



**CREDIT CHINA HOLDINGS LIMITED**

**(中國信貸控股有限公司)**

*(Incorporated in the Cayman Islands with limited liability)*

(Stock Code: 8207)

**TERMS OF REFERENCE  
OF  
THE REMUNERATION COMMITTEE  
OF THE BOARD OF DIRECTORS**

**Adopted on 4 November 2010**

**and**

**Revised on 1 March 2011**

**and**

**Revised on 30 March 2012**

**and**

**Revised on 10 February 2015**

## **A. Constitution**

Pursuant to the resolutions passed on 4 November 2010 by the board (the “**Board**”) of directors (the “**Directors**”, each a “**Director**”) of Credit China Holdings Limited (the “**Company**”), a remuneration committee (the “**Committee**”) was established as the remuneration committee of the Board.

## **B. Committee**

### **1. Membership**

- 1.1 Members (the “**Members**”, each a “**Member**”) of the Committee shall be appointed by the Board from amongst the Directors only and shall consist of not less than three (3) Members, with the majority being independent non-executive Directors of the Company.
- 1.2 The chairman (the “**Chairman**”) of the Committee shall be an independent non-executive Director appointed by the Board.
- 1.3 The secretary (the “**Secretary**”) of the Committee shall be appointed by the Board.
- 1.4 The Board may by board resolutions appoint, remove or add Members and Secretary. If a Member ceases to be a Director, then his office as a Member of the Committee shall *ipso facto* cease.

### **2. Proceedings of the Committee**

#### **2.1 Notice**

- (a) Unless otherwise agreed by all the Members, a meeting (the “**Meeting(s)**”) of the Committee shall be called by at least fourteen (14) days’ notice.
- (b) A Member may and, on the request of a Member, the Secretary shall, at any time summon a Meeting. Notice shall be given to each Member, at least fourteen (14) days before the date of the Meeting orally in person or in writing or by telephone or by telex or telegram or facsimile transmission at the telephone number or facsimile number or address from time to time notified to the Secretary by such Member or in such other means as the Members may from time to time determine. Any notice given orally shall be confirmed in writing.
- (c) Notice of Meeting shall state the time and place of the Meeting.
- (d) Agenda together with other documents which may be required to be considered by the Members for the purposes of the Meeting shall be sent to the Members at least three (3) business days before the date of the Meeting.

#### **2.2 Quorum**

The quorum of the Meeting shall be constituted by at least two (2) Members, one of which should be an independent non-executive Director.

## **2.3 Frequency of Meetings**

- (a) Meetings shall be held at least once every one (1) year.
- (b) Additional Meeting should be held as the work of the Committee demands or as convened by any Members at his discretion.

## **2.4 Voting**

Resolutions of the Committee at any Meeting shall be passed by a majority of votes of the Members present.

## **2.5 Others**

Meetings could be held in person, by telephone or by video conference. Members may participate in a meeting by means of a conference telephone or similar communication equipment by means of which all persons participating in the Meeting are capable of hearing each other.

## **3. Written resolutions**

Resolutions may be passed by all Members in writing.

## **4. Alternate members**

No Member shall appoint any alternate.

## **5. Duties**

The duties of the Committee shall include, without limitation:

- (a) recommend to the Board the policy and structure for all Directors' and senior management's remuneration (as defined in below), taking into consideration factors such as salaries paid by comparable companies, time commitment and responsibilities of the Directors and senior management, employment conditions elsewhere in the Company and its subsidiaries (collectively as the "**Group**") and the desirability of performance-based remuneration. The Committee should ensure that a significant proportion of executive Directors' remuneration should be structured so as to link rewards to corporate and individual performance;
- (b) recommend to the Board a formal and transparent procedure for developing remuneration policy;
- (c) review and approve the management's remuneration proposals with reference to the Board's corporate goals and objectives;
- (d) recommend to the Board on the remuneration packages of individual executive Director and senior management including benefits in kind, pension rights and compensation payments, including any compensation payable for loss or termination of their office or appointment, by considering factors such as salaries paid by comparable companies, time commitment and responsibilities of the Directors, employment conditions elsewhere in the Group and desirability of performance based remuneration;

- (e) recommend for the Board's approval the remuneration of non-executive Directors, by considering factors such as salaries paid by comparable companies, time commitment and responsibilities of the non-executive Directors, employment conditions elsewhere in the Group and desirability of performance based remuneration;
- (f) review and approve compensation payable to executive Directors and senior management for any loss or termination of office or appointment to ensure that it is consistent with contractual terms and is otherwise fair and not excessive for the Company;
- (g) review and approve compensation arrangements relating to dismissal or removal of Directors for misconduct to ensure that they are consistent with contractual terms and are otherwise reasonable and appropriate;
- (h) advise shareholders of the Company on how to vote with respect to any service contracts of Directors that require the shareholders of the Company's approval under Rule 17.90 of the Rules (the "**GEM Listing Rules**") Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited;
- (i) ensure that no Director or any of his associates is involved in deciding his own remuneration;
- (j) consult the Chairman of the Board and/or chief executive officer of the Company about their proposal relating to the remuneration of other executive Directors and have access to professional advice if considered necessary; and
- (k) conform to any requirement, direction, and regulation that may from time to time prescribed by the Board, the articles of association (the "**Articles**") of the Company or any other applicable laws and regulations.

*Note: "Senior management" refers to such persons disclosed in the Company's annual reports from time to time as senior management which shall be determined by the Directors and may include directors of subsidiaries of the Company, heads of divisions, departments or other operating units within the Group.*

## **6. Authority**

The Company shall:

- (a) provide the Committee with sufficient resources to perform its duties including access to independent professional advice at the Company's expense as the Committee considers necessary to perform its duties;
- (b) provide the Committee with adequate information in a timely manner to enable the Committee to make informed decision;
- (c) do any such things to enable the Committee to properly discharge its powers and functions; and
- (d) disclose details of any remuneration payable to members of senior management by band in the Company's annual report.

## **7. Reporting procedures**

- 7.1 The Committee shall report to the Board on a regular basis. At the next meeting of the Board following a Meeting or the passing of any written resolution of the Committee, the Chairman shall report such findings and recommendations of the Committee to the Board.
- 7.2 Full minutes of the Meetings should be kept by the Secretary. Draft and final versions of minutes of the Meetings shall be circulated to all Members for their comment and records respectively, in both cases within a reasonable period of time after the Meeting. The Secretary shall also from time to time circulate the minutes of the Meeting and all written resolutions of the Committee to all Directors.

## **8. Annual General Meeting of the Company**

The Chairman or another Member shall attend the Company's annual general meeting and be prepared to respond to questions raised by shareholders on the Committee's activities and responsibilities.

## **9. Continuing applications of the Articles**

The Articles regulating the meetings and proceedings of the Directors so far as the same are applicable and not inconsistent with the provisions herein shall apply, *mutatis mutandis*, to regulate the Meetings and proceedings of the Committee.

## **10. Powers of the Board**

The Board may, subject to compliance with the Articles, the GEM Listing Rules and any other applicable laws and regulations, amend these terms of reference, provided that no such amendment shall invalidate any prior act and resolution of the Committee.