

12 May **2016**

BOC AVIATION LIMITED

and

BOC HONG KONG (HOLDINGS) LIMITED

BOCHK LOAN FRAMEWORK AGREEMENT

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THIS AGREEMENT is made on 12 May 2016

BETWEEN:

- (1) **BOC AVIATION LIMITED**, a company incorporated under the laws of Singapore with limited liability whose registered office is at 8 Shenton Way, #18-01, AXA Tower, Singapore 068811 (the *Company*); and
- (2) **BOC HONG KONG (HOLDINGS) LIMITED** (中銀香港(控股)有限公司), a company incorporated in Hong Kong with limited liability whose registered office is at 52nd Floor, Bank of China Tower, 1 Garden Road, Central, Hong Kong, and whose shares are listed on The Stock Exchange of Hong Kong Limited (stock code: 2388) (*BOCHK Holdings*),

(each, a *Party* and together, the *Parties*).

WHEREAS:

- (A) The Company intends to undertake a listing of its Shares (the *Listing*) on the Stock Exchange.
- (B) Members of the Group have entered into, and will continue to enter into, agreements for Secured Loans in the ordinary and usual course of business with the BOCHK Holdings Group.
- (C) The BOCHK Holdings Group has provided, and will continue to provide, Other Banking Services in the ordinary and usual course of business to members of the Group.
- (D) Under the Listing Rules, members of the BOCHK Holdings Group are deemed to be connected persons of the Company and the Transactions constitute continuing connected transactions of the Company.
- (E) In preparation for the Listing, the Parties agree that the BOCHK Holdings Group and the Group shall enter into, renew or extend agreements in respect of all Transactions on the terms of this Agreement and in accordance with the Listing Rules.

NOW IT IS HEREBY AGREED as follows:

1. DEFINITIONS AND INTERPRETATION

1.1 In this Agreement (including the Recitals) the following words and expression shall, unless the context otherwise requires, have the following meanings:

Applicable Laws means and includes all applicable laws, rules, regulations, orders, judgements, decrees, guidelines, opinions, notices, circulars or rulings of any court, Governmental Authority;

BOC Group means Bank of China Limited and its subsidiaries (excluding the Group and the BOCHK Holdings Group);

BOCHK Holdings Group means BOCHK Holdings and its subsidiaries;

Business Day means a day (other than a Saturday, Sunday or public holiday) on which banks in Hong Kong and the PRC are open for normal banking business;

connected person has the meaning given to it in the Listing Rules;

connected transaction has the meaning given to it in the Listing Rules;

Definitive Agreement(s) means definitive agreement(s) which may be entered into between any member(s) of the Group and any member(s) of the BOCHK Holdings Group from time to time in relation to any of the Transactions at any time during the term of this Agreement;

Effective Date means the date on which the Listing takes place;

Governmental Authority means any public, regulatory, taxing, administrative or governmental, agency or authority (including, without limitation, the Stock Exchange, the Securities and Futures Commission), other authority and any court at the national, provincial, municipal or local level;

Group means the Company and its subsidiaries from time to time;

Hong Kong means the Hong Kong Special Administrative Region of the PRC;

Initial Term has the meaning given to it in **Clause 5.1**;

Insolvency Event in relation to a Party means any of the following:

- (a) a petition is presented, or a meeting is convened for the purpose of considering a resolution or other steps are taken by any person with a view to the appointment of an administrator (whether out of court or otherwise) against or for the winding up of the Party or an administration order or a winding up order is made against or a provisional liquidator appointed with respect to the Party;
- (b) an encumbrancer takes possession of, or a trustee or administrative receiver or similar officer is appointed in respect of, all or any part of the business or assets of the Party, or distress or any form of execution is levied or enforced upon any of those assets and is not discharged within seven days of being levied or enforced;
- (c) the Party is unable to pay its debts as they fall due or the value of its assets is less than the amount of its liabilities, taking into account its contingent and prospective liabilities, or it suspends or threatens to suspend making payments with respect to all or any class of its debts;
- (d) any voluntary arrangement is proposed in respect of the Party;
- (e) the Party proposes or makes any composition or arrangement with, or any assignment for the benefit of, its creditors; or
- (f) anything analogous to any of the events described in **paragraphs (a) to (e)** above, inclusive, occurs under the laws of any applicable jurisdiction;

Listing has the meaning given to it in **Recital (A)**;

Listing Rules means the Rules Governing the Listing of Securities on the Stock Exchange, as amended and supplemented from time to time;

Other Banking Services means all existing and future services provided by members of the BOCHK Holdings Group to members of the Group as facility agent, arranger and/or security trustee in respect of any credit facilities provided by the BOC Group and/or the BOCHK Holdings Group to the Group;

PRC means the People's Republic of China, which, for the purpose of this Agreement, excludes Hong Kong, Macau Special Administrative Region of the PRC and Taiwan;

Secured Loans means all existing and future transactions between members of the BOCHK Holdings Group and members of the Group relating to the provision by members of the BOCHK Holdings Group of credit facilities to members of the Group and in respect of which security is provided by the Group;

Shares means ordinary shares in the capital of the Company;

Stock Exchange means The Stock Exchange of Hong Kong Limited; and

Transactions means all existing and future transactions between members of the BOCHK Holdings Group and members of the Group relating to the Secured Loans and the Other Banking Services.

1.2 In this Agreement, unless the context otherwise requires:

- (a) references to the singular includes a reference to the plural and *vice versa*;
- (b) references to any Recital or Clause is to a recital or clause (as the case may be) of, or to, this Agreement; and
- (c) the headings are inserted for convenience only and shall not affect the construction of this Agreement.

2. CONDITIONALITY

This Agreement shall be conditional on (a) the Stock Exchange granting the listing of, and permission to deal in, the Shares on the Stock Exchange and (b) the commencement of dealings in the Shares on the Stock Exchange.

3. GENERAL TERMS FOR TRANSACTIONS

3.1 At any time during the term of this Agreement, the relevant members of the Group and relevant members of the BOCHK Holdings Group may from time to time enter into Definitive Agreement(s) in relation to any Transaction(s) upon, and subject to, the terms and conditions in compliance with those of this Agreement as may be agreed between the relevant members. For the avoidance of doubt, all existing agreements between the relevant members of the Group and the relevant members of the BOCHK Holdings Group in respect of the Transactions (to the extent they cover Transactions after the Effective Date) shall be treated as Definitive Agreements made pursuant to this Agreement as from the Effective Date.

3.2 The Parties agree that, from the Effective Date, the Secured Loans shall be:

- (a) in the ordinary and usual course of business of the Group and the BOCHK Holdings Group;
- (b) on an arm's length basis;

- (c) on normal commercial terms and terms which are no less favourable than (i) those available to the Group from independent third parties and (ii) those offered by the BOCHK Holdings Group to independent third parties for similar or comparable loans; and
- (d) in compliance with all applicable provisions of the Listing Rules, Applicable Laws, this Agreement and the Definitive Agreement(s).

3.3 The Parties agree that, from the Effective Date, the Other Banking Services provided shall be:

- (a) in the ordinary and usual course of business of the Group and the BOCHK Holdings Group;
- (b) on an arm's length basis;
- (c) on normal commercial terms and terms which are no less favourable than (i) those available to the Group from independent third parties and (ii) those charged by the BOCHK Holdings Group to independent third parties for similar or comparable services; and
- (d) in compliance with all applicable provisions of the Listing Rules, Applicable Laws, this Agreement and the Definitive Agreement(s).

3.4 The Definitive Agreements which may from time to time be entered into between members of the Group and the BOCHK Holdings Group may be for a term of up to ten years.

3.5 The Parties agree that in the event of any conflict between the terms of this Agreement and the terms of any Definitive Agreement, the terms of this Agreement shall prevail.

4. REPRESENTATIONS, WARRANTIES AND UNDERTAKINGS

4.1 Each Party represents and warrants that it has full authority, power and capacity to enter into and perform its obligations under this Agreement.

4.2 For the principal purpose of enabling the Company and BOCHK Holdings to comply with their relevant obligations under the Listing Rules, respectively, (a) the Company undertakes to allow the independent non-executive directors and auditors of BOCHK Holdings and (b) BOCHK Holdings undertakes to allow the independent non-executive directors and auditors of the Company, in each case sufficient access to its records for the purpose of reporting on the Transactions. For such purpose, each of the Company and BOCHK Holdings shall use its reasonable endeavours to provide such information and assistance as the independent non-executive directors and auditors of BOCHK Holdings or the Company (as the case may be) may reasonably request. Either Party shall notify the other Party of any such review in writing at least 10 Business Days (or such other date as may be mutually agreed by the Parties) in advance.

5. DURATION AND TERMINATION

5.1 This Agreement shall commence on the Effective Date, and shall continue up to and including 31 December 2025 (the ***Initial Term***), unless terminated earlier in accordance with **Clause 5.3** or **5.4**. Subject to compliance with the requirements of the Listing Rules or, alternatively, any waivers obtained from strict compliance with such requirements, upon

expiration of the Initial Term or subsequent renewal term, this Agreement is automatically renewed for a successive period of ten years thereafter (or such other period permitted under the Listing Rules).

5.2 Any renewal of this Agreement is subject to compliance with the then relevant requirements of the rules of any stock exchange to which either of the Parties is subject to, including, but not limited to, the Listing Rules in relation to connected transactions.

5.3 Either Party shall be entitled to terminate this Agreement with immediate effect if:

- (a) the Parties cease to be a connected person of each other, or the Transactions cease to be subject to the Listing Rules in relation to connected transactions;
- (b) the other Party commits a material breach of any material obligation under this Agreement and, in the case of a breach that is capable of remedy, fails to remedy that breach within 30 days of receipt of a written notice giving full particulars of the breach and requiring it to be remedied;
- (c) an Insolvency Event occurs in relation to any other Party; or
- (d) the other Party ceases to carry on the whole or any material part of its business and that cessation, in the reasonable opinion of the first Party, would be likely to affect adversely the other Party's ability to observe and perform properly and punctually any of its obligations under this Agreement.

For the purposes of **Clause (b)**, a breach shall be considered capable of remedy if the Party in breach can comply with the provision in question in all respects other than as to time of performance.

5.4 This Agreement may be terminated by either Party giving to the other Party not less than six months' prior written notice to that effect.

5.5 The rights to terminate this Agreement given by this **Clause 5** shall not prejudice any other right or remedy of either Party in respect of the breach concerned (if any) or any other breach.

6. NOTICES

6.1 Any notice in connection with this Agreement shall be in English and Chinese and delivered by hand, registered post or courier using an internationally recognised courier company. A notice shall be effective upon receipt and shall be deemed to have been received at the time of delivery, if delivered by hand, registered post or courier.

6.2 The addresses of the Parties for the purpose of **Clause 6.1** are set out on page 1 of this Agreement.

7. GENERAL

7.1 Each Party shall pay its own costs and expenses relating to the preparation, execution and performance by it of this Agreement and each document referred to in this Agreement.

7.2 Nothing in this Agreement shall create, or be deemed to create, any binding obligations between the Parties to enter into any Transactions.

7.3 Neither Party shall assign, transfer, charge or otherwise deal with all or any of its rights under this Agreement nor grant, declare, create or dispose of any right or interest in it without the prior written consent of the other Party.

7.4 This Agreement may be executed in any number of counterparts, and by each Party on separate counterparts. Each counterpart is an original, but all counterparts shall together constitute one and the same instrument. Delivery of a counterpart of this Agreement by e-mail attachment or telecopy shall be an effective mode of delivery.

7.5 No amendment of this Agreement (or of any of the documents referred to in this Agreement) shall be valid unless it is in writing and signed by or on behalf of the Parties.

7.6 Each of the provisions of this Agreement is severable. If any provision is held to be or becomes invalid or unenforceable in any respect under the law of any jurisdiction, it shall have no effect in that respect and the Parties shall use all reasonable efforts to replace it by a valid and enforceable substitute provision the effect of which is as close to its intended effect as possible.

7.7 Except as expressly provided in this Agreement, no failure or delay by either Party in exercising any right or remedy relating to this Agreement shall affect or operate as a waiver or variation of that right or remedy or preclude its exercise at any subsequent time. No single or partial exercise of any such right or remedy shall preclude any further exercise of it or the exercise of any other remedy.

7.8 This Agreement and the Definitive Agreement(s) contain the entire agreement between the Parties with respect to the subject matter hereof, and supersedes all previous agreements and understandings between the Parties.

7.9 A person who is not a party to this Agreement shall have no rights under the Contracts (Rights of Third Parties) Ordinance (Chapter 623 of the Laws of Hong Kong) to enforce any of its terms.

7.10 If at any time any provision of this Agreement is or becomes illegal, invalid or unenforceable, in whole or in part, in any respect under the law of any jurisdiction, that shall not affect or impair:

- (a) the legality, validity or enforceability in that jurisdiction of the remainder of and/or any other provision of this Agreement; or
- (b) the legality, validity or enforceability under the law of any other jurisdiction of the remainder and/or any other provision of this Agreement.

8. GOVERNING LAW AND JURISDICTION

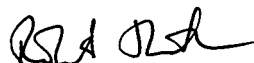
8.1 This Agreement shall be governed by, and construed in accordance with, the laws of Hong Kong.

8.2 The Parties agree that the courts of Hong Kong shall have non-exclusive jurisdiction to settle any proceedings, suits, disputes or actions which may arise out of or in connection with this Agreement.

IN WITNESS WHEREOF this Agreement has been duly executed on the date first above written.

SIGNED by
for and on behalf of
BOC AVIATION LIMITED

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A handwritten signature in black ink, appearing to be 'RSL' followed by a stylized flourish.

SIGNED by
for and on behalf of
BOC HONG KONG (HOLDINGS)
LIMITED

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IN WITNESS WHEREOF this Agreement has been duly executed on the date first above written.

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