

Introduction of Practice Areas of Leezhao —Banking and Foreign Exchange

Practices:

Banking and foreign exchange business have always been one of the most important business areas of Leezhao. With professional and efficient financial business team, Leezhao provides legal services to commercial banks, finance companies, financial leasing corporations and commercial factoring companies with Japanese, European and Chinese background, and have established long term steady partnerships with such financial institutions. In the meanwhile, with the profound insights in banks and other financial institutions, Leezhao offers variety of constructive financing and foreign exchange legal solutions to many non-financial corporate clients (hereinafter referred to as "Ordinary Clients").

Banking and foreign exchange business of Leezhao mainly include:

1. various daily operations in commercial banks and other financial institutions, among them not only regard with deposit and loan business, draft acceptance / discount, letter of credit, factoring, letter of guarantee, exchange settlement, inter-bank lending, compliance check and other traditional business, but also including cooperation between trust and banking, derivative products, cross-border RMB financing, assets backed securitization and FTA account and other burgeoning businesses; and
2. solving financing demand and foreign exchange problems encountered by Ordinary Clients in daily operations, among of which not only regard with offering financing solution in the manner of business loan, entrusted loan, cash pool, trade financing, cross-border guarantee and others, but also with providing foreign exchange/debt arrangements to ensure the capital flow under current account and capital account complies with law, regulation and local policy.

The legal services in such field provided by Leezhao mainly include:

1. Reviews legal papers related to banking and foreign exchange business, participates in negotiation and consultation of the legal papers;
2. Provides legal comments on the banking, foreign exchange business and other specific legal problems, and issues legal opinion letter;
3. In order to convenient the business operation, provides customized template of legal papers in daily operation for the clients;
4. Helps the financial institution to design new business operation schemes related to banking and foreign exchange, and formulates legal papers in relation thereto; assists Ordinary Clients to design financing and foreign exchange operation schemes and formulates related legal papers;

5. Helps the clients recover and dispose of bad debts through negotiation, lawsuits, creditor's rights transfer and liquidation, etc.;
6. Assists clients to go through various governmental procedures regard with banking and foreign exchange business, including (without limitation) in real estate mortgage procedures, accounts receivable pledge registration procedures and foreign debt registration;
7. Assists the clients to communicate and negotiate with the courts and other judicial institution and customs, authority for industry and commerce and other governmental departments to deal with practical or potential lawsuits and administrative penalties;
8. Gives to the clients lectures and trainings regard with banking and foreign exchange business, and assists the clients to establish rational business operation system;
9. Assists the clients to translate legal papers related to banking and foreign exchange business into Japanese or English;
10. Other related legal services.

Achievements (Typical cases):

Leezhao's achievements in banking and foreign exchange business:

In recent years, entrusted by the clients, typical cases in areas of banking and foreign exchange mainly include:

Banking (Financial institution):

1. Provides long term legal services in new financial products design for various foreign-funded banks;
2. Provides long term legal services to syndicated loans led by a foreign-funded bank;
3. Provides legal supports for a foreign-funded bank in bond underwriting in inter-bank market;
4. Provides Chinese law training to a foreign bank regarding furnishing RMB cross-border loan to domestic borrowers, and offers whole legal support in many cases of such foreign bank;
5. Provides legal services in inter-bank lending, currency brokerage, derivative products and other business between various foreign-funded banks and inter-bank financial institutions;
6. Provides business negotiation, legal opinion issuance and other legal services for a foreign-funded bank in a large equipment procurement project;
7. Represents a foreign-funded bank as the largest creditor to participate in the whole liquidation procedures to recover the creditor's rights;
8. Represents all participants in a syndicated loan to negotiate with the borrower, offers solution and makes assistance to recover a huge amount of creditor's rights;
9. Provides legal services for a branch of a foreign bank in reforming it into a wholly foreign-funded bank;
10. Provides Chinese legal services for a branch of a foreign bank in consolidating the

head office abroad;

11. Provides legal services for a foreign finance company in establishing its cash pooling platform;
12. Provides legal support for a foreign financial leasing company in its design and operation of the sale-leaseback business abroad.

Banking (Ordinary Clients):

1. Provides long term contracts review and business negotiation services for a transnational enterprise in financing business (loan, draft discount, factoring, forward foreign exchange settlement and overseas payment) with domestic banks;
2. Helps a transnational enterprise design group cash pooling, offers legal suggestion and advices, and drafts legal documents in connection thereto;
3. Provides legal services for a foreign invested company in real estate mortgage with a foreign financial institution, and assists the company to go through foreign guarantee, real estate mortgage registration and other administrative procedures;
4. Helps a foreign invested enterprise who lacks of borrowing gap formulate legal solution, and assist it to get financing from abroad smoothly;
5. Via cooperating with the bank, assists a foreign invested company to recover entrusted loan;
6. Through designing related schemes, assists an US listed company to obtain the counter-guarantee for removing the property preservation in a lawsuit case in China and ensure the normal operation of its Chinese subsidiary;
7. Helps various foreign invested companies customize contract templates for financing from domestic banks;
8. Helps various foreign invested companies settle the disputes arising from and/or in connection with letter of credit, negotiable instruments and letter of guarantee with banks.

Foreign exchange:

1. Assists various foreign-funded banks to prepare, update rules and regulations regard with foreign exchange control, to ensure the materials submitted by the clients meet the foreign exchange control requirements and provides legal opinions;
2. Provides legal advices for various foreign-funded banks and foreign banks in cross-border guarantee and foreign debts management, and assists the clients with going through governmental procedures;
3. Helps many foreign invested companies seek solutions for problems of foreign exchange (account opening, funds transfer, foreign exchange settlement and legality of capital using, etc.) encountered in its establishment, change (including capital increase, equity transfer and M&A) and liquidation, and helps formulate legal papers relating thereto;
4. Provides legal supports for many foreign invested enterprises in foreign exchange problems occurred in goods and service trade (including without limitation, royalty fee, profit distribution), and updates laws and regulations.