



Framework Agreement

Between

**The Government of the Republic of
Mauritius**

And

Shanxi Jinfei Investment Co. Ltd.

September 2009

PREAMBLE

WHEREAS this Framework Agreement supersedes the previous Framework Agreement signed in February 2007 between the Government of the Republic of Mauritius and Tianli Enterprise Group of Companies to develop the Tianli Economic Trade and Cooperation Zone and that latter previous Framework Agreement shall become null and void for all intents and purposes upon signature of the present Framework Agreement;

WHEREAS the Government of the Republic of Mauritius is now desirable to create a different Economic Trade and Cooperation Zone to be known as the Mauritius Jinfei Economic Trade and Cooperation Zone in Riche Terre and Terre Rouge;

WHEREAS in furtherance of that wish, the Government of the Republic of Mauritius has decided and agreed to lease a plot of land of an approximate extent of 211 hectares (500 arpents), situated in Riche Terre and Terre Rouge in favour of the Mauritius Jinfei Economic Trade and Cooperation Zone Co. Ltd. (hereinafter referred to as "The Zone Company"), to develop the Mauritius Jinfei Economic Trade and Cooperation Zone;

WHEREAS in order to develop the Mauritius Jinfei Economic Trade and Cooperation Zone, the Zone Company has been duly registered in Mauritius under the Companies Act by Shanxi Jinfei Investment Co. Ltd (hereinafter referred to as "Jinfei Investment Company");

WHEREAS in furtherance of the above objectives the Government of the Republic of Mauritius and Jinfei Investment Company now enter into this present Framework Agreement in order to set out the framework of cooperation between themselves and their respective rights and obligations and hereby agree as follows:

ARTICLE 1 – THE PARTIES

This Framework Agreement is made between:

Government of the Republic of Mauritius as represented by Dr. the Honourable Ramakrishna Sifhanen GCSK, Vice Prime Minister, Minister of Finance and Economic Empowerment of the Republic of Mauritius, on the one hand,

and

Shanxi Jinfei Investment Co. Ltd., a company duly registered in the People's Republic of China, with a registered capital of RMB 260 million, having its office at floor 17, Mingding International Tower, No. 72, North Taoyuan Road, Taiyuan, Shanxi, People's Republic of China, and represented by the Chairman of its Board of Directors, Mr. Zhou Yizhou, on the other hand.

ARTICLE 2 – INTERPRETATION

In this Framework Agreement –

"China" means the People's Republic of China and includes the territories delimited by the laws of the People's Republic of China and adjoining areas over which China maintains sovereignty, rights or jurisdiction in accordance with international law;

"Construction Materials" means goods and services used for the construction and development of the cooperation zone and shall include, but not limited to, the items specified in Annex 4.

"Construction Schedule" means the phased construction schedule for Phase 1, and includes the time frame for construction and development for Phase 2, as per Annex 2 to this Framework Agreement;

"Cooperation Zone" means the Economic Trade and Cooperation Zone to be developed by the Zone Company;

"Force Majeure" means any unavoidable, unpredictable, and unreasonably severe event caused by natural forces without any human interference, and over which either Party to this Framework Agreement has no control and which materially and adversely affects the performance by the affected Party of its obligations under this Framework Agreement;

"Lease Land" means the plot of land of about 211 hectares (approximately 500 arpents) situated in Riche Terre and Terre Rouge as indicated in the plan, as per

Annex 1 to the present Framework Agreement;

"Mauritius" means the Republic of Mauritius, and includes –

- a) The territories and the islands in possession of Mauritius according to laws of Mauritius;
- b) Mauritius territorial waters;
- c) Areas beyond Mauritian territorial waters, already marked or will be potentially marked over which Mauritius is entitled to control, including the water territories, sea bottom, soil beneath and natural resources in it, and continental shelf as well, in accordance with internationally accepted practices and Mauritius laws;

"Zone Company" means Mauritius Jinfei Economic Trade and Cooperation Zone Co., Ltd. registered in Mauritius by Shanxi Jinfei Investment Co., Ltd. under the Companies Act, for the purpose of developing, managing and operating the Mauritius Jinfei Economic Trade and Cooperation Zone;

ARTICLE 3 – THE LEASE LAND

- 3.1 The Ministry of Housing and Lands of the Government of the Republic of Mauritius (herein referred to as the "Ministry of Housing and Lands") has reserved a plot of State land of an approximate extent of 211 hectares (approximately 500 arpents) which it intends to lease to the Zone Company for the development of an Economic Trade and Cooperation Zone (hereinafter referred to as "The Cooperation Zone") situated in Riche Terre and Terre Rouge. The land is more fully described in Annex 1 to this Agreement (The General Plan).
- 3.2 The Zone Company shall enter into a lease agreement with the Ministry of Housing and Lands for the total extent of 211 hectares of land.
- 3.3 The lease land shall be free of any other possession or occupation.
- 3.4 The lease land shall be a Freeport zone in accordance with the laws of Mauritius for the duration of the construction and development of the Cooperation Zone as per the Construction Schedule.

ARTICLE 4 – CONDITIONS OF THE LAND LEASE AGREEMENT

The land lease agreement shall be for a period of 99 years and it shall include, among other things, the following terms:

- a) Subject paragraph (b) rent amounting to Rs 54,000 (fifty four thousand rupees)

per hectare per year for the initial period of 15 years. Thereafter the rent will be increased by 50% after every period of 15 years for the remaining period of 84 years.

- b) Rent in respect of 51 hectares out of the 211 hectares shall be at the nominal rate of Rs 100 (one hundred rupees) per hectare per year for the initial period of 5 years, effective as from the date the land lease agreement is signed. Thereafter, the rent will be in accordance with paragraph (a).
- c) The Zone Company shall be responsible for the construction and development of all onsite infrastructures within the Cooperation Zone.
- d) The lease land shall be used for the purpose of the development of the Jinfei Economic Trade and Cooperation Zone by the Zone Company in accordance with development guidelines and directions issued by the Ministry of Housing and Lands.
- e) Companies incorporated and having their main business activities in China and those from countries other than Mauritius shall be authorized to operate in, or develop, the Cooperation Zone, in accordance with the laws of Mauritius.
- f) Registration duty on the registration of the land lease agreement for the period of 99 years shall be at the rate of 1.25% of the rental value of the lease on the first 10 years.
- g) Subject to approval from the Ministry of Housing and Lands, the Zone Company may pledge the leasehold rights and/or buildings and properties for the purpose of raising loans with any bank outside Mauritius which are necessary in order for the Zone Company to construct and develop the Cooperation Zone.
- h) Subject to the approval from the Ministry of Housing and Lands, any company operating in the Cooperation Zone may pledge its leasehold rights and/or buildings and properties for the purpose of raising loans with any bank whether in or outside Mauritius for its business operations.
- i) A creditor bank shall not be deemed to have obtained the leasehold rights (as per paragraph (g) above) from the Zone Company without the prior written approval of Government of the Republic of Mauritius. The leasehold rights may only be transferred with the approval of the Government of the Republic of Mauritius.

ARTICLE 5 – CONSTRUCTION AND DEVELOPMENT TARGETS OF THE ZONE COMPANY

- 5.1 The Zone Company shall undertake the construction work in accordance with the

time specified in the Construction Schedule (as per Annex 2) for Phase 1 and Phase 2. The Zone Company also undertakes to bring a minimum investment of RMB 1 billion in Phase 1 of the Zone construction and development.

- 5.2 The Zone Company shall commit to exert its best efforts to fulfill the following construction and development targets:
- a) Bringing a minimum of USD 500 million foreign investments into the Republic of Mauritius within a period of 8 years from the date of the start of the construction works of the Cooperation Zone.
 - b) Creating at least 5000 direct jobs for local citizens during the construction, development and operation of the Cooperation Zone.
 - c) Generating export earnings of at least USD 150 million during the first two years of the Cooperation Zone being in operation and at least USD 200 million for the third year and beyond.

ARTICLE 6 – FREEPORT CERTIFICATE, DUTIES AND TAXES

- 6.1 The Zone Company shall be granted a Freeport Developer Certificate in accordance with the Freeport Act. The Certificate shall be valid for the period of the construction and development of the Cooperation Zone as per the Construction Schedule.
- 6.2 Any other company operating in the Cooperation Zone and intending to construct its own buildings and facilities shall also be granted a Freeport Developer Certificate in accordance with the Freeport Act for the period of construction of its buildings and facilities.
- 6.3 The Zone Company and all other companies operating within the Cooperation Zone shall be subject to duties and taxes in accordance with the laws of Mauritius. Companies carrying out Freeport activities shall continue to remain in the Freeport Zone and shall benefit from the provisions of the Freeport Act.

ARTICLE 7 – OBLIGATIONS OF THE GOVERNMENT OF THE REPUBLIC OF MAURITIUS

- 7.1 The Government of the Republic of Mauritius shall upgrade the existing roads along the boundaries of the Cooperation Zone namely the Baie du Tombeau road and the Riche Terre to Baie du Tombeau road including the construction of a new access road linking the motorway to the south-east entrance of the Cooperation Zone.
- 7.2 The Government of the Republic of Mauritius shall allow the Zone Company to use the name “Mauritius” in its company name.

- 7.3 The Government of the Republic of Mauritius shall allow the recruitment of Chinese workers for the construction and development of the Cooperation Zone.
- 7.4 The Government of the Republic of Mauritius may, subject to the laws of Mauritius, issue Mauritian Passports to a limited number of foreign investors operating within the Cooperation Zone and may issue Mauritian permanent residence permit.
- 7.5 The Government of the Republic of Mauritius shall provide and facilitate access to water and power supply facilities, sewage treatment facilities and telecommunication facilities, including internet facilities, within the time specified in Annex 3 to this Framework Agreement, to meet the requirements of the Cooperation Zone.
- 7.6 The Government of Mauritius shall, through the Board of Investment, provide all necessary help and assistance, during both the construction and development period and the commercial operation of the Cooperation Zone, and shall in particular:
- a) facilitate and coordinate with all relevant Ministries to enable the timely provision of all the required offsite infrastructure facilities;
 - b) facilitate and coordinate with all relevant Ministries to obtain all relevant permits, licenses and authorizations required for the construction and operation of the Cooperation Zone, including necessary planning clearances from the Ministry of Housing and Lands, any environmental clearances required from the Ministry of Environment or all other clearances required from any Government Ministry or Department, any Statutory Body or Local Authority; and
 - c) facilitate and coordinate with all relevant Ministries relating to issues pertaining to employment, assets, taxation, custom duties, safety and security.
- 7.7 The Board of Investment shall issue the Zone Company or any company operating in the Cooperation Zone with a certificate confirming –
- a) that the land on which the Cooperation Zone is to be constructed and developed has been leased to the Zone Company by the Government of the Republic of Mauritius;
 - b) that the Zone Company is authorized to sub-lease any part of the lease land;
 - c) the ownership of any building on the lease land; and
 - d) that all investments made by nationals and/or companies of China are protected by the Investment Promotion and Protection Agreement between China and Mauritius and the laws of Mauritius.
- 7.8 The Zone Company or any company operating in the Cooperation Zone shall be authorised to supply goods and services on the domestic market by the relevant authorities in accordance with the laws of Mauritius.

ARTICLE 8 – OBLIGATIONS OF THE ZONE COMPANY

- 8.1 The Zone Company shall donate Rs 100 million (one hundred million rupees) to the Government of the Republic of Mauritius. The first Rs 50 million (fifty million rupees) shall be donated during the period between the day this Framework Agreement is signed and the day immediately preceding the groundbreaking ceremony of the Cooperation Zone. The remaining donation of Rs 50 million shall be exclusively used in accordance with the Construction Schedule in relation to offsite infrastructure.
- 8.2 The Zone Company shall comply fully with all the laws and regulations of Mauritius.
- 8.3 The Zone Company shall construct and develop the Cooperation Zone within the time specified in the Construction Schedule for Phase 1 and Phase 2.
- 8.4 In the event the Zone Company is unable to construct and develop the whole of the lease land within the time specified in the Construction Schedule for Phase 1 and Phase 2, it shall make timely representations to Government to extend the period of construction and development, or return back to Government that part of the lease land which has remained undeveloped.
- 8.5 Where the Zone Company does not construct and develop any part of the lease land and does not make representations in terms of paragraph 8.4, the Zone Company shall, as soon as practicable, return back to Government that part of the lease land which has remained undeveloped.
- 8.6 For the purpose of this Article, “undeveloped” in relation to land, means any bare land on which there is no infrastructure, utilities or buildings and which does not affect other parts of the development of the Cooperation Zone.

ARTICLE 9 – GOVERNING LAW AND DISPUTE RESOLUTION

- 9.1 This Framework Agreement shall be governed and construed in accordance with the laws of Mauritius.
- 9.2 Any dispute, controversy or claim arising out of or in connection with this Framework Agreement, or the breach, termination or invalidity thereof, shall be amicably settled by the parties. In the event that the dispute, controversy or claim cannot be amicably settled, it shall be finally settled by arbitration in accordance with the Arbitration Rules of the Arbitration Institute of the Stockholm Chamber of Commerce.

- 9.3 The arbitral tribunal shall be composed of 3 arbitrators to be appointed in accordance with the Arbitration Rules of the Arbitration Institute of the Stockholm Chamber of Commerce.
- 9.4 The seat of Arbitration shall be Stockholm.
- 9.5 The language to be used in the arbitral proceedings shall be English.

ARTICLE 10 – TERMINATION

- 10.1 Both the Government of Mauritius and Jinfei Investment Company reserve the right to terminate this Agreement in the case of force majeure. However the other Party shall be notified in a timely manner in order to minimize any losses that may be suffered by the other Party.
- 10.2 Each Party reserves its right to notify the other Party six months in advance of its intention to terminate this Framework Agreement in the event that that other Party fails to fulfill any of its obligations under this Agreement. The Parties shall, however, consult with each other with a view to remedy the default, failing which this Framework Agreement shall terminate. Any resolution or solution reached shall be deemed to form part of this Framework Agreement.

ARTICLE 11 - CONFIDENTIALITY

The Parties to this Framework Agreement shall ensure strict confidentiality in so far as they relate to the commercial aspects of this Framework Agreement. Any matter relating to the lease land or the lease agreement shall in so far as the laws of Mauritius allow it also remain strictly confidential.

ARTICLE 12 - MISCELLANEOUS

- 12.1 No failure or delay on the part of any of the Parties to this Framework Agreement relating to exercise any right, privilege or remedy provided under this Framework Agreement shall operate as a waiver of such right, power, privilege or remedy or as a waiver of any preceding or succeeding breach by the other Party to this Agreement, of power, privilege or remedy nor shall any single or partial exercise of any right, power, privilege or remedy preclude any other or further exercise of any right, power, privilege or remedy provided in this Agreement, all of which are several and cumulative, and are not exclusive of each other, or of any other rights or remedies otherwise available to a Party at law or in equity.

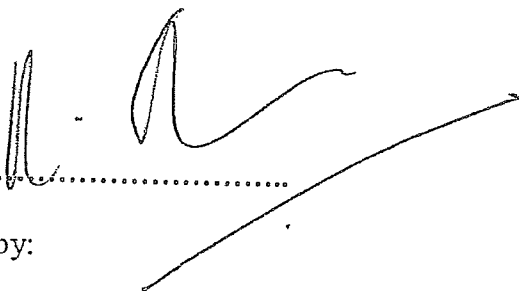
- 12.2 Each of the Parties hereto undertakes with the other to act in the utmost good faith in interpreting and implementing this Agreement and agrees to do all things reasonably within its power which are necessary or desirable to give effect to the spirit and intent of this Agreement.
- 12.3 Any translation of the present Framework Agreement into any of the Chinese languages shall be a faithful translation of the English original version of the present Framework Agreement and shall in no way be deemed to bind any of the Party in case of conflict between the two versions. It is agreed that the English original version of this Framework Agreement shall be the official and binding version of this Framework Agreement.

This Agreement is made in six originals.

Done in onSEPTEMBER 2009

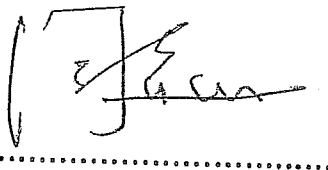
The Government of the Republic of Mauritius

Shanxi Jinfei Investment Co.,
Ltd.


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Signed by:

**Dr. the Honourable
RAMAKRISHNA SITHANEN GCSK**

**VICE PRIME MINISTER,
MINISTER OF FINANCE AND ECONOMIC
EMPOWERMENT**


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Mr. ZHOU YIZHOU

**CHAIRMAN OF THE
BOARD OF
DIRECTORS
SHANXI JINFEI
INVESTMENT CO., LTD.**

ANNEX 1

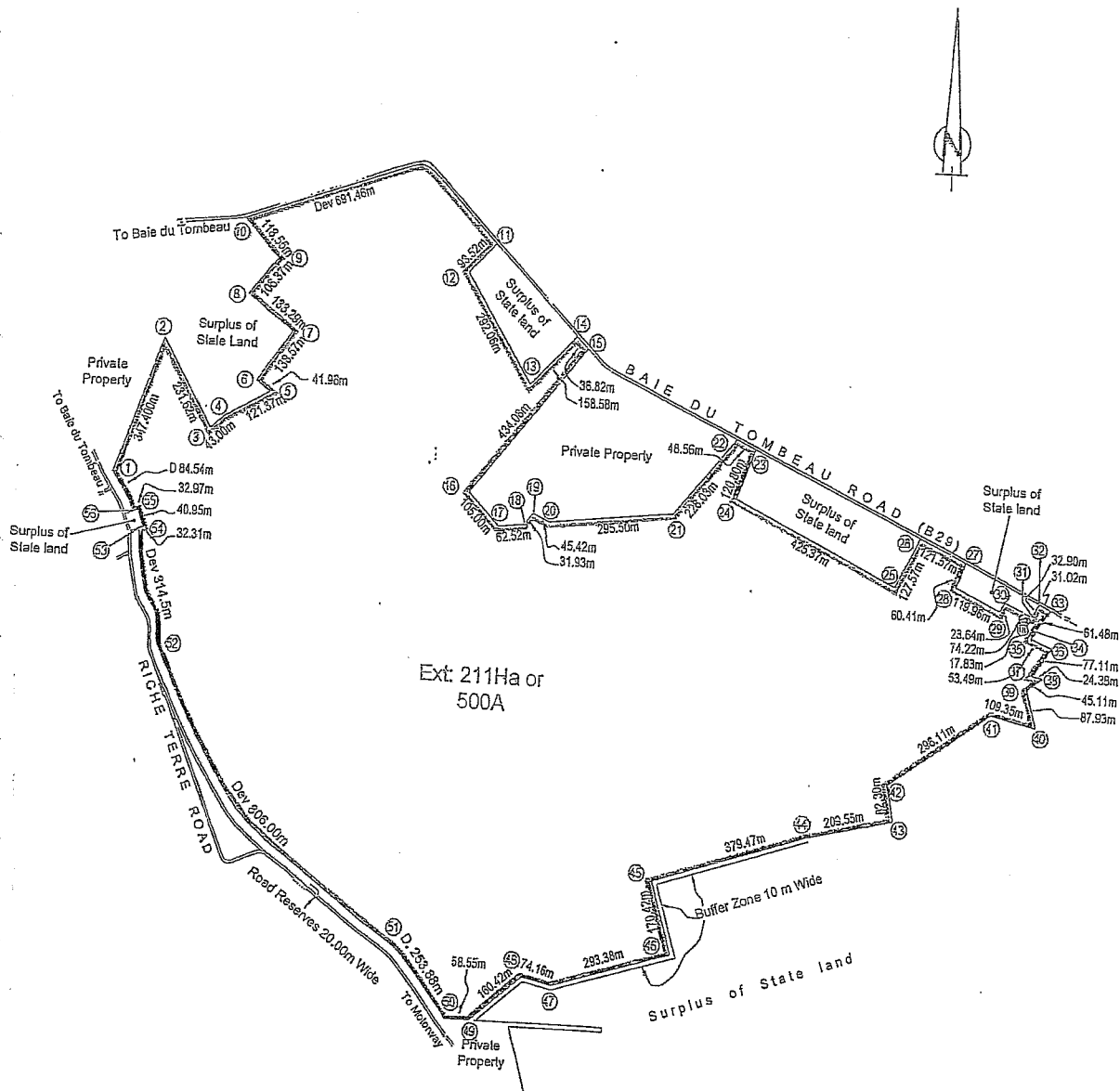
Annex 1

Site Plan and Coordinates

Location plan of Mauritius JinFei Economic Trade and Cooperation Zone Co. Ltd.



Site plan of Mauritius JinFei Economic Trade and Cooperation Zone Co. Ltd.



COORDINATES

STN No.	EASTING	NORTHING
1	997921.344mE	1009264.551mN
2	998031.449mE	1009568.491mN
3	998153.023mE	1009369.685mN
4	998185.189mE	1009398.240mN
5	998291.165mE	1009457.395mN
6	998257.116mE	1009481.912mN
7	998336.233mE	1009595.674mN
8	998230.138mE	1009676.355mN
9	998296.786mE	1009759.255mN
10	998215.710mE	1009846.628mN
11	998816.693mE	1009818.413mN
12	998752.098mE	1009750.785mN
13	998910.274mE	1009505.267mN
14	999021.305mE	1009618.491mN
15	999047.742mE	1009592.867mN
16	998773.353mE	1009256.505mN
17	998847.916mE	1009182.577mN
18	998909.996mE	1009189.987mN
19	998929.731mE	1009215.087mN

STN No.	EASTING	NORTHING
20	998971.616mE	1009197.519mN
21	999264.933mE	1009233.372mN
22	999408.986mE	1009410.144mN
23	999453.343mE	1009390.381mN
24	999410.679mE	1009277.370mN
25	999796.681mE	1009098.651mN
26	999854.837mE	1009212.190mN
27	999965.946mE	1009162.852mN
28	999942.299mE	1009107.266mN
29	1000051.781mE	1009058.241mN
30	1000061.290mE	1009079.879mN
31	1000129.787mE	1009051.304mN
32	1000142.520mE	1009081.200mN
33	1000171.475mE	1009067.768mN
34	1000135.438mE	1009017.963mN
35	1000126.750mE	1009002.393mN
36	1000176.484mE	1008982.638mN
37	1000134.305mE	1008918.162mN
38	1000158.163mE	1008913.143mN

STN No.	EASTING	NORTHING
39	1000123.040mE	1008884.837mN
40	1000147.686mE	1008800.431mN
41	1000040.834mE	1008823.676mN
42	999798.569mE	1008653.414mN
43	999816.755mE	1008573.149mN
44	999612.658mE	1008525.657mN
45	999252.501mE	1008406.142mN
46	999304.564mE	1008243.869mN
47	999023.941mE	1008158.287mN
48	998951.509mE	1008174.207mN
49	998828.684mE	1008071.023mN
50	999770.141mE	1008071.691mN
51	998597.765mE	1008255.303mN
52	998061.880mE	1008841.673mN
53	997968.315mE	1009132.805mN
54	997995.515mE	1009142.919mN
55	997982.991mE	1009175.456mN
56	997955.018mE	1009164.878mN

ANNEX 2

Annex 2

Construction Schedule for Phase 1 and Time Frame for Phase 2

No.	Phase	Start Date	Completion Date
No. 1	Phase 1 as per construction schedule	September 2009	September 2012
No.2	Phase 2	September 2010	December 2016

ANNEX 3

Annex 3

Time frame for the provision of utilities to the Cooperation Zone by the Government of the Republic of Mauritius

No.	Utilities	Organisation	Completion Date
1	Power	Central Electricity Board	August 2012
2	Water	Central Water Authority	1,400 m ³ per day - August 2010 5,000 m ³ per day - December 2010 18,000 m ³ per day - May 2012
3	Waste Water	Wastewater Management Authority	October 2010
4	Telecommunication and Internet Facilities	Mauritius Telecom	For Industrial Shop Buildings - August 2010 For Phase 1 - Sep 2012

ANNEX 4

Annex 4

Construction Materials

1. Construction material for enclosing wall building, including but not limited to:
Cement, bricks, stones, gravel, commodity concrete, precast concrete, precast concrete pipes, road stone, iron fence, paint, coating material, steel bar, construction machinery, tools, materials and services, etc.
2. Construction material for road building, including but not limited to:
Stones, bricks, sand, gravel, asphalt, precast concrete, precast concrete pipe, road stone, water-permeable bricks, PE pipe, nodular cast iron pipe, wood, fire hydrants, valves chamber (reinforced concrete), valve, valve sleeve, rainwater pipes, rain covers, sewage pipes (PVC Pipe), cables, wires, PVC plastic pipe, galvanized welding pipe, plastic-spraying formed pipes, posts (including lamps), outdoor switch, lighting control box, lighting box transformers, UPVC plastic pipe, waterproof mortar, steel bar, embedded parts, bolts, barbed wire, shutters, construction of irrigation facilities, engineering machinery of construction, tools, materials and services, etc.
3. Construction material for hotel and business center building, including but not limited to:
Stones, cement, bricks, sand, gravel, commodity concrete, precast concrete, road stone, precast concrete pipe, galvanized welding pipe, asphalt, steel bar, wire, steel plate, shaped steel, steel pipe, cast iron pipe, plastic-spraying formed pipes, template, cable, electric control panel, transformer and its accessories, net cables, office facilities, window and door, glass, computer assistant administrating system and commercial software, sanitary goods, electric elements, air conditioner, hotel facilities, decoration material, water-proof material, kitchen facilities, elevator, draught device, commercial facilities, entertainment facilities, lamps, posts (including lamps), fire hydrants, public security facilities and monitoring equipment, storage facilities and equipment, other commodities and service for the construction of business center and hotel, tools, materials and engineering machine for construction, etc.
4. Construction materials for industrial plant building, including but not limited to,
Stones, cement, sand, gravel, commodity concrete, precast concrete, road stone, concrete pre-cast pipes, galvanized welding pipe, plastic-spraying formed pipes, steel bar, template, steel plates, profiles, steel pipe, PVC pipe, PE pipes, cables, wires, electrical components, lamps, steel structure products, waterproofing materials, bitumen, doors, windows, glass, overhead crane, steel wire, decoration materials, paints, coatings, color steel plate, coil, pressure shaped plate, posts (including lighting), raw material, equipment and facilities required for the production, plant equipment and facilities required for office, environmental protection equipment, equipment and facilities required for the plant transport, equipment and facilities for the power of plant, plant equipment and facilities required for water and sewage, factory equipment and facilities for a particular purpose, such as tools, materials, etc.

