in right of payment junior to the Subordinated Notes and (ii) of all classes of equity securities of the Issuer, including holders of preference shares, if any.

For the purposes of this Condition 3 “Subordinated Indebtedness” means all indebtedness which is subordinated, in the event of the Winding-Up of the Issuer, in right of payment to the claims of depositors and other unsubordinated creditors of the Issuer, and for this purpose indebtedness shall include all liabilities, whether actual or contingent.

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4. NEGATIVE PLEDGE

So long as any Senior Note or Coupon (in respect thereof) remains outstanding (as defined in the Fiscal Agency Agreement), the Issuer will not, and will ensure that none of its Subsidiaries will, create, or have outstanding, any mortgage, charge, lien, pledge or other security interest, upon the whole or any part of its present or future undertaking, assets or revenues (including any uncalled capital) to secure any Relevant Indebtedness, or any guarantee or indemnity in respect of any Relevant Indebtedness, without at the same time or prior thereto according to the Senior Notes and such Coupons the same security as is created or subsisting to secure any such Relevant Indebtedness, guarantee or indemnity or such other security as shall be approved by an Extraordinary Resolution (as defined in the Fiscal Agency Agreement) of the Senior Noteholders.

In these Conditions:

- (i) “Relevant Indebtedness” means any indebtedness which is in the form of, or represented or evidenced by, bonds, notes, debentures, loan stock or other securities which for the time being are, or are intended to be or capable of being, quoted, listed or dealt in or traded on any stock exchange or over-the-counter or other securities market; and
- (ii) “Subsidiary” means any entity whose financial statements at any time are required by law or in accordance with generally accepted accounting principles to be fully consolidated with those of the Issuer.

5. INTEREST AND OTHER CALCULATIONS

- (a) **Interest on Fixed Rate Notes:** Each Fixed Rate Note bears interest on its prevailing nominal amount from the Interest Commencement Date at the rate per annum (expressed as a percentage) equal to the Rate of Interest, such interest being payable in arrear on each Interest Payment Date. The amount of interest payable shall be determined in accordance with Condition 5(h).
- (b) **Interest on Floating Rate Notes and Index Linked Interest Notes:**
 - (i) *Interest Payment Dates:* Each Floating Rate Note and Index Linked Interest Note bears interest on its prevailing nominal amount from the Interest Commencement Date at the rate per annum (expressed as a percentage) equal to the Rate of Interest, such interest being payable in arrear on each Interest Payment Date. The amount of interest payable shall be determined by the Calculation Agent in accordance with Condition 5(h). Such Interest Payment Date(s) is/are either shown hereon as Specified Interest Payment Dates or, if no Specified Interest Payment Date(s) is/are shown hereon, “Interest Payment Date” shall mean each date which falls the number of months or other period shown hereon as the Interest Period after the preceding Interest Payment Date or, in the case of the first Interest Payment Date, after the Interest Commencement Date.
 - (ii) *Business Day Convention:* If any date referred to in these Conditions that is specified to be subject to adjustment in accordance with a Business Day Convention would otherwise fall on a day that is not a Business Day, then, if the Business Day Convention specified is (A) the Floating Rate Business Day Convention, such date shall be postponed to the next day that is a Business Day unless it would thereby fall into the next calendar month, in which event (x) such date shall be brought forward to the immediately preceding Business Day and (y) each subsequent such date shall be the last Business Day of the month in which such date would have fallen had it not been subject to adjustment, (B) the Following Business Day Convention, such date shall be postponed to the next day that is a Business Day, (C) the Modified Following Business Day Convention, such date shall be postponed to the next day that is a Business Day unless it would thereby fall into the next calendar month, in which event such date shall be brought forward to the immediately preceding Business Day or (D) the Preceding Business Day Convention, such date shall be brought forward to the immediately preceding Business Day.

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- (iii) *Rate of Interest for Floating Rate Notes:* The Rate of Interest in respect of Floating Rate Notes for each Interest Accrual Period shall be determined by the Calculation Agent in the manner specified hereon and the provisions below relating to either ISDA Determination or Screen Rate Determination shall apply, depending upon which is specified hereon.

(A) **ISDA Determination for Floating Rate Notes**

Where ISDA Determination is specified hereon as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Accrual Period shall be determined by the Calculation Agent as a rate equal to the relevant ISDA Rate. For the purposes of this sub-paragraph (A), “ISDA Rate” for an Interest Accrual Period means a rate equal to the Floating Rate that would be determined by the Calculation Agent under a Swap Transaction under the terms of an agreement incorporating the ISDA Definitions and under which:

- (x) the Floating Rate Option is as specified hereon
- (y) the Designated Maturity is a period specified hereon and
- (z) the relevant Reset Date is the first day of that Interest Accrual Period unless otherwise specified hereon.

For the purposes of this sub-paragraph (A), “Floating Rate”, “Calculation Agent”, “Floating Rate Option”, “Designated Maturity”, “Reset Date” and “Swap Transaction” have the meanings given to those terms in the ISDA Definitions.

(B) **Screen Rate Determination for Floating Rate Notes**

- (x) Where Screen Rate Determination is specified hereon as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Accrual Period will, subject as provided below, be either:

- (1) the offered quotation; or
- (2) the arithmetic mean of the offered quotations,

(expressed as a percentage rate per annum) for the Reference Rate which appears or appear, as the case may be, on the Relevant Screen Page as at either 11.00 a.m. (London time in the case of LIBOR, Brussels time in the case of EURIBOR or Hong Kong time in the case of HIBOR) on the Interest Determination Date in question as determined by the Calculation Agent. If five or more of such offered quotations are available on the Relevant Screen Page, the highest (or, if there is more than one such highest quotation, one only of such quotations) and the lowest (or, if there is more than one such lowest quotation, one only of such quotations) shall be disregarded by the Calculation Agent for the purpose of determining the arithmetic mean of such offered quotations.

If the Reference Rate from time to time in respect of Floating Rate Notes is specified hereon as being other than LIBOR, EURIBOR or HIBOR, the Rate of Interest in respect of such Notes will be determined as provided hereon.

- (y) if the Relevant Screen Page is not available or if, sub-paragraph (x)(1) applies and no such offered quotation appears on the Relevant Screen Page or if sub-paragraph (x)(2) above applies and fewer than three such offered quotations appear on the Relevant Screen Page in each case as at the time specified above, subject as provided below, the Calculation Agent shall request, if the Reference Rate is LIBOR, the principal London office of each of

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the Reference Banks or, if the Reference Rate is EURIBOR, the principal Euro-zone office of each of the Reference Banks, or, if the Reference Rate is HIBOR, the principal Hong Kong office of each of the Reference Banks, to provide the Calculation Agent with its offered quotation (expressed as a percentage rate per annum) for the Reference Rate if the Reference Rate is LIBOR, at approximately 11.00 a.m. (London time) or, if the Reference Rate is EURIBOR, at approximately 11.00 a.m. (Brussels time) or, if the Reference Rate is HIBOR, at approximately 11.00 a.m. (Hong Kong time) on the Interest Determination Date in question. If two or more of the Reference Banks provide the Calculation Agent with such offered quotations, the Rate of Interest for such Interest Accrual Period shall be the arithmetic mean of such offered quotations as determined by the Calculation Agent; and

- (z) if paragraph (y) above applies and the Calculation Agent determines that fewer than two Reference Banks are providing offered quotations, subject as provided below, the Rate of Interest shall be the arithmetic mean of the rates per annum (expressed as a percentage) as communicated to (and at the request of) the Calculation Agent by the Reference Banks or any two or more of them, at which such banks were offered, if the Reference Rate is LIBOR, at approximately 11.00 a.m. (London time) or, if the Reference Rate is EURIBOR, at approximately 11.00 a.m. (Brussels time) or, if the Reference Rate is HIBOR, at approximately 11.00 a.m. (Hong Kong time) on the relevant Interest Determination Date, deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate by leading banks in, if the Reference Rate is LIBOR, the London inter-bank market or, if the Reference Rate is EURIBOR, the Euro-zone inter-bank market or, if the Reference Rate is HIBOR, the Hong Kong inter-bank market, as the case may be, or, if fewer than two of the Reference Banks provide the Calculation Agent with such offered rates, the offered rate for deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate, or the arithmetic mean of the offered rates for deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate, at which, if the Reference Rate is LIBOR, at approximately 11.00 a.m. (London time) or, if the Reference Rate is EURIBOR, at approximately 11.00 a.m. (Brussels time) or, if the Reference Rate is HIBOR, at approximately 11.00 a.m. (Hong Kong time), on the relevant Interest Determination Date, any one or more banks (which bank or banks is or are in the opinion of the Issuer suitable for such purpose) informs the Calculation Agent it is quoting to leading banks in, if the Reference Rate is LIBOR, the London inter-bank market or, if the Reference Rate is EURIBOR, the Euro-zone inter-bank market or, if the Reference Rate is HIBOR, the Hong Kong inter-bank market, as the case may be, provided that, if the Rate of Interest cannot be determined in accordance with the foregoing provisions of this paragraph, the Rate of Interest shall be determined as at the last preceding Interest Determination Date (though substituting, where a different Margin or Maximum or Minimum Rate of Interest is to be applied to the relevant Interest Accrual Period from that which applied to the last preceding Interest Accrual Period, the Margin or Maximum or Minimum Rate of Interest relating to the relevant Interest Accrual Period, in place of the Margin or Maximum or Minimum Rate of Interest relating to that last preceding Interest Accrual Period).

- (iv) *Rate of Interest for Index Linked Interest Notes:* The Rate of Interest in respect of Index Linked Interest Notes for each Interest Accrual Period shall be determined by the Calculation Agent in the manner specified hereon and interest will accrue by reference to an Index or Formula as specified hereon.

- (c) **Zero Coupon Notes:** Where a Note the Interest Basis of which is specified to be Zero Coupon is repayable prior to the Maturity Date and is not paid when due, the amount due and payable prior to the Maturity Date shall be the Early Redemption Amount of such Note. As from the Maturity Date, the Rate of Interest for any overdue principal of such a Note shall be a rate per annum (expressed as a percentage) equal to the Amortisation Yield (as described in Condition 6(b)(i)).

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- (d) **Dual Currency Notes:** In the case of Dual Currency Notes, if the rate or amount of interest falls to be determined by reference to a Rate of Exchange or a method of calculating Rate of Exchange, the rate or amount of interest payable shall be determined by the Calculation Agent in the manner specified hereon.
- (e) **Partly Paid Notes:** In the case of Partly Paid Notes (other than Partly Paid Notes which are Zero Coupon Notes), interest will accrue as aforesaid on the paid-up nominal amount of such Notes and otherwise as specified hereon.
- (f) **Accrual of Interest:** Interest shall cease to accrue on each Note on the due date for redemption unless, upon due presentation, payment is improperly withheld or refused, in which event interest shall continue to accrue (both before and after judgment) at the Rate of Interest in the manner provided in this Condition 5 to the Relevant Date (as defined in Condition 8).
- (g) **Margin, Maximum/Minimum Rates of Interest, Instalment Amounts and Redemption Amounts and Rounding:**
 - (i) If any Margin is specified hereon (either (x) generally, or (y) in relation to one or more Interest Accrual Periods), an adjustment shall be made to all Rates of Interest, in the case of (x), or the Rates of Interest for the specified Interest Accrual Periods, in the case of (y), calculated in accordance with Condition 5(b) above by adding (if a positive number) or subtracting the absolute value (if a negative number) of such Margin, subject always to the next paragraph.
 - (ii) If any Maximum Rate of Interest or Minimum Rate of Interest, Instalment Amount or Redemption Amount is specified hereon, then any Rate of Interest, Instalment Amount or Redemption Amount shall be subject to such maximum or minimum, as the case may be.
 - (iii) For the purposes of any calculations required pursuant to these Conditions (unless otherwise specified), (x) all percentages resulting from such calculations shall be rounded, if necessary, to the nearest one hundred-thousandth of a percentage point (with halves being rounded up), (y) all figures shall be rounded to seven significant figures (with halves being rounded up) and (z) all currency amounts that fall due and payable shall be rounded to the nearest unit of such currency (with halves being rounded up), save in the case of yen, which shall be rounded down to the nearest yen. For these purposes "unit" means the lowest amount of such currency that is available as legal tender in the countries of such currency.
- (h) **Calculations:** The amount of interest payable per Calculation Amount in respect of any Note for any Interest Accrual Period shall be equal to the product of the Rate of Interest, the Calculation Amount specified hereon, and the Day Count Fraction for such Interest Accrual Period, unless an Interest Amount (or a formula for its calculation) is applicable to such Interest Accrual Period, in which case the amount of interest payable per Calculation Amount in respect of such Note for such Interest Accrual Period shall equal such Interest Amount (or be calculated in accordance with such formula). Where any Interest Period comprises two or more Interest Accrual Periods, the amount of interest payable per Calculation Amount in respect of such Interest Period shall be the sum of the Interest Amounts payable in respect of each of those Interest Accrual Periods. In respect of any other period for which interest is required to be calculated, the provisions above shall apply save that the Day Count Fraction shall be for the period for which interest is required to be calculated.
- (i) **Determination and Publication of Rates of Interest, Interest Amounts, Final Redemption Amounts, Early Redemption Amounts, Optional Redemption Amounts and Instalment Amounts:** The Calculation Agent shall, as soon as practicable on each Interest Determination Date, or such other time on such date as the Calculation Agent may be required to calculate any rate or amount, obtain any quotation or make any determination or calculation, determine such rate and calculate the Interest Amounts for the relevant Interest Accrual Period, calculate the Final Redemption Amount, Early Redemption Amount, Optional Redemption Amount or Instalment Amount, obtain such quotation or make such determination or calculation, as the case may be, and cause the Rate of Interest and the Interest Amounts for each Interest

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Accrual Period and the relevant Interest Payment Date and, if required to be calculated, the Final Redemption Amount, Early Redemption Amount, Optional Redemption Amount or any Instalment Amount to be notified to the Fiscal Agent, the Issuer, each of the Paying Agents, the Noteholders, any other Calculation Agent appointed in respect of the Notes that is to make a further calculation upon receipt of such information and, if the Notes are listed on a stock exchange and the rules of such exchange or other relevant authority so require, such exchange or other relevant authority as soon as possible after their determination but in no event later than (i) the commencement of the relevant Interest Period, if determined prior to such time, in the case of notification to such exchange of a Rate of Interest and Interest Amount, or (ii) in all other cases, the fourth Business Day after such determination. Where any Interest Payment Date or Interest Period Date is subject to adjustment pursuant to Condition 5(b)(ii), the Interest Amounts and the Interest Payment Date so published may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without notice in the event of an extension or shortening of the Interest Period. If the Notes become due and payable under Condition 10, the accrued interest and the Rate of Interest payable in respect of the Notes shall nevertheless continue to be calculated as previously in accordance with this Condition 10 but no publication of the Rate of Interest or the Interest Amount so calculated need be made. The determination of any rate or amount, the obtaining of each quotation and the making of each determination or calculation by the Calculation Agent(s) shall (in the absence of manifest error) be final and binding upon all parties and the Noteholders.

- (j) **Definitions:** In these Conditions, unless the context otherwise requires, the following defined terms shall have the meanings set out below:

“Business Day” means:

- (i) in the case of a currency other than euro and Renminbi, a day (other than a Saturday or Sunday) on which commercial banks and foreign exchange markets settle payments in the principal financial centre for such currency; and/or
- (ii) in the case of euro, a day on which the TARGET System is operating (a “TARGET Business Day”); and/or
- (iii) in the case of Renminbi, a day (other than a Saturday, Sunday or public holiday) on which commercial banks in Hong Kong are generally open for business and settlement of Renminbi payments in Hong Kong; and/or
- (iv) in the case of a currency and/or one or more Business Centres a day (other than a Saturday or a Sunday) on which commercial banks and foreign exchange markets settle payments in such currency in the Business Centre(s) or, if no currency is indicated, generally in each of the Business Centres.

“Day Count Fraction” means, in respect of the calculation of an amount of interest on any Note for any period of time (from and including the first day of such period to but excluding the last) (whether or not constituting an Interest Period or an Interest Accrual Period, the “Calculation Period”):

- (i) if “Actual/Actual” or “Actual/Actual – ISDA” is specified hereon, the actual number of days in the Calculation Period divided by 365 (or, if any portion of that Calculation Period falls in a leap year, the sum of (A) the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366 and (B) the actual number of days in that portion of the Calculation Period falling in a non-leap year divided by 365)
- (ii) if “Actual/365 (Fixed)” is specified hereon, the actual number of days in the Calculation Period divided by 365
- (iii) if “Actual/360” is specified hereon, the actual number of days in the Calculation Period divided by 360

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- (iv) if “30/360”, “360/360” or “Bond Basis” is specified hereon, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{([360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1))}{360}$$

where:

“Y₁” is the year, expressed as a number, in which the first day of the Calculation Period falls;

“Y₂” is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“M₁” is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

“M₂” is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“D₁” is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D₁ will be 30; and

“D₂” is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31 and D₁ is greater than 29, in which case D₂ will be 30

- (v) if “30E/360” or “Eurobond Basis” is specified hereon, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{([360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1))}{360}$$

where:

“Y₁” is the year, expressed as a number, in which the first day of the Calculation Period falls;

“Y₂” is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“M₁” is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

“M₂” is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“D₁” is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D₁ will be 30; and

“D₂” is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31, in which case D₂ will be 30

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- (vi) if “30E/360 (ISDA)” is specified hereon, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{([360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1))}{360}$$

where:

“Y₁” is the year, expressed as a number, in which the first day of the Calculation Period falls;

“Y₂” is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“M₁” is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

“M₂” is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“D₁” is the first calendar day, expressed as a number, of the Calculation Period, unless (i) that day is the last day of February or (ii) such number would be 31, in which case D₁ will be 30; and

“D₂” is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless (i) that day is the last day of February but not the Maturity Date or (ii) such number would be 31, in which case D₂ will be 30

- (vii) if “Actual/Actual-ICMA” is specified hereon,

- (a) if the Calculation Period is equal to or shorter than the Determination Period during which it falls, the number of days in the Calculation Period divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Periods normally ending in any year; and
- (b) if the Calculation Period is longer than one Determination Period, the sum of:
- (x) the number of days in such Calculation Period falling in the Determination Period in which it begins divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Periods normally ending in any year; and
- (y) the number of days in such Calculation Period falling in the next Determination Period divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Periods normally ending in any year

where:

“Determination Period” means the period from and including a Determination Date in any year to but excluding the next Determination Date and

“Determination Date” means the date(s) specified as such hereon or, if none is so specified, the Interest Payment Date(s)

“Euro-zone” means the region comprised of member states of the European Union that adopt the single currency in accordance with the Treaty establishing the European Community, as amended.

“Interest Accrual Period” means the period beginning on (and including) the Interest Commencement Date and ending on (but excluding) the first Interest Period Date and each successive period beginning on (and including) an Interest Period Date and ending on (but excluding) the next succeeding Interest Period Date.

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“Interest Amount” means:

- (i) in respect of an Interest Accrual Period, the amount of interest payable per Calculation Amount for that Interest Accrual Period and which, in the case of Fixed Rate Notes, and unless otherwise specified hereon, shall mean the Fixed Coupon Amount or Broken Amount specified hereon as being payable on the Interest Payment Date ending the Interest Period of which such Interest Accrual Period forms part; and
- (ii) in respect of any other period, the amount of interest payable per Calculation Amount for that period.

“Interest Commencement Date” means the Issue Date or such other date as may be specified hereon.

“Interest Determination Date” means, with respect to a Rate of Interest and Interest Accrual Period, the date specified as such hereon or, if none is so specified, (i) the first day of such Interest Accrual Period if the Specified Currency is Sterling or Hong Kong dollars or Renminbi or (ii) the day falling two Business Days in London for the Specified Currency prior to the first day of such Interest Accrual Period if the Specified Currency is neither Sterling nor euro nor Hong Kong dollars nor Renminbi or (iii) the day falling two TARGET Business Days prior to the first day of such Interest Accrual Period if the Specified Currency is euro.

“Interest Period” means the period beginning on and including the Interest Commencement Date and ending on but excluding the first Interest Payment Date and each successive period beginning on and including an Interest Payment Date and ending on but excluding the next succeeding Interest Payment Date.

“Interest Period Date” means each Interest Payment Date unless otherwise specified hereon.

“ISDA Definitions” means the 2006 ISDA Definitions, as published by the International Swaps and Derivatives Association, Inc., unless otherwise specified hereon.

“Rate of Interest” means the rate of interest payable from time to time in respect of this Note and that is either specified or calculated in accordance with the provisions hereon.

“Reference Banks” means, in the case of a determination of LIBOR, the principal London office of four major banks in the London inter-bank market and, in the case of a determination of EURIBOR, the principal Euro-zone office of four major banks in the Euro-zone inter-bank market and, in the case of a determination of HIBOR, the principal Hong Kong office of four major banks in the Hong Kong inter-bank market, in each case selected by the Calculation Agent or as specified hereon.

“Reference Rate” means the rate specified as such hereon.

“Relevant Screen Page” means such page, section, caption, column or other part of a particular information service as may be specified hereon.

“Specified Currency” means the currency specified as such hereon or, if none is specified, the currency in which the Notes are denominated.

“TARGET System” means the Trans-European Automated Real-Time Gross Settlement Express Transfer (known as TARGET2) System which was launched on 19 November 2007 or any successor thereto.

- (k) **Calculation Agent:** The Issuer shall procure that there shall at all times be one or more Calculation Agents if provision is made for it or them hereon and for so long as any Note is outstanding (as defined in the Fiscal Agency Agreement). Where more than one Calculation Agent is appointed in respect of the Notes, references in these Conditions to the Calculation Agent shall be construed as each Calculation Agent performing its respective duties under the Conditions. If the Calculation Agent is unable or unwilling to act as such or, if the Calculation Agent fails duly to establish the Rate of Interest for an Interest Accrual Period

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or to calculate any Interest Amount, Instalment Amount, Final Redemption Amount, Early Redemption Amount or Optional Redemption Amount, as the case may be, or to comply with any other requirement, the Issuer shall appoint a leading bank or financial institution engaged in the interbank market (or, if appropriate, money, swap or over-the-counter index options market) that is most closely connected with the calculation or determination to be made by the Calculation Agent (acting through its principal London office or any other office actively involved in such market) to act as such in its place. The Calculation Agent may not resign its duties without a successor having been appointed as aforesaid.

6. REDEMPTION, PURCHASE AND OPTIONS

(a) Redemption by Instalments and Final Redemption:

- (i) Unless previously redeemed, purchased and cancelled as provided in this Condition 6, each Note that provides for Instalment Dates and Instalment Amounts shall be partially redeemed on each Instalment Date at the related Instalment Amount specified hereon. The prevailing nominal amount of each such Note shall be reduced by the Instalment Amount (or, if such Instalment Amount is calculated by reference to a proportion of the nominal amount of such Note, such proportion) for all purposes with effect from the related Instalment Date, unless payment of the Instalment Amount is improperly withheld or refused, in which case, such amount shall remain outstanding until the Relevant Date relating to such Instalment Amount.
- (ii) Unless previously redeemed, purchased and cancelled as provided below, each Note shall be finally redeemed on the Maturity Date specified hereon at its Final Redemption Amount (which, unless otherwise provided hereon, is its prevailing nominal amount) or, in the case of a Note falling within Condition 6(a)(i), its final Instalment Amount.

(b) Early Redemption:

(i) *Zero Coupon Notes:*

- (A) The Early Redemption Amount payable in respect of any Zero Coupon Note, the Early Redemption Amount of which is not linked to an index and/or a formula, upon redemption of such Note pursuant to Condition 6(c) or upon it becoming due and payable as provided in Condition 10 shall be the Amortised Face Amount (calculated as provided below) of such Note unless otherwise specified hereon.
- (B) Subject to the provisions of sub-paragraph (C) below, the Amortised Face Amount of any such Note shall be the scheduled Final Redemption Amount of such Note on the Maturity Date discounted at a rate per annum (expressed as a percentage) equal to the Amortisation Yield (which, if none is shown hereon, shall be such rate as would produce an Amortised Face Amount equal to the issue price of the Notes if they were discounted back to their issue price on the Issue Date) compounded annually.
- (C) If the Early Redemption Amount payable in respect of any such Note upon its redemption pursuant to Condition 6(c) or upon it becoming due and payable as provided in Condition 10 is not paid when due, the Early Redemption Amount due and payable in respect of such Note shall be the Amortised Face Amount of such Note as defined in sub-paragraph (B) above, except that such sub-paragraph shall have effect as though the date on which the Note becomes due and payable were the Relevant Date. The calculation of the Amortised Face Amount in accordance with this sub-paragraph shall continue to be made (both before and after judgment) until the Relevant Date, unless the Relevant Date falls on or after the Maturity Date, in which case the amount due and payable shall be the scheduled Final Redemption Amount of such Note on the Maturity Date together with any interest that may accrue in accordance with Condition 5(c).

Where such calculation is to be made for a period of less than one year, it shall be made on the basis of the Day Count Fraction shown hereon.

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- (ii) *Other Notes:* The Early Redemption Amount payable in respect of any Note (other than Notes described in (i) above), upon redemption of such Note pursuant to Condition 6(c) or upon it becoming due and payable as provided in Condition 10, shall be the Final Redemption Amount unless otherwise specified hereon.
- (c) **Redemption for Taxation Reasons:** The Notes may be redeemed at the option of the Issuer in whole, but not in part, (but subject, if required, to consent thereto having been obtained from The Hong Kong Monetary Authority (the “HKMA”) in the case of Subordinated Notes) on any Interest Payment Date (if this Note is either a Floating Rate Note or an Index Linked Note) or at any time (if this Note is neither a Floating Rate Note nor an Index Linked Note), on giving not less than 30 nor more than 60 days’ notice to the Noteholders (which notice shall be irrevocable) at their Early Redemption Amount (as described in Condition 6(b) above) (together with interest accrued to the date fixed for redemption), if (i) (A) the Issuer has or will become obliged to pay additional amounts as provided or referred to in Condition 8 as a result of any change in, or amendment to, the laws or regulations of Hong Kong or any political subdivision or any authority thereof or therein having power to tax, or any change in the application or official interpretation of such laws or regulations, which change or amendment becomes effective on or after the date on which agreement is reached to issue the first Tranche of the Notes, or (B) as a result of any change in, or amendment to, the laws or regulations of Hong Kong, (1) the Issuer would not, in respect of the payment of interest on the Notes, be entitled to claim a deduction in respect of computing its taxation liabilities in Hong Kong, or such entitlement is materially reduced or (2) the Issuer would not, to any material extent, be entitled to have such deduction set against its profits for applicable Hong Kong tax purposes; and (ii) such obligation will apply on the occasion of the next payment due in respect of the Notes and cannot be avoided by the Issuer taking reasonable measures available to it, provided that no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Issuer would be obliged to pay such additional amounts were a payment in respect of the Notes then due. Prior to the publication of any notice of redemption pursuant to this Condition 6(c), the Issuer shall deliver to the Fiscal Agent a certificate signed by two Directors of the Issuer stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer so to redeem have occurred, and in the opinion of independent legal advisers of recognised standing to the effect that the Issuer has or will become obliged to pay such additional amounts as a result of such change or amendment.
- (d) **Redemption at the Option of the Issuer:** If Call Option is specified hereon, the Issuer may, on giving not less than 15 nor more than 30 days’ irrevocable notice to the Noteholders (or such other notice period as may be specified hereon) redeem all or, if so provided, some of the Notes on any Optional Redemption Date. Any such redemption of Notes shall be at their Optional Redemption Amount together with interest accrued to the date fixed for redemption. Any such redemption or exercise must relate to Notes of a nominal amount at least equal to the Minimum Redemption Amount to be redeemed specified hereon and no greater than the Maximum Redemption Amount to be redeemed specified hereon.

All Notes in respect of which any such notice is given shall be redeemed on the date specified in such notice in accordance with this Condition.

In the case of a partial redemption the notice to Noteholders shall also contain the certificate numbers of the Bearer Notes, or in the case of Registered Notes shall specify the nominal amount of Registered Notes drawn and the holder(s) of such Registered Notes, to be redeemed, which shall have been drawn in such place and in such manner as may be fair and reasonable in the circumstances, taking account of prevailing market practices, subject to compliance with any applicable laws and stock exchange or other relevant authority requirements.

- (e) **Redemption at the Option of Noteholders:** If Put Option is specified hereon, the Issuer shall, at the option of the holder of any such Note, upon the holder of such Note giving not less than 15 nor more than 30 days’ notice to the Issuer (or such other notice period as may be specified hereon) redeem such Note on the Optional Redemption Date(s) at its Optional Redemption Amount together with interest accrued to the date fixed for redemption.

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To exercise such option the holder must deposit (in the case of Bearer Notes) such Note (together with all unmatured Receipts and Coupons and unexchanged Talons) with any Paying Agent or (in the case of Registered Notes) the Certificate representing such Note(s) with the Registrar or any other Transfer Agent at its specified office, together with a duly completed option exercise notice (an “Exercise Notice”) in the form obtainable from any Paying Agent, the Registrar or any other Transfer Agent (as applicable) within the notice period. No Note or Certificate so deposited and option exercised may be withdrawn (except as provided in the Fiscal Agency Agreement) without the prior consent of the Issuer.

- (f) **Partly Paid Notes:** Partly Paid Notes will be redeemed, whether at maturity, early redemption or otherwise, in accordance with the provisions of this Condition 6 and the provisions specified hereon.
- (g) **Purchases:** The Issuer and its Subsidiaries (with, if required, the consent of the HKMA in the case of Subordinated Notes) may at any time purchase Notes (provided that all unmatured Receipts and Coupons and unexchanged Talons relating thereto are attached thereto or surrendered therewith) in the open market or otherwise at any price.
- (h) **Cancellation:** All Notes purchased by or on behalf of the Issuer or any of its Subsidiaries may be surrendered for cancellation, in the case of Bearer Notes, by surrendering each such Note together with all unmatured Receipts and Coupons and all unexchanged Talons to the Fiscal Agent and, in the case of Registered Notes, by surrendering the Certificate representing such Notes to the Registrar and, in each case, if so surrendered, shall, together with all Notes redeemed by the Issuer, be cancelled forthwith (together with all unmatured Receipts and Coupons and unexchanged Talons attached thereto or surrendered therewith). Any Notes so surrendered for cancellation may not be reissued or resold and the obligations of the Issuer in respect of any such Notes shall be discharged.

7. PAYMENTS AND TALONS

- (a) **Bearer Notes:** Payments of principal and interest in respect of Bearer Notes shall, subject as mentioned below, be made against presentation and surrender of the relevant Receipts (in the case of payments of Instalment Amounts other than on the due date for redemption and provided that the Receipt is presented for payment together with its relative Note), Notes (in the case of all other payments of principal and, in the case of interest, as specified in Condition 7(f)(vi)) or Coupons (in the case of interest, save as specified in Condition 7(f)(ii)), as the case may be:
 - (i) in the case of a currency other than Renminbi, at the specified office of any Paying Agent outside the United States by a cheque payable in the relevant currency drawn on, or, at the option of the holder, by transfer to an account denominated in such currency with, a Bank; and
 - (ii) in the case of Renminbi, by transfer to a Renminbi account maintained by or on behalf of the Noteholder with a bank in Hong Kong.

In this Condition 7(a), “Bank” means a bank in the principal financial centre for such currency or, in the case of euro, in a city in which banks have access to the TARGET System.

- (b) **Registered Notes:**
 - (i) Payments of principal (which for the purposes of this Condition 7(b) shall include final Instalment Amounts but not other Instalment Amounts) in respect of Registered Notes shall be made against presentation and surrender of the relevant Certificates at the specified office of any of the Transfer Agents or of the Registrar and in the manner provided in paragraph (ii) below.
 - (ii) Interest (which for the purpose of this Condition 7(b) shall include all Instalment Amounts other than final Instalment Amounts) on Registered Notes shall be paid to the person shown on the Register at the close of business on the fifth (in the case of Renminbi) and fifteenth (in the case of a currency other than Renminbi) day before the due date for payment thereof (the “Record Date”). Payments of interest on each Registered Note shall be made:

TERMS AND CONDITIONS OF THE NOTES

- (x) in the case of a currency other than Renminbi, in the relevant currency by cheque drawn on a Bank and mailed to the holder (or to the first named of joint holders) of such Note at its address appearing in the Register. Upon application by the holder to the specified office of the Registrar or any Transfer Agent before the Record Date, such payment of interest may be made by transfer to an account in the relevant currency maintained by the payee with a Bank; and
- (y) in the case of Renminbi, by transfer to the registered account of the Noteholder.

In this Condition 7(b)(ii), “registered account” means the Renminbi account maintained by or on behalf of the Noteholder with a bank in Hong Kong, details of which appear on the Register at the close of business on the fifth business day before the due date for payment.

- (c) **Payments in the United States:** Notwithstanding the foregoing, if any Bearer Notes are denominated in U.S. dollars, payments in respect thereof may be made at the specified office of any Paying Agent in New York City in the same manner as aforesaid if (i) the Issuer shall have appointed Paying Agents with specified offices outside the United States with the reasonable expectation that such Paying Agents would be able to make payment of the amounts on the Notes in the manner provided above when due, (ii) payment in full of such amounts at all such offices is illegal or effectively precluded by exchange controls or other similar restrictions on payment or receipt of such amounts and (iii) such payment is then permitted by United States law, without involving, in the opinion of the Issuer, any adverse tax consequence to the Issuer.
- (d) **Payments subject to Fiscal Laws:** All payments are subject in all cases to any applicable fiscal or other laws, regulations and directives, but without prejudice to the provisions of Condition 8. No commission or expenses shall be charged to the Noteholders or Couponholders in respect of such payments.
- (e) **Appointment of Agents:** The Fiscal Agent, the CMU Lodging and Paying Agent, the Paying Agents, the Registrars and the Transfer Agents initially appointed by the Issuer and their respective specified offices are listed below. The Fiscal Agent, the CMU Lodging and Paying Agent, the Paying Agents, the Registrars and the Transfer Agents appointed under the Fiscal Agency Agreement and any Calculation Agents appointed in respect of any Notes act solely as agents of the Issuer and do not assume any obligation or relationship of agency or trust for or with any Noteholder or Couponholder. The Issuer reserves the right at any time to vary or terminate the appointment of the Fiscal Agent, the CMU Lodging and Paying Agent, any other Paying Agent, any Registrar, any Transfer Agent or any Calculation Agent and to appoint additional or other Paying Agents or Transfer Agents, in each case in accordance with the Fiscal Agency Agreement, provided that the Issuer shall at all times maintain (i) a Fiscal Agent, (ii) a Registrar in relation to Registered Notes, (iii) a Transfer Agent in relation to Registered Notes, (iv) a CMU Lodging and Paying Agent in relation to Notes accepted for clearance through the CMU, (v) one or more Calculation Agent(s) where the Conditions so require, (vi) such other agents as may be required by any other stock exchange on which the Notes may be listed and (vii) a Paying Agent with a specified office in a European Union member state that will not be obliged to withhold or deduct tax pursuant to any law implementing European Council Directive 2003/48/EC or any other Directive implementing the conclusions of the ECOFIN Council meeting of 26-27 November 2000.

In addition, the Issuer shall forthwith appoint a Paying Agent in New York City in respect of any Bearer Notes denominated in U.S. dollars in the circumstances described in Condition 7(c) above.

Notice of any such change or any change of any specified office shall promptly be given to the Noteholders.

- (f) **Unmatured Coupons and Receipts and unexchanged Talons:**
 - (i) Upon the due date for redemption of Bearer Notes which comprise Fixed Rate Notes (other than Dual Currency Notes or Index linked Notes), the Notes should be surrendered for payment together with all unmaturing Coupons (if any) relating thereto, failing which an amount equal to the face value of each missing unmaturing Coupon (or, in the case of payment not being made in full, that proportion of the amount of such missing unmaturing Coupon that the sum of principal so paid bears to the total

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principal due) shall be deducted from the Final Redemption Amount, Early Redemption Amount or Optional Redemption Amount, as the case may be, due for payment. Any amount so deducted shall be paid in the manner mentioned above against surrender of such missing Coupon within a period of 10 years from the Relevant Date for the payment of such principal (whether or not such Coupon has become void pursuant to Condition 9).

- (ii) Upon the due date for redemption of any Bearer Note comprising a Floating Rate Note, Dual Currency Note or Index Linked Note, unmatured Coupons relating to such Note (whether or not attached) shall become void and no payment shall be made in respect of them.
 - (iii) Upon the due date for redemption of any Bearer Note, any unexchanged Talon relating to such Note (whether or not attached) shall become void and no Coupon shall be delivered in respect of such Talon.
 - (iv) Upon the due date for redemption of any Bearer Note that is redeemable in instalments, all Receipts relating to such Note having an Instalment Date falling on or after such due date (whether or not attached) shall become void and no payment shall be made in respect of them.
 - (v) Where any Bearer Note that provides that the relative unmatured Coupons are to become void upon the due date for redemption of those Notes is presented for redemption without all unmatured Coupons, and where any Bearer Note is presented for redemption without any unexchanged Talon relating to it, redemption shall be made only against the provision of such indemnity as the Issuer may require.
 - (vi) If the due date for redemption of any Note is not a due date for payment of interest, interest accrued from the preceding due date for payment of interest or the Interest Commencement Date, as the case may be, shall only be payable against presentation (and surrender if appropriate) of the relevant Bearer Note or Certificate representing it, as the case may be. Interest accrued on a Note that only bears interest after its Maturity Date shall be payable on redemption of such Note against presentation of the relevant Note or Certificate representing it, as the case may be.
 - (g) **Talons:** On or after the Interest Payment Date for the final Coupon forming part of a Coupon sheet issued in respect of any Bearer Note, the Talon forming part of such Coupon sheet may be surrendered at the specified office of the Fiscal Agent in exchange for a further Coupon sheet (and if necessary another Talon for a further Coupon sheet) (but excluding any Coupons that may have become void pursuant to Condition 9).
 - (h) **Non-Business Days:** If any date for payment in respect of any Note, Receipt or Coupon is not a business day, the holder shall not be entitled to payment until the next following business day nor to any interest or other sum in respect of such postponed payment. In this Condition 7, “business day” means a day (other than a Saturday or a Sunday) on which banks and foreign exchange markets are open for business in the relevant place of presentation (if presentation and/or surrender of such Note, Receipt or Coupon is required) in such jurisdictions as shall be specified as “Financial Centres” hereon and:
 - (i) (in the case of a payment in a currency other than euro and Renminbi) where payment is to be made by transfer to an account maintained with a bank in the relevant currency, on which foreign exchange transactions may be carried on in the relevant currency in the principal financial centre of the country of such currency; or
 - (ii) (in the case of a payment in euro) which is a TARGET Business Day; or
 - (iii) (in the case of a payment in Renminbi) on which banks and foreign exchange markets are open for business and settlement of Renminbi payments in Hong Kong.
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TERMS AND CONDITIONS OF THE NOTES

8. TAXATION

All payments of principal and interest by or on behalf of the Issuer in respect of the Notes, the Receipts and the Coupons shall be made free and clear of, and without withholding or deduction for, any taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or within Hong Kong or any authority therein or thereof having power to tax, unless such withholding or deduction is required by law. If the Issuer is required to make a deduction or withholding by or within Hong Kong, the Issuer shall pay such additional amounts as shall result in receipt by the Noteholders and Couponholders of such amounts as would have been received by them had no such withholding or deduction been required, except that no such additional amounts shall be payable with respect to any Note, Receipt or Coupon:

- (a) **Other connection:** to, or to a third party on behalf of, a holder who is liable to such taxes, duties, assessments or governmental charges in respect of such Note, Receipt or Coupon by reason of his having some connection with Hong Kong other than the mere holding of the Note, Receipt or Coupon or
- (b) **Presentation more than 30 days after the Relevant Date:** presented (or in respect of which the Certificate representing it is presented) for payment more than 30 days after the Relevant Date except to the extent that the holder of it would have been entitled to such additional amounts on presenting it for payment on the thirtieth day or
- (c) **Payment to individuals:** where such withholding or deduction is imposed on a payment to an individual and is required to be made pursuant to European Council Directive 2003/48/EC or any other Directive implementing the conclusions of the ECOFIN Council meeting of 26-27 November 2000 on the taxation of savings income or any law implementing or complying with, or introduced in order to conform to, such Directive or
- (d) **Payment by another Paying Agent:** (except in the case of Registered Notes) presented for payment by or on behalf of a holder who would have been able to avoid such withholding or deduction by presenting the relevant Note, Receipt or Coupon to another Paying Agent in a Member State of the European Union.

As used in these Conditions, “Relevant Date” in respect of any Note, Receipt or Coupon means the date on which payment in respect of it first becomes due or (if any amount of the money payable is improperly withheld or refused) the date on which payment in full of the amount outstanding is made or (if earlier) the date seven days after that on which notice is duly given to the Noteholders that, upon further presentation of the Note (or relative Certificate), Receipt or Coupon being made in accordance with these Conditions, such payment will be made, provided that payment is in fact made upon such presentation. References in these Conditions to (i) “principal” shall be deemed to include any premium payable in respect of the Notes, all Instalment Amounts, Final Redemption Amounts, Early Redemption Amounts, Optional Redemption Amounts, Amortised Face Amounts and all other amounts in the nature of principal payable pursuant to Condition 6 or any amendment or supplement to it, (ii) “interest” shall be deemed to include all Interest Amounts and all other amounts payable pursuant to Condition 5 or any amendment or supplement to it and (iii) “principal” and/or “interest” shall be deemed to include any additional amounts that may be payable under this Condition 8.

9. PRESCRIPTION

Claims against the Issuer for payment in respect of the Notes, Receipts and Coupons (which, for this purpose, shall not include Talons) shall be prescribed and become void unless made within 10 years (in the case of principal) or five years (in the case of interest) from the appropriate Relevant Date in respect of them.

10. EVENTS OF DEFAULT

- (a) **Senior Notes:** If any of the following events (in relation to Senior Notes, each such event an “Event of Default”) occurs, the holder of any Senior Note may give written notice to the Fiscal Agent at its specified office that such Senior Note is immediately repayable, whereupon the Early Redemption Amount of such Senior Note together with (if applicable) accrued interest to the date of payment shall become immediately due and payable:
- (i) **Payment Default:** default is made for more than five days (in the case of principal) or 14 days (in the case of interest) in the payment of any principal or interest due in respect of any of the Senior Notes; or
 - (ii) **Breach of Other Obligations:** the Issuer does not perform or comply with any one or more of its other obligations in the Senior Notes which default is incapable of remedy or, if capable of remedy, is not remedied within 21 days after notice of such default shall have been given to the Issuer by the Fiscal Agent at its specified office by any Noteholder; or
 - (iii) **Cross-Default:** (A) any other present or future indebtedness for monies borrowed or raised by the Issuer or any of its Subsidiaries for or in respect of moneys borrowed or raised becomes (or becomes capable of being declared) due and payable prior to its stated maturity by reason of any actual or potential default, event of default or the like (howsoever described), or (B) any such indebtedness is not paid when due, or (C) the Issuer or any of its Subsidiaries fails to pay when due any amount payable by it under any present or future guarantee for, or indemnity in respect of, any moneys borrowed or raised provided that the aggregate amount of the relevant indebtedness, guarantees and indemnities in respect of which one or more of the events mentioned above in this Condition 10(a)(iii) have occurred equals or exceeds U.S.\$15,000,000 or its equivalent in any other currency; or
 - (iv) **Enforcement Proceedings:** a distress, attachment, execution or other legal process is levied, enforced or sued out on or against any part of the property, assets or revenues of the Issuer or any of its Subsidiaries and is not discharged or stayed within 45 days; or
 - (v) **Security Enforced:** any mortgage, charge, pledge, lien or other encumbrance, present or future, created or assumed by the Issuer or any of its Subsidiaries becomes enforceable and any step is taken to enforce it (including the taking of possession or the appointment of a receiver, administrative receiver, administrator, manager or other similar person); or
 - (vi) **Insolvency:** the Issuer or any of its Subsidiaries is (or is, or could be, deemed by law or a court to be) insolvent or bankrupt or unable to pay its debts, stops, suspends or threatens to stop or suspend payment of all or a material part of (or of a particular type of) its debts, proposes or makes any agreement for the deferral, rescheduling or other readjustment of all of (or all of a particular type of) its debts (or of any part which it will or might otherwise be unable to pay when due), proposes or makes a general assignment or an arrangement or composition with or for the benefit of the relevant creditors in respect of any of such debts or a moratorium is agreed or declared in respect of or affecting all or any part of (or of a particular type of) the debts of the Issuer or any of its Subsidiaries; or
 - (vii) **Winding-up of the Issuer:** an order is made or an effective resolution is passed for the winding-up or dissolution of the Issuer; or
 - (viii) **Winding-up of Subsidiaries:** an order is made or an effective resolution is passed for the winding-up or dissolution of any of the Issuer’s Subsidiaries, or any of the Issuer’s Subsidiaries shall apply or petition for a winding-up or administration order in respect of itself or ceases or threatens to cease to carry on all or substantially all of its business or operations, in each case except for the purpose of and followed by a reconstruction, amalgamation, reorganisation, merger or consolidation (i) on terms approved by an Extraordinary Resolution (as defined in the Fiscal Agency Agreement) of the Noteholders or (ii) whereby the undertaking and assets of such Subsidiary are transferred to or otherwise vested in the Issuer or another of its Subsidiaries; or

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- (ix) **Nationalisation:** any step is taken by any person with a view to the seizure, compulsory acquisition, expropriation or nationalisation of all or a substantial part of the assets of the Issuer or any of its Subsidiaries; or
 - (x) **Authorisation and Consents:** any action, condition or thing (including the obtaining or effecting of any necessary consent, approval, authorisation, exemption, filing, licence, order, recording or registration) at any time required to be taken, fulfilled or done in order (I) to enable the Issuer lawfully to enter into, exercise its rights and perform and comply with its obligations under the Senior Notes, (II) to ensure that those obligations are legally binding and enforceable and (III) to make the Senior Notes admissible in evidence in the courts of England is not taken, fulfilled or done; or
 - (xi) **Illegality:** it is or will become unlawful for the Issuer to perform or comply with any one or more of its obligations under any of the Senior Notes; or
 - (xii) **Analogous Events:** any event occurs that under the laws of any relevant jurisdiction has an analogous effect to any of the events referred to in any of the foregoing paragraphs.
- (b) **Subordinated Notes:** If default is made for more than five days (in the case of principal) or 14 days (in the case of interest) in the payment of principal or interest due in respect of any of the Subordinated Notes (in relation to Subordinated Notes, each such event, an “Event of Default”), then any holder of a Subordinated Note may institute Winding-Up Proceedings in Hong Kong against the Issuer.

If an order is made or an effective resolution is passed for the Winding-Up of the Issuer in Hong Kong (except for the purposes of reconstruction, amalgamation or reorganisation the terms of which have previously been approved by an Extraordinary Resolution of the Subordinated Noteholders) (in relation to Subordinated Notes, such event also, an “Event of Default”), the holder of any Subordinated Note may give written notice to the Fiscal Agent at its specified office that such Subordinated Note is immediately repayable, whereupon the Early Redemption Amount of Subordinated Note together with (if applicable) accrued interest to the date of payment shall become immediately due and payable.

In these Conditions:

- (i) “Winding-Up” shall mean, with respect to the Issuer, final and effective order or resolution for the bankruptcy, winding-up, liquidation, administrative receivership or similar proceeding in respect of the Issuer (as applicable); and
- (ii) “Winding-Up Proceeding” shall mean, with respect to the Issuer, proceedings in Hong Kong for the bankruptcy, liquidation, winding-up, administrative receivership, or other similar proceeding of the Issuer (as applicable).

11. MEETINGS OF NOTEHOLDERS, MODIFICATION, WAIVER AND SUBSTITUTION

- (a) **Meetings of Noteholders:** The Fiscal Agency Agreement contains provisions for convening meetings of Noteholders to consider any matter affecting their interests, including the sanctioning by Extraordinary Resolution (as defined in the Fiscal Agency Agreement) of a modification of any of these Conditions. Such a meeting may be convened by Noteholders holding not less than 10 per cent. in nominal amount of the Notes for the time being outstanding. The quorum for any meeting convened to consider an Extraordinary Resolution shall be one or more persons holding or representing a clear majority in nominal amount of the Notes for the time being outstanding, or at any adjourned meeting one or more persons being or representing Noteholders whatever the nominal amount of the Notes held or represented, unless the business of such meeting includes consideration of proposals, inter alia, (i) to amend the dates of maturity or redemption of the Notes, any Instalment Date or any date for payment of interest or Interest Amounts on the Notes, (ii) to reduce or cancel the nominal amount of, or any Instalment Amount of, or any premium payable on redemption of, the Notes, (iii) to reduce the rate or rates of interest in respect of the Notes or to vary the method or basis of calculating the rate or rates or amount of interest or the basis for calculating any

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Interest Amount in respect of the Notes, (iv) if a Minimum Rate of Interest and/or a Maximum Rate of Interest, Instalment Amount or Redemption Amount is shown hereon, to reduce any such Minimum Rate of Interest and/or Maximum Rate of Interest, (v) to vary any method of, or basis for, calculating the Final Redemption Amount, the Early Redemption Amount or the Optional Redemption Amount, including the method of calculating the Amortised Face Amount, (vi) to vary the currency or currencies of payment or denomination of the Notes, or (vii) to modify the provisions concerning the quorum required at any meeting of Noteholders or the majority required to pass an Extraordinary Resolution, in which case the necessary quorum shall be one or more persons holding or representing not less than 75 per cent., or at any adjourned meeting not less than 25 per cent., in nominal amount of the Notes for the time being outstanding. Any Extraordinary Resolution duly passed shall be binding on Noteholders (whether or not they were present at the meeting at which such resolution was passed) and on all Couponholders.

The Fiscal Agency Agreement provides that a resolution in writing signed by or on behalf of the Noteholders of not less than 90 per cent. in nominal amount of the Notes outstanding shall for all purposes be as valid and effective as an Extraordinary Resolution passed at a meeting of Noteholders duly convened and held. Such a resolution in writing may be contained in one document or several documents in the same form, each signed by or on behalf of one or more Noteholders.

These Conditions may be amended, modified or varied in relation to any Series of Notes by the terms of the relevant Pricing Supplement in relation to such Series.

- (b) **Modification of Fiscal Agency Agreement:** the Issuer shall only permit any modification of, or any waiver or authorisation of any breach of proposed breach of or any failure to comply with, the Fiscal Agency Agreement, if to do so could not reasonably be expected to be prejudicial to the interests of the Noteholders.

12. ENFORCEMENT

In respect of Subordinated Notes only, subject to applicable laws, no remedy (including the exercise of any right of set-off or analogous event) other than those provided for in Condition 10 or submitting claims in the Winding-Up of the Issuer will be available to the Subordinated Noteholders.

13. REPLACEMENT OF NOTES, CERTIFICATES, RECEIPTS, COUPONS AND TALONS

If a Note, Certificate, Receipt, Coupon or Talon is lost, stolen, mutilated, defaced or destroyed, it may be replaced, subject to applicable laws, regulations and stock exchange or other relevant authority regulations, at the specified office of the Fiscal Agent (in the case of Bearer Notes, Receipts, Coupons or Talons) and of the Registrar (in the case of Certificates), in each case on payment by the claimant of the fees and costs incurred in connection therewith and on such terms as to evidence, security and indemnity (which may provide, inter alia, that if the allegedly lost, stolen or destroyed Note, Certificate, Receipt, Coupon or Talon is subsequently presented for payment or, as the case may be, for exchange for further Coupons, there shall be paid to the Issuer on demand the amount payable by the Issuer in respect of such Notes, Certificates, Receipts, Coupons or further Coupons) and otherwise as the Issuer may require. Mutilated or defaced Notes, Certificates, Receipts, Coupons or Talons must be surrendered before replacements will be issued.

14. FURTHER ISSUES

The Issuer may from time to time without the consent of the Noteholders or Couponholders create and issue further securities having the same terms and conditions as the Notes (save that for the avoidance of doubt, references in these Conditions to "Issue Date" shall be the first issue date of the Notes) and so that the same shall be consolidated and form a single series with such Notes, and references in these Conditions to "Notes" shall be construed accordingly.

15. NOTICES

Notices to the holders of Registered Notes shall be mailed to them at their respective addresses in the Register and deemed to have been given on the fourth weekday (being a day other than a Saturday or a Sunday) after the date of mailing and, so long as the Notes are listed on the Singapore Exchange Securities Trading Limited (the "SGX-ST") and the rules of that Exchange so require, published in a leading newspaper having general circulation in Singapore (which is expected to be the Asian Wall Street Journal). Notices to the holders of Bearer Notes shall be valid if published in a daily newspaper of general circulation in Hong Kong and, so long as the Notes are listed on the SGX-ST and the rules of that Exchange so require, published in a leading newspaper having general circulation in Singapore (which is expected to be the Asian Wall Street Journal). If any such publication is not practicable, notice shall be validly given if published in another leading daily English language newspaper with general circulation in Asia. Any such notice shall be deemed to have been given on the date of such publication or, if published more than once or on different dates, on the first date on which publication is made, as provided above.

Couponholders shall be deemed for all purposes to have notice of the contents of any notice given to the holders of Bearer Notes in accordance with this Condition 15.

So long as the Notes are represented by a Global Note or a Global Certificate and such Global Note or Global Certificate is held on behalf of (i) Euroclear or Clearstream, Luxembourg or any other clearing system (except as provided in (ii) below), notices to the holders of Notes of that Series may be given by delivery of the relevant notice to that clearing system for communication by it to entitled accountholders in substitution for publication as required by the Conditions or by delivery of the relevant notice to the holder of the Global Note or (ii) the CMU, notices to the holders of Notes of that Series may be given by delivery of the relevant notice to the persons shown in a CMU Instrument Position Report issued by the CMU on the second business day preceding the date of despatch of such notice as holding interests in the relevant Global Note or Global Certificate.

16. CONTRACTS (RIGHTS OF THIRD PARTIES) ACT 1999

No person shall have any right to enforce any term or condition of the Notes under the Contracts (Rights of Third Parties) Act 1999.

17. CURRENCY INDEMNITY

Any amount received or recovered in a currency other than the currency in which payment under the relevant Note, Coupon or Receipt is due (whether as a result of, or of the enforcement of, a judgment or order of a court of any jurisdiction, in the insolvency, winding-up or dissolution of the Issuer or otherwise) by any Noteholder or Couponholder in respect of any sum expressed to be due to it from the Issuer shall only constitute a discharge to the Issuer, as the case may be, to the extent of the amount in the currency of payment under the relevant Note, Coupon or Receipt that the recipient is able to purchase with the amount so received or recovered in that other currency on the date of that receipt or recovery (or, if it is not practicable to make that purchase on that date, on the first date on which it is practicable to do so). If the amount received or recovered is less than the amount expressed to be due to the recipient under any Note, Coupon or Receipt, the Issuer shall indemnify it against any loss sustained by it as a result. In any event, the Issuer shall indemnify the recipient against the cost of making any such purchase. For the purposes of this Condition, it shall be sufficient for the Noteholder or Couponholder, as the case may be, to demonstrate that it would have suffered a loss had an actual purchase been made. These indemnities constitute a separate and independent obligation from the Issuer's other obligations, shall give rise to a separate and independent cause of action, shall apply irrespective of any indulgence granted by any Noteholder or Couponholder and shall continue in full force and effect despite any other judgment, order, claim or proof for a liquidated amount in respect of any sum due under any Note, Coupon or Receipt or any other judgment or order.

18. GOVERNING LAW AND JURISDICTION

- (a) **Governing Law:** The Notes, the Receipts, the Coupons and the Talons and any non-contractual obligations arising out of or in connection with them are governed by, and shall be construed in accordance with, English law save that the provisions of Condition 3 relating to subordination of the Subordinated Notes are governed by, and shall be construed in accordance with, Hong Kong law.
- (b) **Jurisdiction:** The Courts of England are to have jurisdiction to settle any disputes that may arise out of or in connection with any Notes, Receipts, Coupons or Talons and accordingly any legal action or proceedings arising out of or in connection with any Notes, Receipts, Coupons or Talons (“Proceedings”) may be brought in such courts. The Issuer irrevocably submits to the jurisdiction of the courts of England and waives any objection to the Proceedings in such courts on the ground of venue or on the ground that the Proceedings have been brought in an inconvenient forum. This submission is made for the benefit of each of the holder of the Notes, Receipts, Coupons and Talons and shall not affect the right of any of them to take Proceedings in any other court of competent jurisdiction nor shall the taking of Proceedings in one or more jurisdictions preclude the taking of Proceedings in any other jurisdiction (whether concurrently or not).
- (c) **Service of Process:** The Issuer irrevocably appoints Law Debenture Corporate Services Limited of Fifth Floor, 100 Wood Street, London EC2V 7EX as its agent in England to receive, for it and on its behalf, service of process in any Proceedings in England. Such service shall be deemed completed on delivery to such process agent (whether or not, it is forwarded to and received by the Issuer). If for any reason such process agent ceases to be able to act as such or no longer has an address in London, the Issuer irrevocably agrees to appoint a substitute process agent and shall immediately notify Noteholders of such appointment in accordance with Condition 15. Nothing shall affect the right to serve process in any manner permitted by law.