

To:  
Attn:  
Fax:  
Date:  
Ref:

## **REBATE TARGET REDEMPTION FORWARD CONFIRMATION**

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We confirm we have entered into the following Knock Out Target Redemption Forward (the "Transaction") with you under the Terms (as defined below). We have traded as principal for this transaction.

The terms and conditions of the transaction entered into on the trade date specified below between ("Party A") and ("Party B") are specified below. This communication constitutes a "Confirmation" as referred to in the Agreement specified below.

The definitions and provisions contained in the 1998 FX and Currency Option Definitions (the "FX Definitions") (as published by the International Swaps Derivatives Association, Inc., the Emerging Markets Traders Association and The Foreign Exchange Committee), as amended and supplemented (by any of the publishing bodies) through to the Trade Date, are incorporated into this Confirmation. In the event of any inconsistency between those provisions and this Confirmation, this Confirmation will prevail.

This Confirmation supplements, forms a part of, and is subject to the ISDA Master Agreement dated, as amended and supplemented from time to time (the "Agreement") between you and us. All provisions contained or incorporated by reference in the Agreement govern this Confirmation except as expressly modified below.

1. The terms of each Transaction to which this Confirmation relates are as follows:

Trade Reference: As stated in the Schedule attached hereto

Trade Date:

Currency and amount payable by Party B: In respect of a Component (subject to the Target Redemption Feature and Conditions), where Condition 1 is satisfied, the relevant amount in USD ("USD Amount 1") shown in the column "USD Amount 1" in the Table below; or where Condition 2 is satisfied, zero; or where Condition 3 is satisfied, the relevant amount in USD ("USD Amount 2") shown in the column "USD Amount 2" in the Table below.

Currency and amount payable by Party A: In respect of a Component (subject to the Target Redemption Feature and Conditions), where Condition 1 is satisfied, an amount in CNY equal to

the product of:

- i) the relevant USD Amount 1; and
- ii) the relevant Strike; or

where Condition 2 is satisfied, zero; or

where Condition 3 is satisfied, an amount in CNY equal to the product of:

- i) the relevant USD Amount 2; and
- ii) the relevant Strike.

(For the avoidance of doubt, no amounts will be payable in CNY. All amounts will be paid in accordance with the Settlement Provisions)

For the purposes of this Confirmation:

**"Condition 1"** means in respect of a Component, CNYmat fixes above the relevant Barrier and at or below the relevant Strike, subject to the Target Redemption Feature and Conditions.

**"Condition 2"** means in respect of a Component, CNYmat fixes above the relevant Strike, and at or below the relevant EKI, subject to the Target Redemption Feature and Conditions.

**"Condition 3"** means in respect of a Component, CNYmat fixes above the relevant EKI, subject to the Target Redemption Feature and Conditions.

**"Condition 4"** means in respect of a Component, CNYmat fixes at or below the relevant Barrier, subject to the Target Redemption Feature and Conditions.

**"CNYmat"** means in respect of a Component, the mid spot exchange rate for USD - CNH expressed as the number of CNY per one USD in the offshore foreign exchange market outside mainland China as displayed on Bloomberg Page BFIX (or its successor) under the heading "Mid" and next to the label "15:00" (Tokyo time) as displayed at or about 3:00pm Tokyo Time on the relevant Valuation Date, and if such rate is not available for any reason, the rate for such day shall be determined by the Calculation Agent acting in good faith and in a commercially reasonable manner.

**"Barrier"** means in respect of a Component, the relevant Barrier exchange rate specified as such in the Schedule attached hereto.

**"Strike"** means in respect of a Component, the relevant Strike exchange rate specified as such in the Schedule attached hereto.

"EKI" means in respect of a Component, the relevant EKI exchange rate specified as such in the Schedule attached hereto.

"**Determination Date**" means in respect of a Component, the relevant Determination Date specified as such in the Schedule attached hereto, subject to adjustment in accordance with the Following Business Day Convention.

### 3. Target Redemption Feature and Conditions:

- (a) If the Party B's Accumulative Positive Gain reaches the Target Redemption Level or Condition 4 is satisfied on any Determination Date, the relevant Component shall be terminated on that relevant Determination Date (such Determination Date, the "**Termination Date**").
- (b) Upon such termination and in respect of that Component, the relevant Strike shall be adjusted to a new rate ("**Varied Rate**") for CNY against USD in order to maintain the maximum Accumulative Positive Gain to the Target Redemption Level, as determined by the Calculation Agent in its absolute discretion.

On the relevant Settlement Date, the amount payable by Party B in respect of that Component shall be the relevant amount in USD shown in the column "**USD Amount 1**" in the Table attached hereto and Party A shall pay an amount in CNY equal to the product of,

- (i) the relevant USD Amount 1 and
- (ii) the Varied Rate;

*(For the avoidance of doubt, no amounts will be payable in CNY. All amounts will be paid in accordance with the Settlement Provisions)*

- (c) Except for the amounts described in (b) above and other amounts and payments due and payable prior and up to the Termination Date, all subsequent Component(s) in this Transaction shall also be terminated and no further payments shall be required to be made by any party thereunder.
- (d) Otherwise, there shall be no early termination of any Component if Party B's Accumulative Positive Gain is below the Target Redemption Level or if Condition 4 is not satisfied on any Determination Date.

Period Gain: In respect of a Component, an amount in CNY equal to the higher of:  
(i) the relevant USD Amount 1 multiplied by (the respective Strike – CNYmat) on the relevant Determination Date; and  
(ii) zero.

Accumulative Positive In respect of a Component, the Period Gain of that

Gain: Component plus the sum of all Period Gain in respect of all Component(s) preceding that Component.

Target Redemption Level: CNY800,000.00 (Capped)

**SETTLEMENT PROVISIONS:**

Settlement: Non-Deliverable

Settlement Currency: USD

Reference Currency: CNY

Settlement Rate Option: BFIX  
Where BFIX means in respect of a Component, the mid spot exchange rate for USD - CNH expressed as the number of CNY per one USD in the offshore foreign exchange market outside mainland China as displayed on Bloomberg Page BFIX (or its successor) under the heading "Mid" and next to the label "15:00" (Tokyo time) as displayed at or about 3:00pm Tokyo Time on the relevant Determination Date, and if such rate is not available for any reason, the rate for such day shall be determined by the Calculation Agent acting in good faith and in a commercially reasonable manner.

Valuation Date: In respect of a Component, the relevant Determination Date specified as such in the Schedule attached hereto. (Subject to adjustment in accordance with the Following Business Day Convention)

Settlement Date: In respect of a Component, the relevant Settlement Date specified as such in the Schedule attached hereto. (Subject to adjustment in accordance with the Following Business Day Convention)

Business Day Applicable to the Valuation Date and the Determination Date: Not Applicable

Business Days Applicable to the Settlement Date: Beijing, Hong Kong and New York

DISRUPTION EVENT:

Additional Disruption Event      Applicable  
 Provisions for an Offshore  
 Deliverable CNY Transaction  
 and ISDA Offshore Deliverable  
 CNY Transaction Disruption  
 Fallback Matrix

**TABLE**

Component Number	USD Amount 1	USD Amount 2	Strike [CNY per 1 USD]	Barrier [CNY per 1 USD]	EKI [CNY per 1 USD]	Determination Date	Settlement Date
1	1,000,000	2,000,000	6.1400	5.9800	6.2400	28 February 2014	04 March 2014
2	1,000,000	2,000,000	6.1400	5.9800	6.2400	31 March 2014	02 April 2014
3	1,000,000	2,000,000	6.1400	5.9800	6.2400	30 April 2014	07 May 2014
4	1,000,000	2,000,000	6.1400	5.9800	6.2400	30 May 2014	04 June 2014
5	1,000,000	2,000,000	6.1400	5.9800	6.2400	30 June 2014	03 July 2014
6	1,000,000	2,000,000	6.1400	5.9800	6.2400	31 July 2014	04 August 2014
7	1,000,000	2,000,000	6.1400	5.9800	6.2400	29 August 2014	02 September 2014
8	1,000,000	2,000,000	6.1400	5.9800	6.2400	30 September 2014	09 October 2014
9	1,000,000	2,000,000	6.1400	5.9800	6.2400	31 October 2014	04 November 2014
10	1,000,000	2,000,000	6.1400	5.9800	6.2400	28 November 2014	02 December 2014
11	1,000,000	2,000,000	6.1400	5.9800	6.2400	31 December 2014	05 January 2015
12	1,000,000	2,000,000	6.1400	5.9800	6.2400	30 January 2015	03 February 2015
13	1,000,000	2,000,000	6.1400	5.9800	6.2400	27 February 2015	03 March 2015
14	1,000,000	2,000,000	6.1400	5.9800	6.2400	31 March 2015	02 April 2015
15	1,000,000	2,000,000	6.1400	5.9800	6.2400	30 April 2015	05 May 2015

16	1,000,000	2,000,000	6.1400	5.9800	6.2400	29 May 2015	02 June 2015
17	1,000,000	2,000,000	6.1400	5.9800	6.2400	30 June 2015	03 July 2015
18	1,000,000	2,000,000	6.1400	5.9800	6.2400	31 July 2015	04 August 2015
19	1,000,000	2,000,000	6.1400	5.9800	6.2400	31 August 2015	02 September 2015
20	1,000,000	2,000,000	6.1400	5.9800	6.2400	30 September 2015	09 October 2015
21	1,000,000	2,000,000	6.1400	5.9800	6.2400	30 October 2015	03 November 2015
22	1,000,000	2,000,000	6.1400	5.9800	6.2400	30 November 2015	02 December 2015
23	1,000,000	2,000,000	6.1400	5.9800	6.2400	31 December 2015	05 January 2016
24	1,000,000	2,000,000	6.1400	5.9800	6.2400	29 January 2016	02 February 2016

4. Upfront Payment:

The Upfront Payment Payer shall pay to the other party the Upfront Payment Amounts on the Upfront Payment Date.

Upfront Payment Payer: [Not applicable]  
Upfront Payment Amounts: [Not applicable]  
Upfront Payment Date: [Not applicable]

5. Calculation Agent: Party A

6. Account Details:

Account for payments to Party A: As per Standard Settlement Instruction, or as otherwise advised separately

Account for payments to Party B: As per Standard Settlement Instruction, or as otherwise advised separately

7. Offices:

(a)

(a) The Office of Party B for this Transaction is

(b) The Office of Party A for this Transaction is

## 8. Disclosure:

and/or its Affiliates may, in its discretion, decide to engage in hedging activities with respect to the FX Transaction. Such activities may include buying and selling, on a dynamic basis, the underlying currency in the spot market or entering into derivatives on such currency. The hedging strategy may entail unwinding the hedge when a trigger event occurs under the FX Transaction. and/or its Affiliate may anticipate such event occurring and begin unwinding the hedge before such event occurs, or our hedging strategy may require greater and more frequent dynamic adjustments to the hedge as market prices approach the trigger. Unwinding or adjusting the hedge typically consists of buying or selling a quantity of the underlying currencies, or terminating or entering into derivatives positions with market counterparties. This activity may affect the likelihood of the trigger event occurring or not occurring. In addition, currency or currency derivative transactions that we execute in other capacities (such as trading for proprietary accounts, for accounts under management or to facilitate transactions on behalf of customers) may affect the probability that a trigger event will occur.

## 9. Relationship Between Parties:

Each Party will be deemed to represent to the other party on the date on which it enters into a Transaction that (absent a written agreement between the parties that expressly imposes affirmative obligations to the contrary for that Transaction):

- (a) **Non-Reliance.** It is acting for its own account, and it has made its own independent decisions to enter into that Transaction and as to whether that Transaction is appropriate or proper for it based upon its own judgment and upon advice from such advisers as it has deemed necessary. It is not relying on any communication (written or oral) of the other party as investment advice or as a recommendation to enter into that Transaction; it being understood that information and explanations related to the terms and conditions of a Transaction shall not be considered investment advice or a recommendation to enter into that Transaction. No communication (written or oral) received from the other party shall be deemed to be an assurance or guarantee as to the expected results of that Transaction.
- (b) **Assessment and Understanding.** It is capable of assessing the merits of and understanding (on its own behalf or through independent professional advice), and accepts, the terms, conditions and risks of that Transaction. It is also capable of assuming, and assumes, the risks of that Transaction.
- (c) **Status of Parties.** The other party is not acting as a fiduciary for or an adviser to it in respect of that Transaction

## 10. Documentation:

Please confirm that the foregoing correctly sets forth the terms of our agreement by executing the copy of this Confirmation enclosed for that purpose and returning it to us or by sending to us a letter of facsimile substantially similar to this letter, which letter or

facsimile sets forth the material terms of the Transaction to which this Confirmation relates and indicates your agreement to those terms.

Our fax number:

Our telephone number for documentation queries:

Yours sincerely

\_\_\_\_\_  
For and on behalf of

Re:

Confirmed as of the  
date first above written

BY: \_\_\_\_\_  
Authorised Signature  
Name:  
Title:  
Trade Ref :