

THIS MEMORANDUM OF UNDERSTANDING ("MoU") is made on 31 July 2003 between THE AMERICAN CHAMBER OF COMMERCE IN HONG KONG, the principal office of which is at 1904 Bank of America Tower, 12 Hartcourt Road, Central, Hong Kong ("AmCham") and THE GOVERNMENT OF THE HONG KONG SPECIAL ADMINISTRATIVE REGION (the "Government") as represented by THE DIRECTOR GENERAL OF INVESTMENT PROMOTION, INVEST HONG KONG, at Suites 1501-6, Level 15, One Pacific Place, 88 Queensway, Hong Kong.

The parties intend this MoU to be legally binding.

1. Scope and Purpose of this MoU

1.1 AmCham has made a proposal to the Government for the convening (either by AmCham or through a special purpose company, and references in this MoU to AmCham include any such company) of an entertainment showcase festival in Hong Kong to be called the "Hong Kong International Autumn Festival" (the "Festival") within the period between 1 October 2003 and 30 November 2003.

1.2 The Government has agreed to support the Festival and to underwrite the shortfall between the organising expenses for, as agreed by both parties, and the revenue generated from the Festival, up to the maximum sum of HK\$100 million in the form of a Sponsorship Fee, which shall be the maximum liability of the Government in relation to the Festival.

1.3 AmCham and the Government expect to enter into a full agreement setting out in detail each party's obligations with regard to the convening and underwriting of the Festival. The purpose of this MoU is to record AmCham's and the Government's respective general understanding with regard to the convening and the underwriting of the Festival, and to provide for payment of the initial instalment referred to in Clause 2.

1.4 The parties expect the detailed agreement to provide, without limitation, in relation to the keeping of proper books of account, and the preparation of audited accounts by AmCham in relation to the Festival, and the full support and all necessary facilitation by IHK in the procurement of possession and use of the Festival site and of all necessary licences, consents and permissions by AmCham to enable the Festival to take place as envisaged.

2. Payment of Initial Instalment

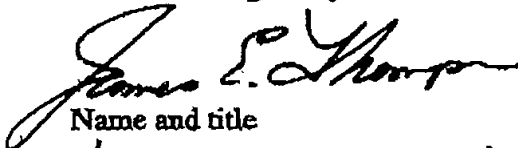
The Government will pay to AmCham on execution of this MoU an initial instalment of HK\$25 million, representing 25% of the maximum Sponsorship Fee of HK\$100 million.

3. Miscellaneous

- 3.1 No failure or delay in exercising any right under this MoU shall operate as a waiver thereof; and no variation shall be effective unless in writing and signed by each party. This MoU cancels and supersedes all prior oral or written agreements or understandings between the parties concerning the subject matter hereof.
- 3.2 This MoU is not assignable by either party without the prior written consent of the other party, which consent shall not be unreasonably withheld or delayed.
- 3.3 Neither party shall disclose the subject matter, purpose or existence of this MoU without the prior written consent of the other party, except as required by law and government regulations, and except for disclosure on a need to know basis to its own employees and its legal or other professional advisers.
- 3.4 Each party shall bear its own expenses and costs for all negotiations and activities relating to this MoU.
- 3.5 This MoU shall be governed by and construed according to Hong Kong Special Administrative Region law.

Accepted and agreed to by
The American Chamber of Commerce
in Hong Kong

Authorised Signatory



Name and title

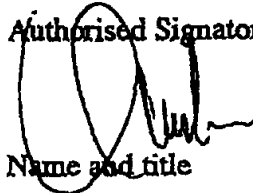
JAMES E. THOMPSON
CHAIRMAN

Date:

31 July 2003

Accepted and agreed to
for and on behalf
of the Government of the
Hong Kong Special
Administration Region by

Authorised Signatory



Name and title

Ms Ophelia Tsang
Associate Director-General
Invest Hong Kong

Date:

31 July 2003