
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

SCHEDULE 13D

**Under the Securities Exchange Act of 1934
(Amendment No. 1)***

Concord Medical Services Holdings Limited

(Name of Issuer)

Ordinary Shares, par value US\$0.0001 per share
(Title of Class of Securities)

206277 1051
(CUSIP Number)

**Jianyu Yang
Zheng Cheng
18/F, Tower A, Global Trade Center
36 North Third Ring Road East
Dongcheng District, Beijing 100013
People's Republic of China
Telephone: +86 10 5957-5266**

**With a copy to:
Shuang Zhao, Esq.
Shearman & Sterling
12th Floor, Gloucester Tower
The Landmark
15 Queen's Road Central
Hong Kong
Telephone: +852 2978 8000**

(Name, Address and Telephone Number of Person Authorized to Receive Notices and Communications)

November 29, 2013
(Date of Event Which Requires Filing of this Statement)

If the filing person has previously filed a statement on Schedule 13G to report the acquisition that is the subject of this Schedule 13D, and is filing this schedule because § 240.13d-1(e), 240.13d-1(f) or 240.13d-1(g) check the following box .

Note: Schedules filed in paper format shall include a signed original and five copies of the schedule, including all exhibits. See § 240.13d-7(b) for other parties to whom copies are to be sent.

* The remainder of this cover page shall be filled out for a reporting person's initial filing on this form with respect to the subject class of securities, and for any subsequent amendment containing information which would alter disclosures provided in a prior cover page.

The information required on the remainder of this cover page shall not be deemed to be "filed" for the purpose of Section 18 of the Securities Exchange Act of 1934 ("Act") or otherwise subject to the liabilities of that section of the Act but shall be subject to all other provisions of the Act (however, see the Notes).

¹ This CUSIP number applies to the Issuer's American depository shares, each representing three Ordinary Shares.

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1	NAME OF REPORTING PERSONS Jianyu Yang	
2	CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (See Instructions) (a) <input checked="" type="checkbox"/> (b) <input type="checkbox"/>	
3	SEC USE ONLY	
4	SOURCE OF FUNDS (See Instructions) OO	
5	CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) or 2(e) <input type="checkbox"/>	
6	CITIZENSHIP OR PLACE OF ORGANIZATION People's Republic of China	
NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	7	SOLE VOTING POWER 288,700
	8	SHARED VOTING POWER 59,770,876
	9	SOLE DISPOSITIVE POWER 288,700
	10	SHARED DISPOSITIVE POWER 59,770,876
11	AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON 60,059,576 ¹	
12	CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES (See Instructions) <input type="checkbox"/>	
13	PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11) 44.2% ²	
14	TYPE OF REPORTING PERSON (See Instructions) IN	

¹ Includes (i) 45,787,948 Ordinary Shares and 4,660,976 American depository shares ("ADSs"), each representing three Ordinary Shares, held by Morgancreek, and (ii) 288,700 Ordinary Shares issuable upon exercise of options held by Mr. Yang that are exercisable currently or within 60 days of the date of this Amendment. Mr. Yang indirectly owns 60% of the shares of Morgancreek.

² Percentage calculated based on 135,487,408 Ordinary Shares issued and outstanding as of April 26, 2013, which was disclosed in the Company's annual report on Form 20-F (File No. 001-34563) filed with the SEC on April 26, 2013.

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1	NAME OF REPORTING PERSONS Daketala International Investment Holdings Ltd.	
2	CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (See Instructions) (a) <input checked="" type="checkbox"/> (b) <input type="checkbox"/>	
3	SEC USE ONLY	
4	SOURCE OF FUNDS (See Instructions) OO	
5	CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) or 2(e) <input type="checkbox"/>	
6	CITIZENSHIP OR PLACE OF ORGANIZATION British Virgin Islands	
NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	7	SOLE VOTING POWER 0
	8	SHARED VOTING POWER 0
	9	SOLE DISPOSITIVE POWER 0
	10	SHARED DISPOSITIVE POWER 0
11	AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON 0	
12	CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES (See Instructions) <input type="checkbox"/>	
13	PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11) 0%	
14	TYPE OF REPORTING PERSON (See Instructions) CO	

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1	NAME OF REPORTING PERSONS Cherrylane Investments Limited	
2	CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (See Instructions) (a) <input checked="" type="checkbox"/> (b) <input type="checkbox"/>	
3	SEC USE ONLY	
4	SOURCE OF FUNDS (See Instructions) OO	
5	CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) or 2(e) <input type="checkbox"/>	
6	CITIZENSHIP OR PLACE OF ORGANIZATION British Virgin Islands	
NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	7	SOLE VOTING POWER 0
	8	SHARED VOTING POWER 59,770,876
	9	SOLE DISPOSITIVE POWER 0
	10	SHARED DISPOSITIVE POWER 59,770,876
11	AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON 59,770,876 ³	
12	CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES (See Instructions) <input type="checkbox"/>	
13	PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11) 44.1% ⁴	
14	TYPE OF REPORTING PERSON (See Instructions) CO	

³ Represents 45,787,948 Ordinary Shares and 4,660,976 ADSs Ordinary Shares held by Morgancreek. Cherrylane holds 60% of the shares of Morgancreek.

⁴ Percentage calculated based on 135,487,408 ordinary shares issued and outstanding as of April 26, 2013, which was disclosed in the Company's annual report on Form 20-F (File No. 001-34563) filed with the SEC on April 26, 2013.

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1	NAME OF REPORTING PERSONS Zheng Cheng	
2	CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (See Instructions) (a) <input checked="" type="checkbox"/> (b) <input type="checkbox"/>	
3	SEC USE ONLY	
4	SOURCE OF FUNDS (See Instructions) OO	
5	CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) or 2(e) <input type="checkbox"/>	
6	CITIZENSHIP OR PLACE OF ORGANIZATION People's Republic of China	
NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	7	SOLE VOTING POWER 288,700
	8	SHARED VOTING POWER 59,770,876
	9	SOLE DISPOSITIVE POWER 288,700
	10	SHARED DISPOSITIVE POWER 59,770,876
11	AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON 60,059,576 ⁵	
12	CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES (See Instructions) <input type="checkbox"/>	
13	PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11) 44.2% ⁶	
14	TYPE OF REPORTING PERSON (See Instructions) IN	

⁵ Includes (i) 45,787,948 Ordinary Shares and 4,660,976 ADSs held by Morgancreek, and (ii) 288,700 Ordinary Shares issuable upon exercise of options held by Mr. Cheng that are exercisable currently or within 60 days of the date of this Amendment. Mr. Cheng indirectly owns 40% of the shares of Morgancreek.

⁶ Percentage calculated based on 135,487,408 ordinary shares issued and outstanding as of April 26, 2013, which was disclosed in the Company's annual report on Form 20-F (File No. 001-34563) filed with the SEC on April 26, 2013.

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1	NAME OF REPORTING PERSONS CZY Investments Limited	
2	CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (See Instructions) (a) <input checked="" type="checkbox"/> (b) <input type="checkbox"/>	
3	SEC USE ONLY	
4	SOURCE OF FUNDS (See Instructions) OO	
5	CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) or 2(e) <input type="checkbox"/>	
6	CITIZENSHIP OR PLACE OF ORGANIZATION British Virgin Islands	
NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	7	SOLE VOTING POWER 0
	8	SHARED VOTING POWER 0
	9	SOLE DISPOSITIVE POWER 0
	10	SHARED DISPOSITIVE POWER 0
11	AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON 0	
12	CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES (See Instructions) <input type="checkbox"/>	
13	PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11) 0%	
14	TYPE OF REPORTING PERSON (See Instructions) CO	

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1	NAME OF REPORTING PERSONS Bluestone Holdings Limited	
2	CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (See Instructions) (a) <input checked="" type="checkbox"/> (b) <input type="checkbox"/>	
3	SEC USE ONLY	
4	SOURCE OF FUNDS (See Instructions) OO	
5	CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) or 2(e) <input type="checkbox"/>	
6	CITIZENSHIP OR PLACE OF ORGANIZATION British Virgin Islands	
NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	7	SOLE VOTING POWER 0
	8	SHARED VOTING POWER 59,770,876
	9	SOLE DISPOSITIVE POWER 0
	10	SHARED DISPOSITIVE POWER 59,770,876
11	AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON 59,770,876 ⁷	
12	CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES (See Instructions) <input type="checkbox"/>	
13	PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11) 44.1% ⁸	
14	TYPE OF REPORTING PERSON (See Instructions) CO	

⁷ Represents 45,787,948 Ordinary Shares and 4,660,976 ADSs held by Morgancreek. Bluestone holds 40% of the shares of Morgancreek.

⁸ Percentage calculated based on 135,487,408 ordinary shares issued and outstanding as of April 26, 2013, which was disclosed in the Company's annual report on Form 20-F (File No. 001-34563) filed with the SEC on April 26, 2013.

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1	NAME OF REPORTING PERSONS Morgancreek Investment Holdings Limited	
2	CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (See Instructions) (a) <input checked="" type="checkbox"/> (b) <input type="checkbox"/>	
3	SEC USE ONLY	
4	SOURCE OF FUNDS (See Instructions) OO	
5	CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) or 2(e) <input type="checkbox"/>	
6	CITIZENSHIP OR PLACE OF ORGANIZATION British Virgin Islands	
NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	7	SOLE VOTING POWER 59,770,876
	8	SHARED VOTING POWER 0
	9	SOLE DISPOSITIVE POWER 59,770,876
	10	SHARED DISPOSITIVE POWER 0
11	AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON 59,770,876 ⁹	
12	CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES (See Instructions) <input type="checkbox"/>	
13	PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11) 44.1% ¹⁰	
14	TYPE OF REPORTING PERSON (See Instructions) CO	

⁹ Represents 45,787,948 Ordinary Shares and 4,660,976 ADSs.

¹⁰ Percentage calculated based on 135,487,408 ordinary shares issued and outstanding as of April 26, 2013, which was disclosed in the Company's annual report on Form 20-F (File No. 001-34563) filed with the SEC on April 26, 2013

This Amendment No. 1 (this "Amendment") is being filed jointly by Jianyu Yang ("Mr. Yang"), Daketala International Investment Holdings Ltd. ("Daketala"), Shanghai Hui Fu Science and Technology Development Co., Ltd. ("Hui Fu"), Cherrylane Investments Limited ("Cherrylane"), Zheng Cheng ("Mr. Cheng"), CZY Investments Limited ("CZY"), Shanghai Jian Qian Science and Technology Development Co., Ltd. ("Jian Qian"), Bluestone Holdings Limited ("Bluestone") and Morgancreek Investment Holdings Limited ("Morgancreek", together with Mr. Yang, Daketala, Hui Fu, Cherrylane, Mr. Cheng, CZY, Jian Qian and Bluestone, the "Reporting Persons"). This Amendment amended in its entirety the Schedule 13D jointly filed with the Securities and Exchange Commission (the "SEC") on August 15, 2013 by Mr. Yang, Daketala, Mr. Cheng and CZY. The Reporting Persons have entered into a joint filing agreement, dated as of December 6, 2013, a copy of which is attached hereto as Exhibit 99.1.

Item 1. Security and Issuer.

This Amendment relates to the ordinary shares, par value US\$0.0001 per share (the "Ordinary Shares"), of Concord Medical Services Holdings Limited (the "Company" or "Issuer"). The Company's principal executive office is located at 18/F, Tower A, Global Trade Center, 36 North Third Ring Road East, Dongcheng District, Beijing 100013, People's Republic of China.

Item 2. Identity and Background.

This Amendment is being filed jointly by the Reporting Persons pursuant to Rule 13d-1(k) promulgated by the SEC under Section 13 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). The Reporting Persons are making this single, joint filing because they may be deemed to constitute a "group" within the meaning of Section 13(d)(3) of the Exchange Act with respect to the transaction described in Item 6 of this statement and by reason of the Entrustment Agreement.

Except as expressly otherwise set forth in this statement, each Reporting Person disclaims beneficial ownership of the shares of Common Stock beneficially owned by the other Reporting Persons or any other person. Information with respect to each of the Reporting Persons is given solely by such Reporting Person, and no Reporting Person assumes responsibility for the accuracy or completeness of the information concerning the other Reporting Persons, except as otherwise provided in Rule 13d-1(k).

Mr. Yang is a citizen of the People's Republic of China and his principal occupation is the chairman and chief executive officer of the Company. Mr. Yang's principal business address is 18/F, Tower A, Global Trade Center, 36 North Third Ring Road East, Dongcheng District, Beijing 100013, People's Republic of China.

Daketala is a limited liability company organized under the laws of the British Virgin Islands wholly owned by Mr. Yang. Daketala's principal business is investment holding. The address of its principal office is P.O. Box 957, Offshore Incorporations Centre, Road Town, Tortola, British Virgin Islands. Mr. Yang is the sole director of Daketala.

Hui Fu is a limited liability company organized under the laws of the People's Republic of China wholly owned by Mr. Yang. Hui Fu's principal business is technology development, technology transfer, investment management and market promotion in the field of medical device and information technology. The address of its principal office is Room 232, Zone C, 2nd Floor, 555 Songxiu Road, Qingpu District, Shanghai, People's Republic of China. Mr. Yang is the sole director of Hui Fu.

Cherrylane is a limited liability company organized under the laws of the British Virgin Islands wholly owned by Hui Fu. Cherrylane's principal business is investment holding. The address of its principal office is P.O. Box 957, Offshore Incorporations Centre, Road Town, Tortola, British Virgin Islands. Mr. Yang is the sole director of Cherrylane.

Mr. Cheng is a citizen of the People's Republic of China and his principal occupation is a director, the president and chief operating officer of the Company. Mr. Cheng's principal business address is 18/F, Tower A, Global Trade Center, 36 North Third Ring Road East, Dongcheng District, Beijing 100013, People's Republic of China.

CZY is a limited liability company organized under the laws of the British Virgin Islands wholly owned by Mr. Cheng. CZY's principal business is investment holding. The address of its principal office is P.O. Box 957, Offshore Incorporations Centre, Road Town, Tortola, British Virgin Islands. Mr. Cheng is the sole director of CZY.

Jian Qian is a limited liability company organized under the laws of the People's Republic of China wholly owned by Mr. Cheng. Jian Qian's principal business technology development, technology transfer, investment management and market promotion in the field of medical device and information technology. The address of its principal office is Room 231, Zone C, 2nd Floor, 555 Songxiu Road, Qingpu District, Shanghai, People's Republic of China. Mr. Cheng is the sole director of Jian Qian.

Bluestone is a limited liability company organized under the laws of the British Virgin Islands wholly owned by Jian Qian. Bluestone's principal business is investment holding. The address of its principal office is P.O. Box 957, Offshore Incorporations Centre, Road Town, Tortola, British Virgin Islands. Mr. Cheng is the sole director of Bluestone.

Morgancreek is a limited liability company organized under the laws of the British Virgin Islands. Cherrylane and Bluestone holds 60% and 40% of the shares of Morgancreek, respectively. Morgancreek's principal business is investment holding. The address of its principal office is P.O. Box 957, Offshore Incorporations Centre, Road Town, Tortola, British Virgin Islands. The directors of Morgancreek are Mr. Yang and Mr. Cheng.

None of the Reporting Persons has, during the past five years, been convicted of any criminal proceeding (excluding traffic violations or similar misdemeanors), nor been a party to a civil proceeding of a judicial or administrative body of competent jurisdiction and as a result of such proceeding was or is subject to a judgment, decree or final order enjoining future violations of, or prohibiting or mandating activities subject to, federal or state securities laws or finding any violation with respect to such laws.

Item 3. Source and Amount of Funds or Other Consideration.

On August 15, 2013, Mr. Yang and Mr. Cheng entered into the Share Purchase Agreements (as defined in Item 6 below) with certain shareholders of the Company. Pursuant to the Share Purchase Agreements, Mr. Yang and Mr. Cheng agreed to purchase an aggregate of 37,064,808 Ordinary Shares and 4,660,976 American depository shares (“ADSs”), each representing three Ordinary Shares, from certain shareholders of the Company for a per ADS purchase price of US\$6.10 and an aggregate purchase price of US\$103,797,063.21. On November 20, 2013, Morgancreek entered into the IU SPA (as defined in Item 6 below), pursuant to which Morgancreek agreed to purchase 616,900 Ordinary Shares from IU Kong for a per ADS purchase price of US\$6.10 and an aggregate purchase price of US\$1,254,363.33. The shares purchased under the Share Purchase Agreements and the IU SPA are collectively referred to as the “Sale Shares”.

To finance the purchase of the Sale Shares, Morgancreek, as the borrower, Mr. Yang and Mr. Cheng, as personal guarantors, and Gopher Investment Fund SPC for the account of Gopher Financing Fund SP, as lender (the “Lender”), entered into a facility agreement on November 8, 2013 (the “Facility Agreement”) and an amendment to the Facility Agreement on November 27, 2013 (the “Amendment to Facility Agreement”). Pursuant to the Facility Agreement, the Lender made available to Morgancreek a term loan facility with an aggregate principal amount of US\$71,827,050.45. The Facility Agreement and the Amendment to Facility Agreement have been filed as Exhibits 99.2 and 99.3, respectively, and are incorporated by reference in their entirety into this Item 3.

Item 4. Purpose of Transaction.

The information set forth in Items 3 and 6 is hereby incorporated by reference in this Item 4.

Mr. Yang, Mr. Cheng and Morgancreek purchased the Sale Shares for investment purposes. Although the Reporting Persons have no present intention to acquire securities of the Company other than pursuant to the Share Purchase Agreements, they intend to review their investments on a regular basis and, as a result thereof, may at any time or from time to time determine, either alone or as part of a group, (a) to acquire additional securities of the Company, through open market purchases, privately negotiated transactions or otherwise, (b) to dispose of all or a portion of the securities of the Company owned by them in the open market, in privately negotiated transactions or otherwise, or (c) to take any other available course of action, which could involve one or more of the types of transactions or have one or more of the results described in the next paragraph of this Item 4. Any such acquisition or disposition or other transaction would be made in compliance with all applicable laws and regulations. Notwithstanding anything contained herein, the Reporting Persons specifically reserve the right to change their intention with respect to any or all of such matters. In reaching any decision as to their course of action (as well as to the specific elements thereof), the Reporting Persons currently expect that they would take into consideration a variety of factors, including, but not limited to, the following: the Reporting Persons’ financial situations; the Company’s business and prospects; other developments concerning the Company and its businesses generally; changes in law and government regulations; general economic conditions; and money and stock market conditions, including the market price of the securities of the Company.

Other than as set forth in this Amendment, the Reporting Persons have no present plans or proposals which relate to or would result in:

- (a) The acquisition by any person of additional securities of the Company, or the disposition of securities of the Company;
- (b) An extraordinary corporate transaction, such as a merger, reorganization or liquidation, involving the Company or any of its subsidiaries;
- (c) A sale or transfer of a material amount of assets of the Company or of any of its subsidiaries;
- (d) Any change in the present board of directors or management of the Company, including any plans or proposals to change the number or term of directors or to fill any existing vacancies on the board;
- (e) Any material change in the present capitalization or dividend policy of the Company;
- (f) Any other material change in the Company's business or corporate structure;
- (g) Changes in the Company's charter, bylaws or instruments corresponding thereto or other actions which may impede the acquisition of control of the Company by any person;
- (h) A class of securities of the Company being delisted from a national securities exchange or ceasing to be authorized to be quoted in an inter-dealer quotation system of a registered national securities association;
- (i) A class of equity securities of the Company becoming eligible for termination of registration pursuant to Section 12(g)(4) of the Act; or
- (j) Any action similar to any of those enumerated above.

Item 5. Interest in Securities of the Issuer.

(a)-(b) The following table sets forth the beneficial ownership of Ordinary Shares of the Company for each of the Reporting Persons as of the date of this Amendment.

Name	Shares Beneficially Owned	Percentage of Total	Sole Voting Power	Shared Voting Power	Sole Dispositive Power	Shared Dispositive Power
Mr. Yang ⁽¹⁾	60,059,576	44.2%	288,700	59,770,876	288,700	59,770,876
Daketala	—	—	—	—	—	—
Hui Fu ⁽²⁾	59,770,876	44.1%	—	59,770,876	—	59,770,876
Cherrylane ⁽³⁾	59,770,876	44.1%	—	59,770,876	—	59,770,876
Mr. Cheng ⁽⁴⁾	60,059,576	44.2%	288,700	59,770,876	288,700	59,770,876
CZY	—	—	—	—	—	—
Jian Qian ⁽⁵⁾	59,770,876	44.1%	—	59,770,876	—	59,770,876
Bluestone ⁽⁶⁾	59,770,876	44.1%	—	59,770,876	—	59,770,876
Morgancreek ⁽⁷⁾	59,770,876	44.1%	59,770,876	—	59,770,876	—

- (1) Includes (i) 45,787,948 Ordinary Shares and 4,660,976 ADSs held by Morgancreek, and (ii) 288,700 Ordinary Shares issuable upon exercise of options held by Mr. Yang that are exercisable currently or within 60 days of the date of this Amendment. Mr. Yang indirectly owns 60% of the shares of Morgancreek.

- (2) Represents 45,787,948 Ordinary Shares and 4,660,976 ADSs held by Morgancreek. Hui Fu indirectly owns 60% of the shares of Morgancreek.
- (3) Represents 45,787,948 Ordinary Shares and 4,660,976 ADSs held by Morgancreek. Cherrylane holds 60% of the shares of Morgancreek.
- (4) Includes (i) 45,787,948 Ordinary Shares and 4,660,976 ADSs held by Morgancreek, and (ii) 288,700 Ordinary Shares issuable upon exercise of options held by Mr. Cheng that are exercisable currently or within 60 days of the date of this Amendment. Mr. Cheng indirectly owns 40% of the shares of Morgancreek.
- (5) Represents 45,787,948 Ordinary Shares and 4,660,976 ADSs held by Morgancreek. Jian Qian indirectly owns 40% of the shares of Morgancreek.
- (6) Represents 45,787,948 Ordinary Shares and 4,660,976 ADSs held by Morgancreek. Bluestone holds 40% of the shares of Morgancreek.
- (7) Represents 45,787,948 Ordinary Shares and 4,660,976 ADSs.
- (c) Except as disclosed in Item 6 below, to the best knowledge of each of the Reporting Persons, none of the Reporting Persons has effected any transactions relating to the Ordinary Shares during the past sixty (60) days.
- (d) Not applicable.
- (e) Not applicable.

Item 6. Contracts, Arrangements, Understandings or Relationships with Respect to Securities of the Issuer.

The information set forth in Item 3 is hereby incorporated by reference in this Item 6.

On August 15, 2013, Mr. Yang and Mr. Cheng entered into a share purchase agreement with Carlyle Asia Growth Partners III, L.P. and CAGP III Co-Investment, L.P. and a share purchase agreement with each of the following persons: CICC Sun Company Limited, Perfect Key Holdings Limited, Starr Investments Cayman II, Inc., China Medical Scientific Holdings Limited, Grand Best Group Limited, Worthy Enterprises Ltd., Homerun Technology Ltd., Dragon Image Investment Ltd., Sino Prime Investments Limited and Sallekey Capital Management Limited (collectively, the “Share Purchase Agreements”). Pursuant to the Share Purchase Agreements, Mr. Yang and Mr. Cheng established Morgancreek as the purchaser and caused Morgancreek to join such Share Purchase Agreements.

Pursuant to the Share Purchase Agreements, Morgancreek purchased from Carlyle Asia Growth Partners III, L.P. 12,584,500 Ordinary Shares for an aggregate purchase price of US\$25,588,483.33, CAGP III Co-Investment, L.P. 501,850 Ordinary Shares for an aggregate purchase price of US\$1,020,428.33, CICC Sun Company Limited 3,588,600 Ordinary Shares for an aggregate purchase price of US\$7,296,820.00, Perfect Key Holdings Limited 376,250 Ordinary Shares for an aggregate purchase price of US\$765,041.67, Starr Investments Cayman II, Inc. 3,472,666 ADSs and two Ordinary Shares for an aggregate purchase price of US\$21,183,266.67, China Medical Scientific Holdings Limited 4,245,095 Ordinary Shares for an aggregate purchase price of US\$8,631,693.17, Grand Best Group Limited 2,889,600 Ordinary Shares for an aggregate purchase price of US\$5,875,520.00, Worthy Enterprises Ltd. 3,000,000 Ordinary Shares for an aggregate purchase price of US\$6,100,000.00, Homerun Technology Ltd. 1,851,800 Ordinary Shares for an aggregate purchase price of US\$3,765,326.67, Dragon Image Investment Ltd. 4,836,611 Ordinary Shares for an aggregate purchase price of US\$9,834,442.37, Sino Prime Investments Limited 579,673 ADSs and 3,190,500 Ordinary Shares for an aggregate purchase price of US\$10,023,355.3 and Sallekey Capital Management Limited 608,637 ADSs for an aggregate purchase price of US\$3,712,685.7, respectively. The transactions contemplated by the Share Purchase Agreements with China Medical Scientific Holdings Limited, Grand Best Group Limited and Sino Prime Investments Limited, respectively, were closed on November 20, 2013. The transactions contemplated by the other Share Purchase Agreements were closed on November 29, 2013.

On November 20, 2013, Morgancreek entered into a share purchase agreement with IU Kong (the "IU SPA"), pursuant to which Morgancreek purchased 616,900 Ordinary Shares from IU Kong for a per ADS purchase price of US\$6.10 and an aggregate purchase price of US\$1,254,363.33. The transactions contemplated by the IU SPA were closed on November 20, 2013.

On November 29, 2013, CZY entered into a share purchase agreement with Solar Honor Limited (the "Solar Honor SPA"), pursuant to which Solar Honor Limited purchased 5,591,896 Ordinary Shares from CZY for a per ADS purchase price of US\$6.10 and an aggregate purchase price of US\$11,370,188.53. The transactions contemplated by the Solar Honor SPA were closed on November 29, 2013.

As an internal reorganization, on November 29, 2013, Daketala and CZY transferred 4,836,611 Ordinary Shares and 3,269,629 Ordinary Shares to Morgancreek, respectively.

Upon completion of the transactions described in the foregoing paragraphs in this Item 6, the aggregate beneficial ownership of Mr. Yang and Mr. Cheng in the Company reached approximately 44.4% based on 135,487,408 Ordinary Shares issued and outstanding as of April 26, 2013, which was disclosed in the Company's annual report on Form 20-F (File No. 001-34563) filed with the SEC on April 26, 2013.

As security for the financing under the Facility Agreement, Morgancreek charged 29,899,093 Ordinary Shares and 4,660,976 ADSs in favor of the Lender. Relevant share mortgage and account charge have been filed as Exhibits 99.4 and 99.5, respectively, and are incorporated by reference in their entirety into this Item 6.

As security for the 30% of the total consideration to Carlyle Asia Growth Partners III, L.P., CAGP III Co-Investment, L.P., CICC Sun Company Limited, Perfect Key Holdings Limited and Starr Investments Cayman II, Inc., which will be paid within twelve months within the date of the Share Purchase Agreements, Morgancreek charged 3,925,905 Ordinary Shares in favor of Carlyle Asia Growth Partners III, L.P., 1,076,580 Ordinary Shares in favor of CICC Sun Company Limited, 112,875 Ordinary Shares in favor of Perfect Key Holdings Limited and 3,125,400 Ordinary Shares in favor of Starr Investments Cayman II, Inc., respectively. Relevant share mortgages have been filed as Exhibits 99.6, 99.7, 99.8 and 99.9, respectively, and are incorporated by reference in their entirety into this Item 6. After payment of the remaining 30% of the total consideration by Morgancreek to Carlyle Asia Growth Partners III, L.P., CAGP III Co-Investment, L.P., CICC Sun Company Limited, Perfect Key Holdings Limited and Starr Investments Cayman II, Inc., the 8,240,760 Ordinary Shares currently charged by Morgancreek in favor of Carlyle Asia Growth Partners III, L.P., CICC Sun Company Limited, Perfect Key Holdings Limited and Starr Investments Cayman II, Inc., respectively, will be charged in favor of the Lender as security for the financing under the Facility Agreement.

In addition, Morgancreek also charged 7,648,095 Ordinary Shares to Xiuhui Ma.

To the best knowledge of the Reporting Persons, except as provided herein, there are no other contracts, arrangements, understandings or relationships (legal or otherwise) among the Reporting Persons and between any of the Reporting Persons and any other person with respect to any securities of the Company.

Item 7. Materials to be Filed as Exhibits.

Exhibit No.	Description
99.1	Joint Filing Agreement by and among the Reporting Persons, dated December 6, 2013.
99.2	Facility Agreement by and among Morgancreek, Mr. Yang, Mr. Cheng and the Lender, dated November 8, 2013.
99.3	Amendment to the Facility Agreement by and among Morgancreek, Mr. Yang, Mr. Cheng and the Lender, dated November 27, 2013.
99.4	Equitable Mortgage Over Shares by and between Morgancreek and the Lender, dated November 25, 2013.
99.5	Borrower Account Charge by and between Morgancreek and the Lender, dated November 25, 2013.
99.6	Equitable Share Mortgage by and between Morgancreek and Carlyle Asia Growth Partners III, L.P., dated November 29, 2013.

-
- 99.7 Equitable Share Mortgage by and between Morgancreek and CICC Sun Company Limited, dated November 29, 2013.
 - 99.8 Equitable Share Mortgage by and between Morgancreek and Perfect Key Holdings Limited, dated November 29, 2013.
 - 99.9 Share Charge by and between Morgancreek and Starr Investments Cayman II, Inc., dated November 29, 2013.

SIGNATURE

After reasonable inquiry and to the best of my knowledge and belief, the undersigned certify that the information set forth in this statement is true, complete and correct.

Dated:

December 6, 2013

Jianyu Yang

/s/ Jianyu Yang

Daketala International Investment Holdings Ltd.

By: /s/ Jianyu Yang

Name: Jianyu Yang

Title: Director

Shanghai Hui Fu Science and Technology Development Co., Ltd.

By: /s/ Jianyu Yang

Name: Jianyu Yang

Title: Director

Cherrylane Investments Limited

By: /s/ Jianyu Yang

Name: Jianyu Yang

Title: Director

Zheng Cheng

/s/ Zheng Cheng

CZY Investments Limited

By: /s/ Zheng Cheng

Name: Zheng Cheng

Title: Director

Shanghai Jian Qian Science and Technology Development Co.,
Ltd.

By: /s/ Zheng Cheng

Name: Zheng Cheng

Title: Director

Bluestone Holdings Limited

By: /s/ Zheng Cheng

Name: Zheng Cheng

Title: Director

Morgancreek Investment Holdings Limited

By: /s/ Jianyu Yang

Name: Jianyu Yang

Title: Director

EXHIBIT INDEX

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99.8	Equitable Share Mortgage by and between Morgancreek and Perfect Key Holdings Limited, dated November 29, 2013.
99.9	Share Charge by and between Morgancreek and Starr Investments Cayman II, Inc., dated November 29, 2013.

Joint Filing Agreement

In accordance with Rule 13d-1(k) promulgated under the Securities Exchange Act of 1934, as amended, the undersigned hereby agree to the joint filing with all other Reporting Persons (as such term is defined in the Schedule 13D referred to below) on behalf of each of them of a statement on Schedule 13D (including amendments thereto) with respect to ordinary shares, par value US\$0.0001 per share, of Concord Medical Services Holdings Limited, and that this agreement may be included as an exhibit to such joint filing. This agreement may be executed in any number of counterparts, all of which taken together shall constitute one and the same instrument.

[Remainder of this page is intentionally left blank.]

IN WITNESS WHEREOF, the undersigned hereby execute this agreement as of December 6, 2013.

Jianyu Yang

/s/ Jianyu Yang

Shanghai Hui Fu Science and Technology Development Co.,
Ltd.

By: /s/ Jianyu Yang

Name: Jianyu Yang

Title: Director

Cherrylane Investments Limited

By: /s/ Jianyu Yang

Name: Jianyu Yang

Title: Director

Daketala International Investment Holdings Ltd.

By: /s/ Jianyu Yang

Name: Jianyu Yang

Title: Director

Zheng Cheng

/s/ Zheng Cheng

CZY Investments Limited

By: /s/ Zheng Cheng

Name: Zheng Cheng

Title: Director

Shanghai Jian Qian Science and Technology Development Co.,
Ltd.

By: /s/ Zheng Cheng

Name: Zheng Cheng

Title: Director

Bluestone Holdings Limited

By: /s/ Zheng Cheng

Name: Zheng Cheng

Title: Director

Morgancreek Investment Holdings Limited

By: /s/ Jianyu Yang

Name: Jianyu Yang

Title: Director

US\$71,827,050.45 FACILITY AGREEMENT

dated 8 November 2013

between

MORGANCREEK INVESTMENT HOLDINGS LIMITED

as Borrower

MR. JIANYU YANG

as Personal Guarantor

MR. ZHENG CHENG

as Personal Guarantor

and

GOPHER INVESTMENT FUND SPC for the account of

GOPHER FINANCING FUND SP

as Lender

Skadden, Arps, Slate, Meagher & Flom

42/E, Edinburgh Tower

The Landmark

15 Queen's Road Central

Hong Kong

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THIS AGREEMENT is dated 8 November 2013 and made between:

- (1) **MORGANCREEK INVESTMENT HOLDINGS LIMITED** as borrower (the “**Borrower**”);
- (2) **MR. JIANYU YANG** and **MR. ZHENG CHENG** as personal guarantors (the “**Personal Guarantors**”); and
- (3) **GOPHER INVESTMENT FUND SPC for the account of Gopher Financing Fund SP** as lender (the “**Lender**”).

IT IS AGREED as follows:

SECTION 1 INTERPRETATION

1. DEFINITIONS AND INTERPRETATION

1.1 Definitions

In this Agreement:

“**Acceptable Asset**” means any asset acceptable to the Lender at its sole discretion as collateral for the purpose of satisfying a Collateral Trigger obligation of the Borrower pursuant to Clause 20.2 (*Top-up obligations*), provided that the cash value in US Dollars of an Acceptable Asset for the purpose of Clause 20.2 (*Top-up obligations*) shall be determined by the Lender at its sole discretion.

“**Account Bank**” means Citibank N.A., Hong Kong Branch.

“**Account Charges**” means:

- (a) the Solar Honor Account Charge; and
- (b) the Borrower Account Charge

“**Acquisition**” means the acquisition by the Borrower of 37,681,708 Ordinary Shares and 4,660,976 ADSs in the Company pursuant to the SPA I, SPA II and SPA III.

“**Adjustment Event**” means, as determined by the Lender (acting in a commercially reasonable manner after reasonable consultation with the Borrower), any of the following:

- (a) a subdivision, consolidation or reclassification of the Shares (unless resulting in a Merger Event or Tender Offer), or a free distribution or dividend of any Shares to existing holders by way of bonus, capitalisation or similar issue;
- (b) a distribution, issue or dividend to existing holders of the Shares of:
 - (i) additional Shares;

- (ii) other share capital or securities granting the right to payment of dividends and/or the proceeds of liquidation of the Company equally or proportionately with such payments to holders of the Shares;
 - (iii) share capital or other securities of another issuer acquired or owned (directly or indirectly) by the Company as a result of a spin-off or other similar transaction; or
 - (iv) any other type of securities, rights or warrants or other assets, in any case for payment (cash or other consideration) at less than the prevailing market price as determined by the Lender
- (c) a dividend determined by the Lender to be an extraordinary dividend in respect of the Shares;
 - (d) a call by the Company in respect of the Shares that are not fully paid;
 - (e) a repurchase by the Company or any of its Affiliates of Shares whether out of profits or capital and whether the consideration for such repurchase is cash, securities or otherwise;
 - (f) in respect of the Company, any event that results in any shareholder rights being distributed or becoming separated from shares of common stock or other shares of the capital stock of the Company pursuant to a shareholder rights plan or arrangement directed against hostile takeovers that provides upon the occurrence of certain events for a distribution of preferred stock, warrants, debt instruments or stock rights at a price below their market value, as determined by the Lender at the relevant time, provided that any adjustment effected as a result of such an event in this paragraph (f) shall be readjusted upon any redemption of such rights, as determined by the Lender; or
 - (g) any other similar event that, as determined by the Lender, has or could reasonably be expected to have a diluting or concentrative effect on the theoretical value of the Shares.

“**Adjustment Trigger Event**” means, at any time, the Lender determines (acting in a commercially reasonable manner after reasonable consultation with the Borrower) that it is not able to make any adjustments to the terms of this Agreement in accordance with Clause 33.2 in order to account for the relevant Adjustment Event.

“**ADSs**” means American depositary shares in the Company, each such ADS representing three (3) Ordinary Shares.

“**Affiliate**” means, in relation to any person, a Subsidiary of that person or a Holding Company of that person or any other Subsidiary of that Holding Company.

“**APLMA**” means the Asia Pacific Loan Market Association Limited.

“**Assignment Agreement**” means an agreement substantially in a recommended form of the APLMA or any other form agreed between the relevant assignor and assignee.

“**Authorisation**” means:

- (a) an authorisation, consent, approval, resolution, licence, exemption, filing, notarisation, lodgement or registration; or
- (b) in relation to anything which will be fully or partly prohibited or restricted by law if a Governmental Agency intervenes or acts in any way within a specified period after lodgement, filing, registration or notification, the expiry of that period without intervention or action.

“**Availability Period**” means in respect of the Facility made available by the Lender to the Borrower pursuant to Clause 2.1 (*The Facility*), the period that is three (3) months starting from 4 October 2013

“**Available Commitment**” means at any time the Lender’s Commitment *minus*:

- (a) the aggregate amount of its participations in any outstanding Loans; and
- (b) in relation to any proposed Utilisation, the aggregate amount of its participations in any Loans that are due to be made on or before the proposed Utilisation Date.

“**Available Facility**” means at any time the aggregate of the Lender’s Available Commitment.

“**Borrower Account Charge**” means the account charge over the Borrower Charged Account dated on or about the date of this Agreement and made between the Borrower and the Lender.

“**Borrower Cash Account**” has the meaning given to the term “Cash Account” in the Borrower Account Charge.

“**Borrower Charged Account**” means together the Borrower Cash Account and the Borrower Safekept Securities Account, and any replacement account thereof or other designated account.

“**Borrower Safekeeping Agreement**” means the safekeeping agreement in relation to the Borrower Cash Account and the Borrower Safekept Securities Account made between the Borrower and the Safekeeping Agent.

“**Borrower Safekept Securities Account**” has the meaning given to the term “Safekept Securities Account” in the Borrower Account Charge.

“**Borrower Share Mortgage**” means the equitable mortgage over Ordinary Shares made between the Lender and the Borrower.

“**Business Day**” means a day (other than a Saturday or Sunday) on which banks are open for general business in London and Hong Kong.

“**Cash Accounts**” means the Borrower Cash Account and the Solar Cash Account.

“**Cash Equivalent Investments**” means:

- (a) certificates of deposit maturing within one (1) year after the relevant date of calculation;

- (b) any investment in marketable debt obligations issued or guaranteed by the government of the United States of America, the United Kingdom, Singapore, Hong Kong, any member state of the European Economic Area or by an instrumentality or agency of any of them having an equivalent credit rating, maturing within one (1) year after the relevant date of calculation and not convertible or exchangeable to any other security;
- (c) commercial paper not convertible or exchangeable into any other security:
 - (i) for which a recognized trading market exists;
 - (ii) issued by an issuer incorporated in the United States of America, the United Kingdom, Singapore, Hong Kong or any member state of the European Economic Area;
 - (iii) which matures within one (1) year after the relevant date of calculation; and
 - (iv) which has a credit rating of either A-1 or higher by S&P or Fitch or P-1 or higher by Moody's, or, if no rating is available in respect of the commercial paper, the issuer of which has, in respect of its long-term unsecured and non-credit enhanced debt obligations, an equivalent rating;
- (d) any investment accessible within 180 days in money market funds which have a credit rating of either A-1 or higher by S&P or Fitch or P-1 or higher by Moody's; or

any other debt security approved by the Lender.

“Charged Accounts” means the Borrower Charged Account and the Solar Charged Account.

“Charged ADSs” means, as of any date, any and all ADSs legally and beneficially owned by either Chargor and charged in favour of the Lender pursuant to the Account Charges, and for the avoidance of doubt, any reference to Charged ADSs includes any ADSs purchased by the Borrower using any amount of the Excess Capital and charged to the Lender pursuant to the Borrower Account Charge.

“Charged Assets” means all of the assets of each Chargor which from time to time are, or are expressed to be, the subject of the Transaction Security.

“Charged Ordinary Shares” means, as of any date, any and all Ordinary Shares legally and beneficially owned by either Chargor and charged in favour of the Lender pursuant to the Share Mortgages, except (i) 7,648,095 Ordinary Shares charged to a third party, and (ii) 8,240,760 Ordinary Shares to be charged to certain Institutional Shareholders on the SPA I First Closing Date, which shall be subsequently charged to the Lender upon the occurrence of the SPA I Second Closing Date. For the avoidance of doubt, after the SPA I Second Closing Date, any reference to Charged Ordinary Shares will include the 8,240,760 Ordinary Shares (which will be charged to certain Institutional Shareholders on the SPA I First Closing Date) after the security in favour of such Institutional Shareholders has been released and such Ordinary Shares have been charged to the Lender pursuant to the Security Documents on the SPA I Second Closing Date.

“**Chargor**” means each of the Borrower and Solar Honor and “**Chargors**” means either of them.

“**Closing Price**” means, on any Scheduled Trading Day, the price equal to the official closing price per ADS as published on the Exchange on that Scheduled Trading Day (or if such information is not available for any reason, as determined by the Lender at its sole discretion).

“**Collateral Deadline Date**” has the meaning given to such term in Clause 20.1 (*Definitions*).

“**Collateral Release Loan-to-Value Ratio**” has the meaning given to such term in Clause 20.1 (*Definitions*).

“**Collateral Shares**” means the Charged ADSs and the Charged Ordinary Shares.

“**Collateral Trigger**” means the obligation of the Borrower pursuant to Clause 20.2 (*Top-up obligations*), and any reference to curing a Collateral Trigger means compliance with such obligation.

“**Collateral Trigger Date**” has the meaning given to such term in Clause 20.2 (*Top-up obligations*).

“**Commitment**” means US\$71,827,050.45, to the extent not cancelled, reduced or transferred under this Agreement.

“**Company**” means Concord Medical Services Holdings Limited, a company established under the law of the Cayman Islands.

“**Company Change of Control**” means, as determined by the Lender (acting in a commercially reasonable manner after reasonable consultation with the Borrower), an event or series of events by which any “person” or “group” (as such terms are used in Sections 13(d) and 14(d) of the Exchange Act) becomes the “beneficial owner” (as defined in Rules 13d-3 and 13d-5 under the Exchange Act), directly or indirectly, through a purchase, merger or other acquisition transaction or series of transactions, of the Shares or other voting securities of the Company, entitling such person or group to exercise 50 per cent. or more of the total voting power of the Company entitled to vote generally in elections of directors, other than an acquisition of such Shares or other voting securities by the Company, any of its Subsidiaries or any of its or their employee benefit plans.

“**Company Dissolution**” means that (a) the Company is liquidated or dissolved, or (b) holders of the Shares approve any plan or proposal for the Company’s liquidation or dissolution, as determined by the Lender (acting in a commercially reasonable manner).

“**Company Insolvency**” means that, by reason of the voluntary or involuntary liquidation, bankruptcy, insolvency, dissolution or winding-up of or any analogous proceeding affecting the Company, (a) all of the Shares are required to be transferred to a trustee, liquidator or other similar official, or (b) holders of the Shares become legally prohibited from transferring them, as determined by the Lender.

“Company Insolvency Filing” means that:

- (a) the Company institutes any insolvency, bankruptcy or similar proceedings or has any such proceedings instituted against it by a regulator, supervisor or any similar official with primary insolvency, rehabilitative or regulatory jurisdiction over it in the jurisdiction of its incorporation or organization or the jurisdiction of its head or home office;
- (b) the Company consents to a proceeding seeking a judgment of insolvency or bankruptcy or any other relief under any bankruptcy or insolvency law or other similar law affecting creditors’ rights; or
- (c) a petition is presented for the Company’s winding-up or liquidation by it or such regulator, supervisor or similar official or the Company consents to such a petition,

provided that proceedings instituted or petitions presented by creditors and not consented to by the Company shall not be deemed an Company Insolvency Filing, as determined by the Lender (acting in a commercially reasonable manner after reasonable consultation with the Borrower).

“Compliance Certificate” means a certificate delivered pursuant to Clause 19.3 (*Financial Testing*), substantially in the form set out in Schedule 5 (*Form of Compliance Certificate*).

“Conditions of Consent to Account Charge” has the meaning given to that term in the Borrower Account Charge.

“Confidential Information” means all information relating to the Borrower, any Obligor, the Group, the Finance Documents or a Facility of which the Lender becomes aware in its capacity as, or for the purpose of becoming, the Lender or which is received by the Lender in relation to, or for the purpose of becoming the Lender under, the Finance Documents or a Facility from either any member of the Group or any of its advisers, in whatever form, and includes information given orally and any document, electronic file or any other way of representing or recording information which contains or is derived or copied from such information but excludes information that:

- (a) is or becomes public information other than as a direct or indirect result of any breach by the Lender of Clause 26 (*Disclosure of information*); or
- (b) is identified in writing at the time of delivery as non-confidential by any member of the Group or any of its advisers; or
- (c) is known by the Lender before the date the information is disclosed to it in accordance with paragraphs (a) or (b) above or is lawfully obtained by the Lender after that date, from a source which is, as far as the Lender is aware, unconnected with the Group and which, in either case, as far as the Lender is aware, has not been obtained in breach of, and is not otherwise subject to, any obligation of confidentiality.

“Confidentiality Undertaking” means a confidentiality undertaking substantially in a recommended form of the APLMA or in any other form agreed between the Borrower and the Lender.

“**Default**” means an Event of Default or any event or circumstance specified in Clause 23 (*Events of Default*) which would (with the expiry of a grace period, the giving of notice, the making of any determination under the Finance Documents or any combination of any of the foregoing) be an Event of Default.

“**Demand Notice**” means a notice as described in Clause 20.2 (*Top-up obligations*).

“**Distributions**” means, in relation to any Collateral Share, all present and future:

- (a) dividends and distributions of any kind and any other sum received or receivable in respect of that Collateral Share;
- (b) rights, shares, money or other assets accruing or offered by way of redemption, bonus, option, conversion, exchange, substitution, consolidation, subdivision or otherwise in respect of that Collateral Share;
- (c) allotments, offers and rights accruing or offered in respect of that Collateral Share; and
- (d) other rights and assets relating to, deriving from or exercisable by virtue of the ownership of that Collateral Share.

“**Event of Default**” means any event or circumstance specified as such in Clause 23 (*Events of Default*).

“**Excess Capital**” means the difference between (i) the Commitment and (ii) the Target Amount.

“**Exchange**” means the New York Stock Exchange.

“**Exchange Act**” means the U.S. Securities Exchange Act of 1934, as amended.

“**Facility**” means the term loan facility made available under this Agreement as described in Clause 2 (*The Facility*).

“**Facility Agreement Commitment Fee**” has the meaning given to that term in Clause 10.1 (*Commitment Fee*).

“**Facility Office**” means the office or offices notified by the Lender to the Borrower in writing as the office or offices through which it will perform its obligations under this Agreement.

“**Final Repayment Date**” means 4 October 2016.

“**Finance Document**” means this Agreement, the Option Agreement, the Security Documents, each Safekeeping Agreement, any Utilisation Request and any other document designated as such by the Lender and the Borrower.

“**Financial Indebtedness**” means any indebtedness for or in respect of:

- (a) moneys borrowed;

- (b) any amount raised by acceptance under any acceptance credit facility or dematerialised equivalent;
- (c) any amount raised pursuant to any note purchase facility or the issue of bonds, notes, debentures, loan stock or any similar instrument;
- (d) the amount of any liability in respect of any lease or hire purchase contract which would, in accordance with GAAP, be treated as a finance or capital lease;
- (e) receivables sold or discounted (other than any receivables to the extent they are sold on a non-recourse basis);
- (f) any amount raised under any other transaction (including any forward sale or purchase agreement) having the commercial effect of a borrowing;
- (g) any derivative transaction entered into in connection with protection against or benefit from fluctuation in any rate or price (and, when calculating the value of any derivative transaction, only the marked to market value shall be taken into account);
- (h) any counter-indemnity obligation in respect of a guarantee, indemnity, bond, standby or documentary letter of credit or any other instrument issued by a bank or financial institution; and
- (i) the amount of any liability in respect of any guarantee or indemnity for any of the items referred to in paragraphs (a) to (h) above.

“**Fitch**” means Fitch Ratings Ltd.

“**Fund**” means Gopher Investment Fund Segregated Portfolio Company, incorporated in the Cayman Islands with limited liability, for the account of Gopher Financing Fund SP.

“**Fund Investor**” means any person which makes or has made an investment in the Fund.

“**GAAP**” means generally accepted accounting principles in the United States of America.

“**Governmental Agency**” means any government or any governmental agency, semi-governmental or judicial entity or authority (including, without limitation, any stock exchange or any self-regulatory organisation established under statute).

“**Group**” means the Company and its Subsidiaries from time to time.

“**Holding Company**” means, in relation to a person, any other person in respect of which it is a Subsidiary.

“**Indirect Tax**” means any goods and services tax, consumption tax, value added tax or any tax of a similar nature.

“**Institutional Shareholders**” means Carlyle Asia Growth Partners III, L.P., CAGP III Co-Investment, L.P., CICC Sun Company Limited, Perfect Key Holdings Limited and Starr Investments Cayman II, Inc.

“**Interest Period**” means, in relation to a Loan, each period determined in accordance with Clause 9 (*Interest Periods*) and, in relation to an Unpaid Sum, each period determined in accordance with Clause 8.3 (*Default interest*).

“**Loan**” means, as the context requires, a loan made or to be made under the Facility or the principal amount outstanding at any time of that loan, and for the avoidance of doubt, any reference to a “Loan” or “Loans” shall include the whole or any part of the Excess Capital.

“**Loan-to-Value Ratio**” has the meaning given to such term in Clause 20.1 (*Definitions*).

“**Maintenance Loan-to-Value Ratio**” has the meaning given to such term in Clause 20.1 (*Definitions*).

“**Material Adverse Effect**” means a material adverse effect on (a) the business, operations, property, condition (financial or otherwise) or prospects of the Group taken as a whole; (b) the ability of any of the Obligors to perform its obligations under the Finance Documents; or (c) the validity or enforceability of, or the rights or remedies of the Lender under, the Finance Documents.

“**Merger Event**” means, in respect of a Share, any:

- (a) reclassification or change of that Share that results in a transfer of or an irrevocable commitment to transfer all outstanding Shares of that type to another entity or person;
- (b) consolidation, amalgamation, merger or binding share exchange of the Company with or into another entity or person (other than a consolidation, amalgamation, merger or binding share exchange in which the Company is the continuing entity and which does not result in a reclassification or change of any of the Shares of that type then outstanding or otherwise prejudice the Transaction Security);
- (c) takeover offer, scheme of arrangement, exchange offer, solicitation, proposal or other event by any entity or person to purchase or otherwise obtain one hundred per cent (100%) of the outstanding Shares of that type that results in a transfer of or an irrevocable commitment to transfer all such Shares of that type (other than the Shares of that type owned or controlled by such other entity or person); or
- (d) consolidation, amalgamation, merger or binding share exchange of the Company with or into another entity in which the Company is the continuing entity and which does not result in a reclassification or change of the outstanding Shares of that type but results in the outstanding Shares of that type (other than the Shares of that type owned or controlled by such other entity) immediately prior to such event collectively representing less than 50 per cent. of the outstanding Shares of that type immediately following such event.

“**Month**” means a period starting on one day in a calendar month and ending on the numerically corresponding day in the next calendar month, except that:

- (a) if the numerically corresponding day is not a Business Day, that period shall end on the next Business Day in that calendar month in which that period is to end if there is one, or if there is not, on the immediately preceding Business Day; and
- (b) if there is no numerically corresponding day in the calendar month in which that period is to end, that period shall end on the last Business Day in that calendar month.

The above rules will apply only to the last Month of any period.

“**Moody’s**” means Moody’s Investors Service, Ltd.

“**Nationalisation**” means, any of the following events:

- (a) all the Shares or any of the Collateral Shares or all or substantially all of the assets of the Company are nationalised, expropriated or are otherwise required to be transferred to any governmental agency, authority, entity or instrumentality thereof;
- (b) the authority or ability of any person to deal in, or transact in, all of the Shares or any of the Collateral Shares or all or substantially all of the assets of the Company is limited or wholly or substantially curtailed by any seizure, expropriation, nationalisation, intervention, restriction or other action by or on behalf of any governmental, regulatory or other authority or other person in relation to that person or all of the Shares or any of the Collateral Shares or all or substantially all of the assets of the Company; or
- (c) the adoption, promulgation, enactment, order, decree, announcement or such other action or statement as the Lender deems relevant (acting in a commercially reasonable manner after reasonable consultation with the Borrower), by or with effect on any governmental agency, authority, entity or instrumentality thereof at any time, of any event or circumstance (whether or not subsequently amended or appealed) that, if completed, would lead to any event set forth in the immediately preceding paragraph (a) or (b).

“**New Lender**” has the meaning given to that term in Clause 24 (*Changes to the Lender*).

“**Obligors**” means the Borrower and the Personal Guarantors and “**Obligor**” means each one of them.

“**Option**” means the option granted by each Obligor to the Lender pursuant to the Option Agreement.

“**Option Agreement**” means the option agreement dated on or about the date of this Agreement and made between each Obligor and the Lender.

“**Ordinary Shares**” means ordinary shares in the Company.

“**Original Obligor**” means the Borrower or any Personal Guarantor.

“**Party**” means a party to this Agreement.

“**PRC**” means the People’s Republic of China.

“**Pre-signing Commitment Fee**” means the commitment fee payable under (i) the first commitment letter dated 4 October, 2013, between the Personal Guarantors, Daketala International Holdings Ltd., CZY Investments Limited and the Lender; and (ii) the supplemental commitment letter dated 25 October 2013, between the Personal Guarantors, Daketala International Holdings Ltd., CZY Investments Limited and the Lender.

“**Relevant Interbank Market**” means the London interbank market.

“**Representative**” means any delegate, agent, manager, administrator, nominee, attorney, trustee or custodian.

“**RMB**” means Renminbi Yuan, the lawful currency of the PRC.

“**Safekeeping Agent**” means Citibank N.A.

“**Safekeeping Agreements**” means each of the Borrower Safekeeping Agreement and the Solar Safekeeping Agreement.

“**Safekept Securities Accounts**” means the Borrower Safekept Securities Account and the Solar Safekept Securities Account.

“**Scheduled Trading Day**” means each day on which the Exchange is scheduled (as of the date of this Agreement) to be open for trading or its regular trading sessions.

“**Security**” means a mortgage, charge, pledge, lien or other security interest securing any obligation of any person or any other agreement or arrangement having a similar effect.

“**Security Documents**” means the Account Charges, the Share Mortgages and any other document designated as such by the Lender and the Borrower.

“**Share Mortgages**” means:

- (a) the Borrower Share Mortgage; and
- (b) the Solar Share Mortgage.

“**Shares**” means Ordinary Shares and ADSs.

“**Solar Account Charge**” means the account charge over the Solar Charged Account made between Solar Honor and the Lender.

“**Solar Cash Account**” has the meaning given to the term “Cash Account” in the Solar Account Charge.

“**Solar Charged Account**” means together the Solar Cash Account and the Solar Securities Account, and any replacement account thereof or other designated account.

“**Solar Honor**” means Solar Honor Limited, a British Virgin Islands company.

“**Solar Safekeeping Agreement**” means the safekeeping agreement in relation to the Solar Cash Account and the Solar Safekept Securities Account dated on or about the date of this Agreement and made between Solar Honor and the Safekeeping Agent.

“**Solar Safekept Securities Account**” has the meaning given to the term “Safekept Securities Account” in the Solar Account Charge.

“**Solar Share Mortgage**” means the share mortgage made between Solar Honor and the Lender pursuant to which Solar Honor grants a mortgage over 14,163,325 Ordinary Shares in favour of the Lender.

“**SPA I**” means the share purchase agreements dated 15 August 2013 and made between Mr. Jianyu Yang, Mr. Zheng Cheng and each of the Institutional Shareholders, respectively, in relation to the purchase by the Borrower of an aggregate of 17,051,202 Ordinary Shares and 3,472,666 ADSs.

“**SPA I First Closing Date**” means the closing date as set forth in SPA I.

“**SPA I Second Closing Date**” means twelve (12) months after the date of SPA I (or, if earlier, the date on which the Borrower has paid the total amount of consideration payable by it pursuant to SPA I).

“**SPA II**” means the share purchase agreements dated 15 August 2013 and made between Mr. Jianyu Yang, Mr. Zheng Cheng and each of seven shareholders of the Company, respectively, in relation to the purchase by the Borrower of an aggregate of 20,013,606 Ordinary Shares and 1,188,310 ADSs.

“**SPA III**” means the share purchase agreement dated on or about the date of this Agreement and made between the Borrower and IU Kong in relation to the purchase by the Borrower of 616,900 Ordinary Shares.

“**SPA II Closing Date**” means the closing date as set forth in SPA II.

“**SPA Shares**” means the Shares acquired pursuant to SPA I, SPA II and SPA III.

“**Subsidiary**” means, in relation to any company or corporation, a company or corporation:

- (a) which is controlled, directly or indirectly, by the first mentioned company or corporation;
- (b) more than half the issued equity share capital of which is beneficially owned, directly or indirectly, by the first mentioned company or corporation; or
- (c) which is a Subsidiary of another Subsidiary of the first mentioned company or corporation,

and for this purpose, a company or corporation shall be treated as being controlled by another if that other company or corporation is able to direct its affairs and/or to control the composition of its board of directors or equivalent body.

“**S&P**” means Standard & Poor’s Rating Services.

“**Target Amount**” means US\$65,026,511.91.

“**Tax**” means any tax, levy, impost, duty or other charge or withholding of a similar nature (including any penalty or interest payable in connection with any failure to pay or any delay in paying any of the same).

“**Tax Deduction**” has the meaning given to such term in Clause 11.1 (*Tax definitions*).

“**Tender Offer**” means a takeover offer, tender offer, exchange offer, solicitation, proposal or other event by any entity or person that results in such entity or person purchasing or otherwise obtaining or having the right to obtain, by conversion or other means, 50 per cent. or more of the outstanding Shares as determined by the Lender (acting in a commercially reasonable manner after reasonable consultation with the Borrower), based upon the making of filings with governmental or self-regulatory agencies; except for the share placement expressly contemplated in the SPAs.

“**Transaction Security**” means the Security created or expressed to be created in favour of the Lender pursuant to or under any or all of the Security Documents.

“**Transfer Certificate**” means a certificate substantially in the form set out in Schedule 4 (*Form of Transfer Certificate*) or any other form agreed between the Lender and the Borrower.

“**Transfer Date**” means, in relation to an assignment or a transfer, the later of:

- (a) the proposed Transfer Date specified in the relevant Assignment Agreement or Transfer Certificate; and
- (b) the date on which the Lender executes the relevant Assignment Agreement or Transfer Certificate.

“**Unpaid Sum**” means any sum due and payable but unpaid by an Obligor under the Finance Documents.

“**US\$**” means United States dollars, the lawful currency of the United States of America.

“**Utilisation**” means a utilisation of the Facility.

“**Utilisation Date**” means the date of a Utilisation, being the date on which the relevant Loan is to be made.

“**Utilisation Request**” means a notice substantially in the form set out in Schedule 3 (*Utilisation Request*).

“**Valuation Date**” means each Scheduled Trading Day during the period from and including the Utilisation Date to but excluding the Final Repayment Date.

“**VWAP**” means, for any security as of any date, the dollar volume-weighted average price for such security on the Exchange (or, if the Exchange is not the principal trading market for such security, then on the principal securities exchange or securities market on which such security is then traded) during the period beginning at 9:30:01 a.m., New York time, and ending at 4:00:00 p.m., New York time, as reported by Bloomberg through its “Volume at Price” function or, if the foregoing does not apply, the dollar volume-weighted average price of such security in the over-the-counter market on the electronic bulletin board for such security during the period beginning at 9:30:01 a.m., New York time, and ending at 4:00:00 p.m., New York time, as reported by Bloomberg, or, if no dollar volume-weighted average price is reported for such security by Bloomberg for such hours, the average of the highest closing bid price and the lowest closing ask price of any of the market makers for such security as reported in the “pink sheets” by OTC Markets Group Inc. (formerly Pink Sheets LLC). If the VWAP cannot be calculated for such security on such date on any of the foregoing bases, the VWAP of such security on such date shall be the fair market value as determined by the Lender (acting in a commercially reasonable manner after reasonable consultation with the Borrower).

1.2 **Construction**

- (a) Unless a contrary indication appears, any reference in this Agreement to:
- (i) any “**Lender**”, any “**Obligor**”, any “**Personal Guarantor**” or any “**Party**” shall be construed so as to include its successors in title, permitted assigns and permitted transferees;
 - (ii) “**assets**” includes present and future properties, revenues and rights of every description;
 - (iii) a “**Finance Document**” or any other agreement or instrument is a reference to that Finance Document or other agreement or instrument as amended, novated, supplemented, extended or restated;
 - (iv) “**including**” shall be construed as “including without limitation” (and cognate expressions shall be construed similarly);
 - (v) “**indebtedness**” includes any obligation (whether incurred as principal or as surety) for the payment or repayment of money, whether present or future, actual or contingent;
 - (vi) a “**person**” includes any individual, firm, company, corporation, government, state or agency of a state or any association, trust, joint venture, consortium or partnership (whether or not having separate legal personality);
 - (vii) a “**regulation**” includes any regulation, rule, official directive, request or guideline (whether or not having the force of law) of any governmental, intergovernmental or supranational body, agency, department or regulatory, self-regulatory or other authority or organisation;
 - (viii) “**final completion of the Acquisition**” (or its equivalent) shall mean the first date on which the Borrower has completed the purchase of all the Shares intended to be purchased pursuant to SPA I, SPA II and SPA III.
 - (ix) a provision of law is a reference to that provision as amended or re-enacted; and
 - (x) a time of day is a reference to Hong Kong time.
- (b) Section, Clause and Schedule headings are for ease of reference only.

- (c) Unless a contrary indication appears, a term used in any other Finance Document or in any notice given under or in connection with any Finance Document has the same meaning in that Finance Document or notice as in this Agreement.
- (d) A Default (other than an Event of Default) is “**continuing**” if it has not been remedied or waived and an Event of Default is “**continuing**” if it has not been waived.
- (e) Where this Agreement specifies an amount in a given currency (the “**specified currency**”) “**or its equivalent**”, the “**equivalent**” is a reference to the amount of any other currency which, when converted into the specified currency utilising the Lender’s spot rate of exchange for the purchase of the specified currency with that other currency at or about 11 a.m. on the relevant date, is equal to the relevant amount in the specified currency.

1.3 **Third party rights**

A person who is not a Party has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce or to enjoy the benefit of any term of this Agreement.

**SECTION 2
THE FACILITY**

2. THE FACILITY

2.1 The Facility

Subject to the terms of this Agreement, the Lender makes available to the Borrower a dollar term loan facility in an aggregate amount equal to the Commitment.

3. PURPOSE

3.1 Purpose

- (a) The Borrower shall apply all amounts up to an amount equal to the Target Amount borrowed by it under the Facility towards the Acquisition; and
- (b) The Borrower shall deposit the Target Amount into the Borrower Cash Account on the Utilisation Date and shall only withdraw amounts from the Borrower Cash Account as and when such amounts are needed to pay directly to the vendors under each of SPA I, SPA II and SPA III, in order to settle the consideration payable under each of SPA I, SPA II and SPA III.
- (c) The Borrower shall apply the Excess Capital, first, in payment of the advance payment fee payable pursuant to Clause 8.1(a) on the Utilisation Date.
- (d) The Borrower shall deposit all remaining Excess Capital, on the Utilisation Date, into the Borrower Cash Account and maintain the Borrower Cash Account in accordance with Clause 21.16 (*Borrower Charged Account*) and the Borrower Account Charge, provided that the Borrower may (subject to the provisions of Clause 21.16 (*Borrower Charged Account*)) use any such Excess Capital for the purpose of buying ADSs on the open market or Ordinary Shares from individual or institutional shareholders, provided that:
 - (i) The Borrower shall not purchase any Shares using Excess Capital without the prior written consent of the Lender; and
 - (ii) Any Shares purchased by the Borrower using Excess Capital shall, immediately upon such purchase, be charged by the Borrower in favour of the Lender pursuant to the Borrower Share Mortgage and/or the Borrower Account Charge (as applicable).

3.2 Monitoring

The Lender is not bound to monitor or verify the application of any amount borrowed pursuant to this Agreement.

4. CONDITIONS OF UTILISATION

4.1 Initial conditions precedent

The Borrower may not deliver a Utilisation Request unless the Lender has received all of the documents and other evidence listed in Part I of Schedule 2 (*Conditions precedent*) in form and substance satisfactory to the Lender. The Lender shall notify the Borrower promptly upon being so satisfied.

4.2 Further conditions precedent

The Lender will be obliged to comply with Clause 5.4 (*Lender's participations*) only if on the date of the Utilisation Request and on the proposed Utilisation Date:

- (a) no Default or Mandatory Prepayment Event is continuing or would result from the proposed Loan; and
- (b) the representations to be made by each Obligor are true in all material respects.

**SECTION 3
UTILISATION**

5. UTILISATION

5.1 Delivery of a Utilisation Request

The Borrower may utilise the Facility by delivery to the Lender of a duly completed Utilisation Request not less than three (3) Business Days (or such shorter period as agreed between the Borrower and the Lender) prior to the proposed date of Utilisation.

5.2 Completion of a Utilisation Request

(a) Each Utilisation Request is irrevocable and will not be regarded as having been duly completed unless:

- (i) the proposed Utilisation Date is a Business Day within the Availability Period;
- (ii) the currency and amount of the Utilisation comply with Clause 5.3 (*Currency and amount*)

(b) Only one Loan may be requested in each Utilisation Request.

(c) The Borrower shall not deliver more than one Utilisation Request.

5.3 Currency and amount

(a) The currency specified in a Utilisation Request must be dollars.

(b) The amount of the proposed Loan must be an amount which is not more than the Available Facility and which is a minimum of US\$10,000,000 or, if less, the Available Facility.

5.4 Lender's participations

If the conditions set out in Clauses 4 (*Conditions of Utilisation*) and 5.1 (*Delivery of a Utilisation Request*) to 5.3 (*Currency and amount*) above have been met, the Lender shall make each Loan available by the Utilisation Date of such Loan through its Facility Office.

5.5 Cancellation of Available Facility

The Commitment which, at that time, is unutilised shall be immediately cancelled at 5 p.m. on the last day of the Availability Period.

SECTION 4
REPAYMENT AND PREPAYMENT

6. REPAYMENT

6.1 Repayment of Loans

The Borrower shall repay all principal amounts outstanding under each Loan on the Final Repayment Date.

6.2 Reborrowing

The Borrower may not reborrow any part of the Facility which is repaid.

7. PREPAYMENT

7.1 Illegality

If, at any time, it is or will become unlawful in any applicable jurisdiction for the Lender to perform any of its obligations as contemplated by this Agreement or to fund or maintain its participation in any Loan:

- (a) the Lender shall promptly notify the Borrower upon becoming aware of that event;
- (b) upon the Lender notifying the Borrower, the Commitment will be immediately cancelled; and
- (c) the Borrower shall repay the Loans made to the Borrower on the last day of the Interest Period for each Loan occurring after the Lender has notified the Borrower or, if earlier, the date specified by the Lender in the notice delivered to the Borrower (being no earlier than the last day of any applicable grace period permitted by law).

7.2 Voluntary prepayment of whole of the Loans

If the Borrower has given the Lender not less than three (3) Months' (or such shorter period as the Lender may agree) prior written notice, the Borrower may on 3 October 2015 prepay the whole (but not part) of the Loans.

7.3 Voluntary prepayment upon Fund redemption

Without prejudice to the provisions of Clause 7.2 (*Voluntary prepayment of whole of the Loans*), if a Fund Investor redeems, sells, transfers or assigns all or part of its investment in the Fund, the Borrower may, at its option, within fifteen (15) days of such redemption, sale, transfer or assignment and upon not less than fifteen (15) days' notice to the Lender, prepay an amount of principal of the Loans less than or equal to the amount of such redemption, sale, transfer or assignment.

7.4 Restrictions

- (a) Any notice of prepayment given by any Party under this Clause 7 (*Prepayment*) shall be irrevocable and, unless a contrary indication appears in this Agreement, shall specify the date or dates upon which the relevant prepayment is to be made and the amount of that prepayment.

- (b) Any prepayment under this Agreement shall be made together with accrued interest on the amount prepaid and without premium or penalty.
- (c) The Borrower may not reborrow any part of the Facility which is prepaid.
- (d) The Borrower shall not repay or prepay all or any part of any Loan or reduce any Commitment except at the times and in the manner expressly provided for in this Agreement.
- (e) If any Commitment is reduced in accordance with this Agreement, the amount of such reduction may not be subsequently reinstated.
- (f) If all or part of a Loan is repaid or prepaid and is not available for redrawing, an amount of the Commitment (equal to the amount of the Loan which is repaid or prepaid) will be deemed to be cancelled on the date of repayment or prepayment.

7.5 **Mandatory Prepayment Events**

If, at any time, the Lender (acting in a commercially reasonable manner after reasonable consultation with the Borrower) determines that any one of the following events has occurred:

- (a) the public announcement (whether or not subsequently amended), including any public announcement as defined in Rule 165(f) of the Securities Act, by any entity, of any intention to enter into (including, without limitation, any intention of the Company to solicit or explore strategic alternatives to) any transaction or other event that, if completed, would lead to a Company Change of Control, Merger Event or Tender Offer;
- (b) the Exchange announces that, pursuant to the rules of the Exchange, the ADSs cease (or will cease) to be listed, traded or publicly quoted on the Exchange for any reason, in each case, for ten (10) consecutive Scheduled Trading Days or more;
- (c) the suspension of trading of the ADSs on the Exchange or the Company otherwise has its trading privileges on the Exchange revoked or suspended, in each case, for ten (10) consecutive Scheduled Trading Days or more;
- (d) an Adjustment Trigger Event;
- (e) any event, development or circumstance which could reasonably be expected to have a Material Adverse Effect;
- (f) a Company Change of Control (including a Company Change of Control resulting from a Tender Offer), Company Dissolution, Company Insolvency, Company Insolvency Filing, Merger Event or Nationalisation occurs;
- (g) The aggregate beneficial ownership (as determined by the Lender (acting in a commercially reasonable manner after reasonable consultation with the Borrower)) (as such term is used in Sections 13(d) and 14(d) of the Exchange Act) of the Shares or other voting securities of the Company held by both Mr. Jianyu Yang and Mr. Zheng Cheng together in the Company falls below thirty per cent. (30%) of the total issued share capital of the Company,

then:

- (A) (without prejudice to the rights of the Lender under paragraph (B) below) the Lender shall promptly notify the Borrower upon becoming aware of the relevant event; and
- (B) the Lender may, by not less than five (5) Business Days' notice to the Borrower, declare the Loan, together with accrued interest, and all other amounts accrued under the Finance Documents immediately due and payable, whereupon the Facility will be cancelled and all such outstanding amounts will become immediately due and payable.

**SECTION 5
COSTS OF UTILISATION**

8. INTEREST

8.1 Calculation of interest

The rate of interest on each Loan for each Interest Period is eleven per cent (11%) per annum.

8.2 Payment of interest

- (a) On the Utilisation Date, the Borrower shall pay to the Lender an amount equal to 1.5% multiplied by the Commitment Amount, such amount payable from the Excess Capital (the “**advance payment fee**”). Payment of the advance payment fee under this Clause 8.2(a) shall reduce the amount of interest that is payable on the last day of the first Interest Period by the amount of the advance payment fee. Accordingly, the Borrower may deduct the amount of the advance payment fee from the amount of interest that is payable on the last day of the first Interest Period.
- (b) Subject to paragraph (c) below, the Borrower shall pay accrued interest on each Loan on the last day of each Interest Period for that Loan.
- (c) In respect of the first Interest Period under the Facility only, the Borrower shall pay accrued interest on the full amount of the Commitment on the last day of such Interest Period as if the full amount of the Commitment had been outstanding as a Loan throughout the whole of the first Interest Period under the Facility.

8.3 Default interest

- (a) If an Obligor fails to pay any amount payable by it under a Finance Document on its due date, interest shall accrue on the Unpaid Sum from the due date to the date of actual payment (both before and after judgment) at a rate which is, subject to paragraph (b) below, eighteen per cent. (18%) higher than the rate which would have been payable if the Unpaid Sum had, during the period of non-payment, constituted a Loan in the currency of the Unpaid Sum for successive Interest Periods, each of a duration selected by the Lender (acting reasonably). Any interest accruing under this Clause 8.3 (*Default interest*) shall be immediately payable by the Obligor on demand by the Lender.
- (b) If any Unpaid Sum consists of all or part of a Loan which became due on a day which was not the last day of an Interest Period relating to that Loan:
 - (i) the first Interest Period for that Unpaid Sum shall have a duration equal to the unexpired portion of the current Interest Period relating to that Loan; and
 - (ii) the rate of interest applying to the Unpaid Sum during that first Interest Period shall be eighteen per cent. (18%) higher than the rate which would have applied if the Unpaid Sum had not become due.
- (c) Default interest (if unpaid) arising on an Unpaid Sum will be compounded with the Unpaid Sum at the end of each Interest Period applicable to that Unpaid Sum but will remain immediately due and payable.

8.4 Notification of rates of interest

The Lender shall promptly notify the Borrower of the determination of a rate of interest under this Agreement.

9. INTEREST PERIODS

9.1 Interest Periods

- (a) Subject to paragraph (c) below, each Interest Period for a Loan shall be one (1) year.
- (b) An Interest Period for a Loan shall not extend beyond the Final Repayment Date.
- (c) The first Interest Period and each subsequent Interest Period for the Loan drawn by the Borrower under the Facility shall start and end on (both dates inclusive) the dates set out in the table below:

<u>Interest Period</u>	<u>Start Date</u>	<u>End Date</u>
First (1 st) Interest Period	Utilisation Date	3 October 2014
Second (2 nd) Interest Period	4 October 2014	3 October 2015
Third (3 rd) Interest Period	4 October 2015	3 October 2016

9.2 Non-Business Days

If an Interest Period would otherwise end on a day which is not a Business Day, that Interest Period will instead end on and include the next Business Day in that calendar month (if there is one) or the preceding Business Day (if there is not).

10. FEES

10.1 Commitment fee

- (a) The Borrower shall pay to the Lender for its own account a fee, accruing on a daily basis and calculated on the basis of the actual number of days elapsed in a 365 day year, at the rate of eleven per cent. (11%) per annum, on the Lender's Available Commitment at close of business (in Hong Kong) on each day of the Availability Period (or, if any such day shall not be a Business Day, at such close of business on the immediately preceding Business Day), such fee the "Facility Agreement Commitment Fee".
- (b) Each of the Pre-signing Commitment Fee and the Facility Agreement Commitment Fee shall be paid by the Borrower in full, on the last day of the first Interest Period under the Facility and shall be supplemental to the amount of interest payable by the Borrower pursuant to Clause 8.2(b).

SECTION 6
ADDITIONAL PAYMENT OBLIGATIONS

11. TAX GROSS-UP AND INDEMNITIES

11.1 Tax definitions

(a) In this Clause 11 (*Tax gross-up and indemnities*):

“**Tax Credit**” means a credit against, relief or remission for, or repayment of any Tax.

“**Tax Deduction**” means a deduction or withholding for or on account of Tax from a payment under a Finance Document.

“**Tax Payment**” means an increased payment made by an Obligor to the Lender under Clause 11.2 (*Tax gross-up*) or a payment under Clause 11.3 (*Tax indemnity*).

(b) Unless a contrary indication appears, in this Clause 11 (*Tax gross-up and indemnities*) a reference to “**determines**” or “**determined**” means a determination made in the absolute discretion of the person making the determination.

11.2 Tax gross-up

(a) All payments to be made by an Obligor to the Lender under the Finance Documents shall be made free and clear of and without any Tax Deduction unless such Obligor is required to make a Tax Deduction, in which case the sum payable by such Obligor (in respect of which such Tax Deduction is required to be made) shall be increased to the extent necessary to ensure the Lender receives a sum net of any deduction or withholding equal to the sum which it would have received had no such Tax Deduction been made or required to be made.

(b) The Borrower shall promptly upon becoming aware that an Obligor must make a Tax Deduction (or that there is any change in the rate or the basis of a Tax Deduction) notify the Lender accordingly. Similarly, the Lender shall notify the Borrower on becoming so aware in respect of a payment payable to the Lender.

(c) If an Obligor is required to make a Tax Deduction, that Obligor shall make that Tax Deduction and any payment required in connection with that Tax Deduction within the time allowed and in the minimum amount required by law.

(d) Within thirty days of making either a Tax Deduction or any payment required in connection with that Tax Deduction, the Obligor making that Tax Deduction shall deliver to the Lender evidence reasonably satisfactory to the Lender that the Tax Deduction has been made or (as applicable) any appropriate payment paid to the relevant taxing authority.

11.3 Tax indemnity

- (a) Without prejudice to Clause 11.2 (*Tax gross-up*), if the Lender is required to make any payment of or on account of Tax on or in relation to any sum received or receivable under the Finance Documents (including any sum deemed for purposes of Tax to be received or receivable by the Lender whether or not actually received or receivable) or if any liability in respect of any such payment is asserted, imposed, levied or assessed against the Lender, the Borrower shall, within three Business Days of demand of the Lender, promptly indemnify the Lender for any loss or liability it suffers as a result against such payment or liability, together with any interest, penalties, costs and expenses payable or incurred in connection therewith, provided that this Clause 11.3 (*Tax indemnity*) shall not apply to:
- (i) any Tax imposed on and calculated by reference to the net income actually received or receivable by the Lender (but, for the avoidance of doubt, not including any sum deemed for purposes of Tax to be received or receivable by the Lender but not actually receivable) by the jurisdiction in which the Lender is incorporated; or
 - (ii) any Tax imposed on and calculated by reference to the net income of the Facility Office of the Lender actually received or receivable by the Lender (but, for the avoidance of doubt, not including any sum deemed for purposes of Tax to be received or receivable by the Lender but not actually receivable) by the jurisdiction in which its Facility Office is located.
- (b) If the Lender intends to make a claim under paragraph (a) it shall promptly notify the Borrower of the event giving rise to the claim.

11.4 Tax credit

If an Obligor makes a Tax Payment and the Lender determines that:

- (a) a Tax Credit is attributable to an increased payment of which that Tax Payment forms part, to that Tax Payment or to a Tax Deduction in consequence of which that Tax Payment was required; and
- (b) the Lender has obtained and utilised that Tax Credit,

the Lender shall pay an amount to the Obligor which the Lender determines will leave it (after that payment) in the same after-Tax position as it would have been in had the Tax Payment not been required to be made by the Obligor.

11.5 Stamp taxes

The Borrower shall:

- (a) pay all stamp duty, registration and other similar Taxes payable in respect of any Finance Document, and
- (b) within three Business Days of demand, indemnify the Lender against any cost, loss or liability the Lender incurs in relation to any stamp duty, registration or other similar Tax paid or payable in respect of any Finance Document.

11.6 Indirect tax

- (a) All amounts set out or expressed in a Finance Document to be payable by any Party to the Lender shall be deemed to be exclusive of any Indirect Tax. If any Indirect Tax is chargeable on any supply made by the Lender to any Party in connection with a Finance Document, that Party shall pay to the Lender (in addition to and at the same time as paying the consideration) an amount equal to the amount of the Indirect Tax.

- (b) Where a Finance Document requires any Party to reimburse the Lender for any costs or expenses, that Party shall also at the same time pay and indemnify the Lender against all Indirect Tax incurred by the Lender in respect of the costs or expenses to the extent the Lender reasonably determines that it is not entitled to credit or repayment in respect of the Indirect Tax.

12. INCREASED COSTS

12.1 Increased costs

- (a) Subject to Clause 12.3 (*Exceptions*) the Borrower shall, within three Business Days of a demand by the Lender, pay for the account of the Lender the amount of any Increased Costs incurred by the Lender or any of its Affiliates as a result of (i) the introduction of or any change in (or in the interpretation, administration or application of) any law or regulation or (ii) compliance with any law or regulation made after the date of this Agreement. The terms “law” and “regulation” in this paragraph (a) shall include any law or regulation concerning capital adequacy, prudential limits, liquidity, reserve assets or Tax.

- (b) In this Agreement “**Increased Costs**” means:

- (i) a reduction in the rate of return from the Facility or on the Lender’s (or its Affiliate’s) overall capital (including as a result of any reduction in the rate of return on capital brought about by more capital being required to be allocated by the Lender);
- (ii) an additional or increased cost; or
- (iii) a reduction of any amount due and payable under any Finance Document,

which is incurred or suffered by the Lender or any of its Affiliates to the extent that it is attributable to the undertaking, funding or performance by the Lender of any of its obligations under any Finance Document or any participation of the Lender in any Loan or Unpaid Sum.

12.2 Increased cost claims

- (a) If the Lender intends to make a claim pursuant to Clause 12.1 (*Increased costs*) it shall promptly notify the Borrower of the event giving rise to the claim.
- (b) The Lender shall, as soon as practicable after a demand by the Borrower, provide a certificate confirming the amount of its Increased Costs.

12.3 Exceptions

- (a) Clause 12.1 (*Increased costs*) does not apply to the extent any Increased Cost is:

- (i) attributable to a Tax Deduction required by law to be made by an Obligor;
- (ii) compensated for by Clause 11.3 (*Tax indemnity*) (or would have been compensated for under Clause 11.3 (*Tax indemnity*) but was not so compensated solely because the exclusion in paragraph (a) of Clause 11.3 (*Tax indemnity*) applied); or
- (iii) attributable to the wilful breach by the Lender of any law or regulation.

- (b) In this Clause 12.3 (*Exceptions*), a reference to a “**Tax Deduction**” has the same meaning given to the term in Clause 11.1 (*Tax definitions*).

13. MITIGATION BY THE LENDER

13.1 Mitigation

- (a) The Lender shall, in consultation with the Borrower, take all reasonable steps to mitigate any circumstances which arise and which would result in any amount becoming payable under or pursuant to, or cancelled pursuant to, any of Clause 7.1 (*Illegality*), Clause 11 (*Tax gross-up and indemnities*) or Clause 12 (*Increased costs*), including:
- (i) providing such information as the Borrower may reasonably request in order to permit the Borrower to determine any exemption or other relief (whether pursuant to a double taxation treaty or otherwise) from any obligation to make a Tax Deduction; and
 - (ii) in relation to any circumstances which arise following the date of this Agreement, transferring its rights and obligations under the Finance Documents to another Affiliate or Facility Office.
- (b) Paragraph (a) above does not in any way limit the obligations of any Obligor under the Finance Documents.

13.2 Limitation of liability

- (a) The Borrower shall promptly indemnify the Lender for all costs and expenses reasonably incurred by the Lender as a result of steps taken by it under Clause 13.1 (*Mitigation*).
- (b) The Lender is not obliged to take any steps under Clause 13.1 (*Mitigation*) if, in the opinion of the Lender (acting reasonably), to do so might be prejudicial to it.

13.3 Conduct of business by the Lender

No provision of this Agreement will:

- (a) interfere with the right of the Lender to arrange its affairs (tax or otherwise) in whatever manner it thinks fit;
- (b) oblige the Lender to investigate or claim any credit, relief, remission or repayment available to it or the extent, order and manner of any claim; or
- (c) oblige the Lender to disclose any information relating to its affairs (tax or otherwise) or any computations in respect of Tax.

14. OTHER INDEMNITIES

14.1 Currency indemnity

- (a) If any sum due from an Obligor under the Finance Documents (a “**Sum**”), or any order, judgment or award given or made in relation to a Sum, has to be converted from the currency (the “**First Currency**”) in which that Sum is payable into another currency (the “**Second Currency**”) for the purpose of:
- (i) making or filing a claim or proof against that Obligor; or
 - (ii) obtaining or enforcing an order, judgment or award in relation to any litigation or arbitration proceedings,
- that Obligor shall as an independent obligation, within three Business Days of demand, indemnify the Lender to whom that Sum is due against any cost, loss or liability arising out of or as a result of the conversion including any discrepancy between (A) the rate of exchange used to convert that Sum from the First Currency into the Second Currency and (B) the rate or rates of exchange available to that person at the time of its receipt of that Sum.
- (b) Each Obligor waives any right it may have in any jurisdiction to pay any amount under the Finance Documents in a currency or currency unit other than that in which it is expressed to be payable.

14.2 Other indemnities

The Borrower shall (or shall procure that an Obligor will), within three Business Days of demand, indemnify the Lender against any cost, loss or liability incurred by the Lender as a result of:

- (a) the occurrence of any Event of Default;
- (b) the information produced or approved by any Obligor being or being alleged to be misleading and/or deceptive in any respect;
- (c) any enquiry, investigation, subpoena (or similar order) or litigation with respect to any Obligor or with respect to the transactions contemplated or financed under this Agreement;
- (d) a failure by an Obligor to pay any amount due under a Finance Document on its due date or in the relevant currency;
- (e) funding, or making arrangements to fund, its participation in a Loan requested by the Borrower in a Utilisation Request but not made by reason of the operation of any one or more of the provisions of this Agreement (other than by reason of default or gross negligence by the Lender alone);
- (f) a Loan (or part of a Loan) not being prepaid in accordance with a notice of prepayment given by the Borrower;
- (g) investigating any event which it reasonably believes is a Default; or
- (h) acting or relying on any notice, request or instruction which it reasonably believes to be genuine, correct and appropriately authorised.

15. COSTS AND EXPENSES

15.1 Failure to complete Acquisition

If the Acquisition fails to close on or before the last day of the Availability Period and the Lender has provided the Borrower with evidence reasonably satisfactory to the Borrower that it has raised funds for the Acquisition in an amount not less than US\$60,000,000 and such funds are (subject only to each condition in each Finance Document having been satisfied or waived by the Lender in accordance with the terms of the Finance Documents) available for lending to the Borrower for the purpose of funding the Acquisition, the Borrower shall, within three Business Days of demand, pay the Lender the amount of all costs and expenses reasonably incurred by the Lender in connection with the creation, setting up, incorporation, management, administration and financing of the Fund, up to a maximum aggregate amount of US\$1,500,000.

15.2 Amendment costs

If an Obligor requests an amendment, waiver or consent, the Borrower shall, within three Business Days of demand, reimburse the Lender for the amount of all costs and expenses (including legal fees) reasonably incurred by the Lender in responding to, evaluating, negotiating or complying with that request or requirement.

15.3 Enforcement costs

The Borrower shall, within three Business Days of demand, pay to the Lender the amount of all costs and expenses (including legal fees) incurred by the Lender in connection with the enforcement of, or the preservation of any rights under, any Finance Document.

**SECTION 7
GUARANTEE**

16. GUARANTEE AND INDEMNITY

16.1 Guarantee and indemnity

Each Personal Guarantor irrevocably and unconditionally and jointly and severally:

- (a) guarantees to the Lender punctual performance by the Borrower of all the Borrower's obligations under the Finance Documents;
- (b) undertakes with the Lender that whenever the Borrower does not pay any amount when due under or in connection with any Finance Document, that Personal Guarantor shall immediately on demand pay that amount as if it was the principal obligor; and
- (c) agrees with the Lender that if any obligation guaranteed by it is or becomes unenforceable, invalid or illegal, it will, as an independent and primary obligation, indemnify the Lender immediately on demand against any cost, loss or liability it incurs as a result of the Borrower not paying any amount which would, but for such unenforceability, invalidity or illegality, have been payable by it under any Finance Document on the date when it would have been due. The amount payable by an Personal Guarantor under this indemnity will not exceed the amount it would have had to pay under this Clause 16 (*Guarantee and indemnity*) if the amount claimed had been recoverable on the basis of a guarantee.

16.2 Continuing guarantee

This guarantee is a continuing guarantee and will extend to the ultimate balance of sums payable by any Obligor under the Finance Documents, regardless of any intermediate payment or discharge in whole or in part.

16.3 Reinstatement

If any discharge, release or arrangement (whether in respect of the obligations of any Obligor or any Security for those obligations or otherwise) is made by the Lender in whole or in part on the basis of any payment, Security or other disposition which is avoided or must be restored in insolvency, liquidation, administration or otherwise, without limitation, then the liability of each Personal Guarantor under this Clause 16 (*Guarantee and indemnity*) will continue or be reinstated as if the discharge, release or arrangement had not occurred.

16.4 Waiver of defences

The obligations of each Personal Guarantor under this Clause 16 (*Guarantee and indemnity*) will not be affected by an act, omission, matter or thing which, but for this Clause 16 (*Guarantee and indemnity*), would reduce, release or prejudice any of its obligations under this Clause 16 (*Guarantee and indemnity*) (without limitation and whether or not known to it or the Lender) including:

- (a) any time, waiver or consent granted to, or composition with, any Obligor or other person;

- (b) the release of any other Obligor or any other person under the terms of any composition or arrangement with any creditor of the Company;
- (c) the taking, variation, compromise, exchange, renewal or release of, or refusal or neglect to perfect, execute, take up or enforce, any rights against, or Security over assets of, any Obligor or other person or any non-presentation or non-observance of any formality or other requirement in respect of any instrument or any failure to realise the full value of any Security;
- (d) any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status or death of an Obligor or any other person;
- (e) any amendment, novation, supplement, extension, restatement (however fundamental and whether or not more onerous) or replacement of any Finance Document or any other document or Security including without limitation any change in the purpose of, any extension of or any increase in any facility or the addition of any new facility under any Finance Document or other document or Security;
- (f) any unenforceability, illegality or invalidity of any obligation of any person under any Finance Document or any other document or Security;
- (g) any insolvency or similar proceedings; or
- (h) this Agreement or any other Finance Document not being executed by or binding upon any other party.

16.5 Immediate recourse

Each Personal Guarantor waives any right it may have of first requiring the Lender (or any trustee or agent on its behalf) to proceed against or enforce any other rights or Security or claim payment from any person before claiming from that Personal Guarantor under this Clause 16 (*Guarantee and indemnity*). This waiver applies irrespective of any law or any provision of a Finance Document to the contrary.

16.6 Appropriations

Until all amounts which may be or become payable by the Obligors under or in connection with the Finance Documents have been irrevocably paid in full, the Lender (or any trustee or agent on its behalf) may:

- (a) refrain from applying or enforcing any other moneys, Security or rights held or received by the Lender (or any trustee or agent on its behalf) in respect of those amounts, or apply and enforce the same in such manner and order as it sees fit (whether against those amounts or otherwise) and no Personal Guarantor shall be entitled to the benefit of the same; and

- (b) hold in an interest-bearing suspense account any moneys received from any Personal Guarantor or on account of any Personal Guarantor's liability under this Clause 16 (*Guarantee and indemnity*).

16.7 Deferral of Personal Guarantors' rights

Until all amounts which may be or become payable by the Obligors under or in connection with the Finance Documents have been irrevocably paid in full and unless the Lender otherwise directs, no Personal Guarantor will exercise or otherwise enjoy the benefit of any right which it may have by reason of performance by it of its obligations under the Finance Documents or by reason of any amount being payable, or liability arising, under this Clause 16 (*Guarantee and indemnity*):

- (a) to be indemnified by an Obligor;
- (b) to claim any contribution from any other guarantor of or provider of Security for any Obligor's obligations under the Finance Documents;
- (c) to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any rights of the Lender under the Finance Documents or of any other guarantee or Security taken pursuant to, or in connection with, the Finance Documents by the Lender;
- (d) to bring legal or other proceedings for an order requiring any Obligor to make any payment, or perform any obligation, in respect of which any Personal Guarantor has given a guarantee, undertaking or indemnity under Clause 16.1 (*Guarantee and indemnity*);
- (e) to exercise any right of set-off against any Obligor; and/or
- (f) to claim or prove as a creditor of any Obligor in competition with the Lender.

If any Personal Guarantor shall receive any benefit, payment or distribution in relation to any such right it shall hold that benefit, payment or distribution (or so much of it as may be necessary to enable all amounts which may be or become payable to the Lender by the Obligors under or in connection with the Finance Documents to be paid in full) on trust for the Lender, and shall promptly pay or transfer the same to the Lender or as the Lender may direct for application in accordance with Clause 27 (*Payment mechanics*).

16.8 Additional security

This guarantee is in addition to and is not in any way prejudiced by any other guarantee or Security now or subsequently held by the Lender.

SECTION 8
REPRESENTATIONS, UNDERTAKINGS AND EVENTS OF DEFAULT

17. REPRESENTATIONS

Each Obligor makes the representations and warranties set out in this Clause 17 (*Representations*) to the Lender on the date of this Agreement, on the date of each Utilisation Request and the first day of each Interest Period by reference to the facts and circumstances then existing.

17.1 Status

- (a) The Borrower is a corporation, duly incorporated and validly existing under the laws of the jurisdiction of incorporation set opposite its name under the heading "Jurisdiction of Incorporation" in Part I of Schedule 1 (*The Original Parties*).
- (b) Each Personal Guarantor is a citizen of the PRC and is domiciled and resident in the PRC.
- (c) It and each member of the Group has the power to own its assets and carry on its business as it is being conducted
- (d) The Company is a foreign private issuer, as such term is defined in Rule 3b-4 under the Exchange Act.
- (e) The Company (A) (i) is subject to the reporting requirements of section 13 or 15(d) of the Exchange Act, and (ii) has filed during the twelve (12) Months preceding this Agreement all required reports pursuant to such sections; and (B) for as long as any part of any Loan remains outstanding hereunder, it (i) will continue to be subject to the reporting requirements of section 13 or 15(d) of the Exchange Act, and (ii) will timely file all reports required pursuant to such sections.

17.2 Binding obligations

The obligations expressed to be assumed by it in each Finance Document are its legal, valid and binding obligations, subject to any general principles of law limiting its obligations which are specifically referred to in any legal opinion delivered in accordance with Clause 4 (*Conditions of Utilisation*) or Clause 25 (*Changes to the Obligors*).

17.3 Non-conflict with other obligations

The entry into and performance by it of, and the transactions contemplated by, the Finance Documents do not and will not conflict with:

- (a) any law or regulation applicable to it, its shareholders or the Company, including, but not limited to, the rules of the Exchange, any anti-fraud or reporting provisions of the Exchange Act, or any other U.S. law or any governmental rule or regulation applicable to it;
- (b) its and each member of the Group's constitutional documents; or

- (c) any agreement or instrument binding upon it or any member of the Group or any of its or any member of the Group's assets.

17.4 **Compliance with disclosure requirements**

The Obligor has complied, and will comply, with all applicable disclosure requirements with respect to the Shares, the Finance Documents and the transactions contemplated thereunder and effected on or prior to the date hereof (or, to the extent this representation is made or deemed to be made as of a different date, effected on or prior to such date) under Sections 13 and, if applicable, 16 of the Exchange Act (including, without limitation, any required filings with the SEC), and all other applicable laws (including, without limitation, applicable securities laws) and regulations of any jurisdiction.

17.5 **Power and authority**

- (a) It has the power to enter into, perform and deliver, and has taken all necessary action to authorise its entry into, performance and delivery of, the Finance Documents to which it is a party and the transactions contemplated by those Finance Documents.
- (b) No limit on its powers will be exceeded as a result of the borrowing, grant of Security or giving of guarantees or indemnities contemplated by the Finance Documents to which it is a party.
- (c) In the case of each Personal Guarantor:
 - (i) he is of full age and sound mind;
 - (ii) prior to his execution of any Finance Document, he has been informed by the Lender:
 - (A) that he has the choice not to proceed with the transaction in connection with any Finance Document;
 - (B) to seek independent legal advice in relation to his obligations and liabilities under the Finance Documents;
 - (C) that if he decides not to instruct his own solicitors, he will be required to attend a meeting with the Lender to witness his execution of the Finance Documents to which he is a party but the Lender (or its legal adviser) will not be giving him any legal advice regarding any Finance Document;
 - (D) to obtain financial information in respect of the Borrower and the other Original Obligors and engage his own financial adviser to give him advice on such financial information before executing any Finance Document;
 - (E) that by executing any Finance Document, he may be liable instead of or as well as each Original Obligor (other than himself) for the due and punctual performance by the Borrower and/or the other Original Obligors of all their respective obligations under the Finance Documents;
 - (F) that if the Borrower does not pay any amount when due under any Finance Document or if the Lender suffers any liability if any obligation of the Borrower under the Finance Documents is or becomes unenforceable, invalid or illegal, he will be called upon to honour his obligations under the guarantee set out in Clause 16 (*Guarantee and indemnity*);

- (G) that his liabilities under this Agreement are payable on demand; and
 - (H) that he has the option to choose (prior to the date of execution of this Agreement) whether his guarantee obligations under Clause 16 (*Guarantee and indemnity*) should be limited or unlimited in amount and that the obligations under the Finance Documents are not subject to any monetary limit unless expressly provided otherwise;
- (iii) he acknowledges and confirms that he has been provided with a copy of each of the Finance Documents and fully understands the contents of the Finance Documents;
 - (iv) he is acting as principal and not as agent in entering into this Agreement and/or any other Finance Document and/or the transactions contemplated by any Finance Document;
 - (v) he has either obtained independent legal advice or has voluntarily waived his right to seek independent legal advice with respect to the Finance Documents and the transactions contemplated thereby prior to his execution and delivery of any Finance Document and he fully understands the nature and extent of his obligations and liabilities under the Finance Documents and has acted independently and free from any undue influence of any person.

17.6 **Validity and admissibility in evidence**

All Authorisations required or desirable:

- (a) to enable it lawfully to enter into, exercise its rights and comply with its obligations in the Finance Documents to which it is a party;
- (b) to make the Finance Documents to which it is a party admissible in evidence in its jurisdiction of incorporation;
- (c) for it to carry on its business; and
- (d) to enable it to create the Security to be created by it pursuant to any Security Document and to ensure that such Security has the priority and ranking it is expressed to have,

have been obtained or effected and are in full force and effect.

17.7 **Governing law and enforcement**

- (a) The choice of English law as the governing law of the Finance Documents will be recognised and enforced in its jurisdiction of incorporation and the People's Republic of China.

- (b) Any arbitral award obtained in Hong Kong in relation to a Finance Document will be recognised and enforced in its jurisdiction of incorporation and the People's Republic of China.

17.8 Deduction of Tax

It is not required under the law applicable where it is incorporated or resident or at the address specified in this Agreement to make any deduction for or on account of Tax from any payment it may make under any Finance Document.

17.9 No filing or stamp taxes

Under the law of its jurisdiction of incorporation or domicile it is not necessary that the Finance Documents be filed, recorded or enrolled with any court or other authority in that jurisdiction or that any stamp, registration or similar tax be paid on or in relation to the Finance Documents or the transactions contemplated by the Finance Documents.

17.10 No default

- (a) No Event of Default is continuing or could reasonably be expected to result from the making of any Utilisation.
- (b) No other event or circumstance is outstanding which constitutes a default under any other agreement or instrument which is binding on it or to which its assets are subject which could reasonably be expected to have a Material Adverse Effect.

17.11 No misleading information

All information supplied by the Obligor or any member of the Group to the Lender for the purposes of the Facility was true, complete and accurate in all material respects as at the date it was given.

17.12 Financial statements

- (a) The financial statements of the Borrower most recently supplied to the Lender were prepared in accordance with GAAP consistently applied save to the extent expressly disclosed in such financial statements.
- (b) The financial statements of the Borrower most recently supplied to the Lender give a true and fair view and represent its financial condition and operations during the relevant financial year save to the extent expressly disclosed in such financial statements.
- (c) There has been no material adverse change in the business or financial condition of the Borrower since the date of its most recent consolidated financial statements.

17.13 Ranking

- (a) Each Security Document creates (or, once entered into, will create) in favour of the Lender the Security which it is expressed to create with the ranking and priority it is expressed to have.
- (b) Without limiting paragraph (a) above, its payment obligations under the Finance Documents rank at least pari passu with the claims of all of its other unsecured and unsubordinated creditors, except for obligations mandatorily preferred by law applying to companies generally.

17.14 No proceedings pending or threatened

No litigation, arbitration or administrative proceedings of or before any court, arbitral body or agency which, if adversely determined, could reasonably be expected to have a Material Adverse Effect have (to the best of its knowledge and belief, having made due enquiry) been started or threatened against it or any member of the Group.

17.15 Authorised Signatures

Any person specified as its authorised signatory under Schedule 2 (*Conditions precedent*) or paragraph (e) of Clause 18.4 (*Information: miscellaneous*) is authorised to sign Utilisation Requests (in the case of the Borrower only) and other notices on its behalf.

17.16 Shares

- (a) The Company's constitutional documents and any agreements or policies of the Company applicable to any Share or any holder of such Share do not restrict or inhibit any transfer of such Share on creation of the Transaction Security or enforcement of the Transaction Security by the Lender or its agents.
- (b) The Collateral Shares are not subject to any shareholders' agreement or any voting or other contractual restrictions.
- (c) As of the SPA I Second Closing Date, the sum of the total number of Collateral Shares will be at least 52,303,178 Ordinary Shares and at least 5,066,302 ADSs.
- (d) The certified copy of the register of members provided to the Lender pursuant to Schedule 2 (*Conditions precedent*) to this Agreement is a certified copy of the original register of members maintained by the Company in compliance with section 40 of the Companies Law (2012 Revision) of the Cayman Islands.
- (e) The Loan is entered into by Borrower in good faith and at arm's length. The Loan is not entered into with an expectation that the Borrower would default on its obligations thereunder.
- (f) The Transaction Security is a Security to secure the Borrower's obligations under the Finance Documents and is entered into by Borrower in good faith and at arm's length.
- (g) The Security Documents are not entered into by it with the intent of facilitating a disposition of the Collateral Shares. (For the avoidance of doubt, its obligations under the Finance Documents will not be deemed to represent that it has entered into any Finance Document with the intent of facilitating a disposition of the Collateral Shares within the meaning of the immediately preceding sentence.)
- (h) Each Collateral Share:
 - (i) has been duly issued and is fully paid by its respective Chargor and there are no moneys or liabilities of such Chargor outstanding or payable in respect of it, and is non-assessable; and

- (ii) is free of any forms of guaranty, pledge, charge, lien or other encumbrances and is not in any way jointly owned with any third parties or subject to any other third-party rights or claims.
- (i) As long as any part of any Loan remains outstanding hereunder, the Borrower will not transfer the economic risk of or hedge or take any form of insurance against any losses arising from its investment in the SPA Shares.
- (j) The Borrower understands (and the Borrower represents that Solar Honor understands) that upon the occurrence of an Event of Default and the exercise of remedies with respect thereto under the Finance Documents:
 - (i) a bulk sale of any of the Collateral Shares may occur which may result in a substantially discounted realisation value with respect to such Collateral Shares compared to the then current market price; and
 - (ii) a private sale of any of the Collateral Shares may occur which may result in less proceeds than a public sale.The Borrower acknowledges and agrees (and the Borrower represents that Solar Honor acknowledges and agrees) that any such bulk sale or private sale shall be a commercially reasonable disposition under applicable law.
- (k) At all times prior to the disposition of any Collateral Shares by the Lender pursuant to paragraph (j) above, it shall have the right to exercise all voting, consensual and other powers of ownership pertaining to the Collateral Shares for all purposes not inconsistent with the terms of this Agreement or any other instrument or agreement referred to herein, provided that it agrees that it shall not vote such Collateral Shares in any manner that is inconsistent with the terms of this Agreement or any such other instrument or agreement or could reasonably be expected to have a Material Adverse Effect. For the avoidance of doubt, the Lender shall have no voting rights with respect to the Collateral Shares, except to the extent that the Lender purchases any Collateral Shares in a sale or other disposition made pursuant to paragraph (j) above.

17.17 No restrictions on creation of Security

Neither it nor Solar Honor is under any contractual, regulatory or other restriction which prevents it or Solar Honor from:

- (a) creating Security over the Charged Assets; or
- (b) disposing of the Collateral Shares held in the Safekept Securities Accounts.

17.18 Holding Company status

- (a) The Borrower has no trade or business other than holding the Shares or (subject to the provisions of this Agreement) other assets to be acquired with the proceeds of the Loan and does not engage in any trade or business other than that of an investment or Holding Company.
- (b) The Borrower does not have any Subsidiaries.

17.19 Share capital in the Company

- (a) As at the date of this Agreement,
- (i). Daketala International Investment Holdings Ltd., a company wholly owned by Mr. Jianyu Yang, owns not less than 4,836,611 Ordinary Shares;
 - (ii). CZY Investments Limited, a company wholly owned by Mr. Zheng Cheng, owns not less than 8,861,525 Ordinary Shares;
 - (iii). Solar Honor does not own any Shares; and
 - (iv). the total outstanding share capital of the Company is 134,836,300 Ordinary Shares (excluding treasury shares).
- (b) Immediately following final completion of the Acquisition, the Borrower and Solar Honor shall legally and beneficially own at least 59,951,273 Ordinary Shares and at least 5,066,302 ADSs; and
- (c) all such shares owned by the Borrower and Solar Honor upon final completion of the Acquisition will be charged to the Lender, and at the very latest, upon the occurrence of the SPA I Second Closing Date, except for 7,648,095 Ordinary Shares which will be charged by the Borrower to a third party.

17.20 FCPA

Neither it nor the Group nor, to the best of their knowledge and belief having made all reasonable enquiries, any employee or other person associated with or acting on behalf of it or the Group, has used any corporate funds for any unlawful contribution, gift, entertainment or other unlawful expense relating to political activity; made any direct or indirect unlawful payment to any foreign or domestic government official or employee from corporate funds; violated or is in violation of any provision of the U.S. Foreign Corrupt Practices Act of 1977 (the "FCPA"); or made any bribe, rebate, payoff, influence payment, kickback or other unlawful payment prohibited under any applicable law or regulation equivalent to the FCPA.

17.21 Anti-money laundering

The operations of the Group and it are and have been conducted at all times in compliance with applicable financial record keeping and reporting requirements and money laundering statutes in the jurisdictions in which the Borrower is incorporated and all jurisdictions in which the Borrower conducts business, the rules and regulations thereunder and any related or similar rules, regulations or guidelines, issued, administered or enforced by any Governmental Agency (collectively, "Money Laundering Laws") and no action, suit or proceeding by or before any court or Governmental Agency, authority or body or any arbitrator involving the Borrower with respect to Money Laundering Laws is pending and, to the best of its knowledge and belief, no such actions, suits or proceedings are threatened or contemplated.

18. INFORMATION UNDERTAKINGS

The undertakings in this Clause 18 (*Information undertakings*) remain in force from the date of this Agreement for so long as any amount is outstanding under the Finance Documents or any Commitment is in force.

18.1 Financial statements

The Borrower shall supply to the Lender:

- (a) as soon as the same become available, but in any event within 30 days after the end of each of its financial years, its consolidated unaudited financial statements for that financial year; and
- (b) as soon as the same become available, but in any event within 30 days after the end of each financial quarter in each of its financial years, its consolidated unaudited financial statements for that financial quarter.

18.2 Requirements as to financial statements

- (a) Each set of financial statements delivered by the Borrower pursuant to Clause 18.1 (*Financial statements*) shall be certified by a director of the relevant company as fairly representing its financial condition as at the date as at which those financial statements were drawn up.
- (b) The Borrower shall procure that each set of financial statements delivered pursuant to Clause 18.1 (*Financial statements*) is prepared using GAAP.

18.3 Information: miscellaneous

The Borrower shall supply to the Lender:

- (a) all documents dispatched by the Borrower to its shareholders (or any class of them) or its creditors generally at the same time as they are despatched;
- (b) promptly, any announcement, notice or other document relating specifically to the Borrower posted onto any electronic website maintained by any stock exchange on which shares in or other securities of the Borrower are listed or any electronic website required by any such stock exchange to be maintained by or on behalf of the Borrower;
- (c) promptly upon becoming aware of them, the details of any litigation, arbitration or administrative proceedings which are current, threatened or pending against the Company, and which, if adversely determined, could reasonably be expected to have a Material Adverse Effect;
- (d) promptly, to the extent available to the Borrower, such further information regarding the financial condition, business and operations of the Company as the Lender may request; and
- (e) promptly, notice of any change in authorised signatories of the Borrower signed by a director or company secretary of the Borrower accompanied by specimen signatures of any new authorised signatories.

18.4 **Notification of default**

- (a) Each Obligor shall notify the Lender of any Default (and the steps, if any, being taken to remedy it) promptly upon becoming aware of its occurrence (unless that Obligor is aware that a notification has already been provided by another Obligor).
- (b) Promptly upon a request by the Lender, the Borrower shall supply to the Lender a certificate signed by a director or senior officer on its behalf certifying that no Default is continuing (or if a Default is continuing, specifying the Default and the steps, if any, being taken to remedy it).

18.5 **“Know your customer” checks**

- (a) Each Obligor shall promptly upon the request of the Lender supply, or procure the supply of, such documentation and other evidence as is reasonably requested by the Lender (for itself or on behalf of any prospective new Lender) in order for the Lender or any prospective new Lender to conduct any “know your customer” or other similar procedures under applicable laws and regulations.

19. **FINANCIAL COVENANTS**

19.1 **Financial definitions**

In this Agreement:

“**Adjusted EBITDA**” means the Adjusted EBITDA of the Company as stated in the quarterly unaudited consolidated financial results of the Company furnished to or filed with the SEC (or, if the quarterly unaudited consolidated financial results of the Company furnished to or filed with the SEC do not contain a definition of “Adjusted EBITDA”, that line item which (in the reasonable determination of the Lender) is the closest economic equivalent to “Adjusted EBITDA”).

“**Leverage Ratio**” means, in respect of any Relevant Period, the ratio of the total liabilities of the Company to the total assets of the Company as of the last day of such Relevant Period, in each case as stated in the quarterly unaudited consolidated financial results or the audited consolidated annual financial statements of the Company furnished to or filed with the SEC (or, if the quarterly unaudited consolidated financial results or the audited consolidated annual financial statements of the Company furnished to or filed with the SEC do not state the total liabilities of the Company and/or the total assets of the Company, that ratio which (in the reasonable determination of the Lender) is the closest economic equivalent of such ratio which can be determined from the quarterly unaudited consolidated financial results of the Company filed with the SEC).

“**Relevant Period**” means each period of six months ending on (respectively) 30 June or 31 December of each year.

“**SEC**” means the United States Securities and Exchange Commission.

19.2 Financial condition

(a) Leverage Ratio

Each Obligor shall procure that, in respect of each Relevant Period, the Leverage Ratio of the Group shall not exceed 7:10.

(b) Adjusted EBITDA

Each Obligor shall procure that in respect of each Relevant Period, Adjusted EBITDA shall not be less than RMB100,000,000.

19.3 Financial testing

(a) The financial covenants set out in Clause 19.2 (*Financial condition*) shall be tested semi-annually as at 30 June and 31 December of each year by reference to the figures contained in the two sets of quarterly unaudited consolidated financial results of the Company comprising the relevant six months period furnished to or filed with the SEC.

(b) Within ten (10) Business Days following the date on which the Adjusted EBITDA and the total assets and total liabilities of the Company for any Relevant Period are available, the Borrower shall deliver to the Lender a Compliance Certificate as to compliance (or otherwise) with the financial covenants set out in Clause 19.2 (*Financial condition*).

20. MARGIN PROVISIONS

20.1 Definitions

In this Agreement:

“**Collateral Deadline Date**” means, in relation to a Collateral Trigger Date, the twentieth Business Day after such Collateral Trigger Date.

“**Collateral Release Loan-to-Value Ratio**” means 0.52.

“**Collateral Trigger Date**” has the meaning given to such term in Clause 20.2 (*Top-up obligations*).

“**Loan-to-Value Ratio**” means, on any Scheduled Trading Day, the product (determined by the Lender) of the following formula, expressed as a figure:

$$\frac{A}{((B \times C) + D)}$$

Where:

A equals the aggregate principal amount of the Loans outstanding on that Scheduled Trading Day;

B equals the total number of Charged Ordinary Shares divided by three (3) plus the total number of Charged ADSs, in each case on that Scheduled Trading Day;

C equals the VWAP per ADS on that Scheduled Trading Day; and

D equals the aggregate amount of cash in the Cash Accounts and the cash value of all Acceptable Assets delivered by the Borrower to the Lender pursuant to Clause 20.2(b)(i)(C) (*Top-up obligations*).

“**Maintenance Loan-to-Value Ratio**” means 0.9.

20.2 **Top-up obligations**

(a) If the Lender determines that:

- (i) the Loan-to-Value Ratio on any Valuation Date exceeds the Maintenance Loan-to-Value Ratio (such Valuation Date, a “**Relevant Date**”); and
- (ii) following such Relevant Date, the Loan-to-Value Ratio on each of the fifteen consecutive Scheduled Trading Days immediately following such Relevant Date continues to exceed the Maintenance Loan-to-Value Ratio (the fifteenth such Scheduled Trading Day, a “**Collateral Trigger Date**”),

the Lender shall promptly notify the Borrower of such fact, and the Lender may give written notice Demand Notice to the Borrower (such notice, a “**Demand Notice**”) which notifies the Borrower of:

- (i) the occurrence of a Collateral Trigger Date in respect of a Valuation Date; and
- (ii) the requirement for the Borrower to cure such Collateral Trigger in accordance with paragraph (b) below.

A Demand Notice may be in the form of an electronic mail and shall be deemed delivered on the date of delivery.

(b) Upon a Demand Notice being given under paragraph (a) above, the Borrower shall, on or prior to the relevant Collateral Deadline Date:

- (i) at the Borrower’s discretion:
 - (A) deposit cash denominated in US Dollars into the Borrower Cash Account pursuant to, in accordance with and subject to the Security constituted by the Borrower Account Charge; and/or
 - (B) charge any additional Ordinary Shares to the Lender pursuant to, in accordance with and subject to the Security constituted by the Borrower Share Mortgage; and/or
 - (C) deposit additional ADSs into the Borrower Safekept Securities Account pursuant to, in accordance with and subject to the Security constituted by the Borrower Account Charge and the Borrower Safekeeping Agreement; and/or
 - (D) deliver any other Acceptable Asset to the Lender (any assets delivered under any of paragraphs (A), (B) or (C), “**Additional Collateral**”),

in each case, so as to ensure that the Loan-to-Value Ratio on the Collateral Deadline Date (after all deposits and deliveries on or prior to the relevant Collateral Deadline Date pursuant to this paragraph (b) have been made) would not exceed the Maintenance Loan-to-Value Ratio;

- (i) provide to the Lender written evidence or notice in form and substance satisfactory to the Lender evidencing the deposit or delivery (as the case may be) of the Additional Collateral; and
- (ii) in the case of any Acceptable Asset delivered pursuant to paragraph (b)(i)(C) above, enter into or execute any additional documentation in form and substance satisfactory to the Lender to ensure valid Security securing the obligations of the Borrower under this Agreement is created over such Acceptable Asset in favour of the Lender, and that such Security is perfected in accordance with applicable law.

20.3 **Margin sale**

- (a) On any Valuation Date, if the Borrower determines that the Loan-to-Value Ratio is less than the Collateral Release Loan-to-Value Ratio, the Borrower may request the Lender to notify the Borrower whether the Lender concurs with the Borrower's determination. The Lender shall upon receiving such request from the Borrower promptly notify the Borrower of its determination (such date, a "**Margin Release Notice Date**").
- (b) Upon a notice being given by the Lender to the Borrower under paragraph (a) above confirming that on such Valuation Date the Loan-to-Value Ratio was less than the Collateral Release Loan-to-Value Ratio, the Borrower may, on any Scheduled Trading Day on which the Loan-to-Value Ratio continues to be less than the Collateral Release Loan-to-Value Ratio, give notice to the Lender irrevocably requesting the sale of all or part of the Collateral Shares owned by the Borrower (the "**Sale Collateral**") and the disposal of such Sale Collateral on any subsequent Scheduled Trading Day (a "**Collateral Sale Request**") on the terms set out in this Clause 20.3, provided that the amount of Collateral Shares less the Sale Collateral shall be sufficient to ensure that the Loan-to-Value Ratio immediately following such sale shall not exceed the Maintenance Loan-to-Value-Ratio on such Scheduled Trading Day.
- (c) If any Collateral Shares are released from the Borrower Share Mortgage and/or the Borrower Account Charge (as applicable) in accordance with this Clause 20.3 (*Margin sale*) and sold:
 - (i) if the Loan-to-Value Ratio immediately following the proposed sale is equal to or higher than the Collateral Release Loan-to-Value Ratio, the proceeds of any such disposal shall be immediately deposited into the Borrower Cash Account pursuant to, in accordance with and subject to the Security constituted by the Borrower Account Charge; and
 - (ii) if the Loan-to-Value Ratio immediately following the proposed sale is less than the Collateral Release Loan-to-Value Ratio, the net proceeds of such sale shall be paid to the Borrower and the Borrower may use such proceeds for any purposes in its sole discretion.

- (d) It shall be a condition of each sale by the Lender (or its authorised agent) under the terms of this Clause 20.3 (*Margin sale*) that at all times the Lender is satisfied that:
- (i) each relevant Obligor appoints the Lender (or an Affiliate or nominee of the Lender, or a broker designated by the Lender) as exclusive broker in respect of such sale on such terms as are specified by the Lender under any brokerage customer documentation;
 - (ii) any sale of the Sale Collateral shall be an arm's length transaction and shall be in compliance with all applicable laws;
 - (iii) the Lender (or any of its Affiliates) will not become subject to any reporting or disclosure obligations under any applicable laws;
 - (iv) the settlement of any sale of Sale Collateral shall be effected in a manner acceptable to the Lender;
 - (v) settlement of any sale of Sale Collateral shall take place on such basis as constitutes (to the Lender's satisfaction) a delivery versus payment arrangement without credit or settlement risk; and
 - (vi) none of the Lender or any Affiliate or agent of the Lender shall be liable for any loss or damage suffered by any Obligor or any other person arising from any sale or other action by the Lender or Affiliate or agent of the Lender (or on its behalf) pursuant to this Clause 20.3 (*Margin sale*), or for any failure to effect or take any such sale or other action unless such loss or damage shall be caused by the gross negligence or fraud of the Lender, its Affiliates or agent.
- (e) Following receipt by the Lender of a Collateral Sale Request, the Lender shall at such time(s) and on such date(s) as the Lender may determine to be appropriate in relation to the sale of the Sale Collateral, sell the Sale Collateral in accordance with the Collateral Sale Request.
- (f) Each Collateral Sale Request shall include the following information:
- (i) the total number of Collateral Shares to be sold; and
 - (ii) the minimum price at which such Sale Collateral can be sold; and
 - (iii) shall be irrevocable and be signed by authorised signatories of the Borrower
- (g) If the Lender receives a Collateral Sale Request before 4:00 pm Hong Kong time on a Scheduled Trading Day, it shall be deemed to be received by the Lender on such Scheduled Trading Day. If such Collateral Sale Request is received by the Lender after 4:00 pm Hong Kong time on a Scheduled Trading Day, it shall be deemed to be received by the Lender on the next following Scheduled Trading Day.
- (h) Without prejudice to any other indemnity by the Borrower in this Agreement, the Borrower undertakes promptly on demand to indemnify the Lender, its Affiliates and its agents against any expense, cost, loss or liability it or they may incur or suffer arising out of or in connection with any matter referred to in this Clause 20.3 (*Margin sale*). The Lender shall not charge any commission, brokerage fee or fees or a similar nature in relation to the sale of the Sale Collateral, provided that the Borrower shall promptly upon demand indemnify the Lender against any such commission, brokerage fee or fees of a similar nature incurred by the Lender in relation to the sale of the Sale Collateral.

20.4 **Charged Accounts**

For the avoidance of doubt, no interest will be payable by the Lender to any Chargor on any credit balance from time to time on the Charged Accounts.

21. **GENERAL UNDERTAKINGS**

The undertakings in this Clause 21 (*General undertakings*) remain in force from the date of this Agreement for so long as any amount is outstanding under the Finance Documents or any Commitment is in force.

21.1 **Authorisations**

Each Obligor shall promptly:

- (a) obtain, comply with and do all that is necessary to maintain in full force and effect; and
- (b) supply certified copies to the Lender of,

any Authorisation required to enable it to perform its obligations under the Finance Documents and to ensure the legality, validity, enforceability or admissibility in evidence in its jurisdiction of incorporation (in the case of the Borrower) or domicile (in the case of each Personal Guarantor) of any Finance Document.

21.2 **Compliance with laws**

- (a) Each Obligor shall (and each Obligor shall use commercially reasonable efforts to ensure that the Company and each officer and director of the Company will) comply in all respects with all laws and regulations to which it may be subject (including without limitation all laws and regulations of the United States, Cayman Islands and the PRC), and in particular, those laws relating to connected party and related party transactions in each such jurisdiction, if failure to comply would materially impair its ability to perform its obligations under the Finance Documents.

21.3 **Pari passu ranking**

Each Obligor shall ensure that its payment obligations under the Finance Documents rank and continue to rank at least *pari passu* with the claims of all of its other unsecured and unsubordinated creditors, except for obligations mandatorily preferred by law applying to companies generally.

21.4 **Negative pledge**

In this Clause 21.4 (*Negative pledge*), “**Quasi-Security**” means an arrangement or transaction described in paragraph (b) below.

- (a) The Borrower shall not create or permit to subsist any Security over any of its assets.
- (b) The Borrower shall not (and the Borrower shall use commercially reasonable efforts to ensure that the Company will not):
- (i) sell, transfer or otherwise dispose of any of its assets on terms whereby they are or may be leased to or re-acquired by an Obligor or the Company;
 - (ii) sell, transfer or otherwise dispose of any of its receivables on recourse terms;
 - (iii) enter into or permit to subsist any title retention arrangement;
 - (iv) enter into or permit to subsist any arrangement under which money or the benefit of a bank or other account may be applied, set-off or made subject to a combination of accounts; or
 - (v) enter into or permit to subsist any other preferential arrangement having a similar effect,
- in circumstances where the arrangement or transaction is entered into primarily as a method of raising Financial Indebtedness or of financing the acquisition of an asset.
- (c) Paragraphs (a) and (b) above do not apply to:
- (i) any netting or set-off arrangement entered into by the Borrower or the Company in the ordinary course of its banking arrangements for the purpose of netting debit and credit balances;
 - (ii) any payment or close out netting or set-off arrangement pursuant to any hedging transaction entered into by the Borrower or the Company for the purpose of:
 - (A) hedging any risk to which the Borrower or the Company is exposed in its ordinary course of trading; or
 - (B) its interest rate or currency management operations which are carried out in the ordinary course of business and for non-speculative purposes only,excluding, in each case, any Security or Quasi-Security under a credit support arrangement in relation to a hedging transaction;
 - (iii) any lien arising by operation of law and in the ordinary course of trading **provided that** the debt which is secured thereby is paid when due or contested in good faith by appropriate proceedings and properly provisioned;
 - (iv) any Security or Quasi-Security created pursuant to any Finance Document
 - (v) 7,648,095 Ordinary Shares that will be pledged to a third party; or
 - (vi) 8,240,760 Ordinary Shares that will be pledged to certain Institutional Shareholders until the SPA I Second Closing Date.

21.5 Disposals

- (a) The Borrower shall not enter into a single transaction or a series of transactions (whether related or not) and whether voluntary or involuntary to sell, lease, transfer or otherwise dispose of any asset, other than for the purpose of prepaying or repaying all or a part of the Loans.
- (b) Paragraph (a) above does not apply to any sale, lease, transfer or other disposal made in the ordinary course of trading of the disposing entity.

21.6 Merger

The Borrower shall not enter into any amalgamation, demerger, merger or corporate reconstruction.

21.7 Change of business

Each Obligor shall procure that no change is made to the general nature of the business of the Group from that carried on at the date of this Agreement.

21.8 Acquisitions

The Borrower shall not acquire any company, business, assets or undertaking or make any investment unless permitted under this Agreement.

21.9 Loans and guarantees

The Borrower shall not make or allow to subsist any loans, grant any credit (save in the ordinary course of business) or give or allow to remain outstanding any guarantee or indemnity (except as required under any of the Finance Documents) to or for the benefit of any person or otherwise voluntarily assume any liability, whether actual or contingent, in respect of any obligation of any person.

21.10 Financial Indebtedness

- (a) The Borrower shall not incur or permit to remain outstanding any Financial Indebtedness.
- (b) Paragraph (a) above does not apply to:
 - (i) any Financial Indebtedness incurred pursuant to any Finance Documents;
 - (ii) any Financial Indebtedness for the purpose of prepaying and replacing all or part of the Loans

21.11 Option Agreement

Each Obligor shall ensure that the Option Agreement shall remain in full force and effect until the Final Repayment Date.

21.12 Holding Company

Notwithstanding any other provision of this Agreement, the Borrower shall not trade, carry on any business, own any asset (other than the assets to be acquired with the proceeds of the Loans (subject to the provisions of this Agreement) and the Shares) or incur any liability other than any liability incidental to its ownership of the Shares and its corporate existence and/or pursuant to the execution and performance of the Finance Documents.

21.13 Granting of Security

Each Obligor shall ensure that:

- (a) the 4,836,611 Ordinary Shares held by Daketala International Investment Holdings Ltd. and the 3,269,629 Ordinary Shares held by CZY Investments Limited are transferred to the Borrower prior to the Utilization Date and are subsequently charged by the Borrower in favour of the Lender pursuant to the Security Documents prior to the Utilization Date;
- (b) immediately upon their acquisition, the SPA Shares are charged by the Borrower in favour of the Lender pursuant to the Security Documents (other than (i) 8,240,760 Ordinary Shares which will be charged to certain Institutional Shareholders on the SPA I First Closing Date; and (ii) 7,648,095 Ordinary Shares which will be charged to a certain third party);
- (c) any Shares acquired by the Borrower using the proceeds of the Excess Capital shall be charged by the Borrower in favour of the Lender pursuant to the Security Documents immediately upon their acquisition;
- (d) the 8,240,760 Ordinary Shares referred to in (b) above shall be charged to the Lender (free of the security created in favour of the Institutional Shareholders) on the SPA I Second Closing Date; and
- (e) Solar Honor will charge 14,163,325 Ordinary Shares and 405,326 ADSs in favour of the Lender pursuant to the Solar Share Charge and the Solar Account Charge (as applicable) prior to the Utilization Date.

21.14 Third-Party Pledge

Each Obligor shall ensure that Solar Honor enters into the Solar Share Mortgage and Solar Account Charge and procure that Solar Honor comply with all requirements to perfect the security created under the Solar Share Mortgage and Solar Account Charge in the manner set out in the Solar Share Mortgage and Solar Account Charge, including but not limited to, instructing its registered agent to create and maintain a register of charges (the "Register of Charges"), delivering a certified copy of the updated Register of Charges to the Lender, providing written confirmation from the registered agent that the Register of Charges has been filed with the Registry and subsequently delivering to the Lender the stamped certificate of registration and a Registry stamped description of the security.

21.15 Board Seat

Each Obligor agrees that the Lender shall be entitled to appoint one director to the board of directors of the Company. Each Obligor shall ensure the candidate nominated by the Lender shall be appointed as a board director of the Company within six (6) Months of the date of this Agreement, and shall not be removed.

21.16 Borrower Charged Account

The Borrower shall open and maintain the Borrower Charged Account in accordance with this Clause 21.16 (*Borrower Charged Account*), the Borrower Account Charge and the Borrower Safekeeping Agreement.

- (a) Borrower Cash Account:
- (i) The Lender shall pay all amounts drawn by the Borrower under the Facility into the Borrower Cash Account.
 - (ii) The Borrower shall procure all amounts standing to the credit of the Borrower Cash Account up to the Target Amount are only used to make payment to the Institutional Shareholders in connection with the Acquisition.
 - (iii) The Borrower may use all amounts of Excess Capital standing to the credit of the Borrower Cash Account from time to time:
 - (A) to make investments (with the consent and at the direction of the manager of the Fund in Cash Equivalent Investments, provided that any interest, rights and proceeds arising out of such investments shall be paid into the Borrower Cash Account and be subject to the Security constituted by the Borrower Account Charge; and
 - (B) subject to the Borrower obtaining the prior written consent of the Lender, to purchase Ordinary Shares or ADSs from any holders thereof;
 - (iv) The Borrower shall ensure that any Ordinary Shares purchased by the Borrower pursuant to Clause 21.16(a)(iii)(B) shall, immediately upon such purchase, be charged to the Lender pursuant to the Borrower Share Mortgage.
 - (v) Following the date that falls on the first anniversary of the date of this Agreement, the Borrower may (subject to the provisions of Clause 20 (*Margin Provisions*)) apply all amounts of Excess Capital standing to the credit of the Borrower Cash Account in the following order of priority:
 - (A) first, to pay accrued and outstanding interest on the Loans and any other amounts (other than principal) outstanding under the Finance Documents;
 - (B) secondly, to pay any outstanding principal of the Loans; and
 - (C) thirdly, after the repayment of the Loans and after payment of all other amounts outstanding under the Finance Documents, for any other purposes at the sole discretion of the Borrower.
 - (vi) The Borrower shall procure that all Distributions in connection with the Collateral Shares owned by the Borrower are paid into the Borrower Cash Account and that all cash Distributions in connection with the Collateral Shares owned by Solar Honor are paid into the Solar Cash Account.

- (b) Borrower Safekept Securities Account: The Borrower shall ensure that any ADSs purchased by the Borrower pursuant to Clause 21.16(a)(iii)(B) shall be (i) in uncertificated form; (ii) credited to the Safekept Securities Account subject to the Security constituted by the Borrower Account Charge immediately upon the purchase of such ADSs by the Borrower; and (iii) registered in the name of the Account Bank immediately upon the purchase of such ADSs by the Borrower.

21.17 Solar Charged Account

The Borrower shall procure that Solar Honor will open and maintain the Solar Charged Account in accordance with this Clause 21.17 (*Solar Charged Account*), the Solar Account Charge and the Solar Safekeeping Agreement.

- (a) Solar Cash Account: The Borrower shall procure that Solar Honor:
 - (i) will not withdraw any amounts standing to the credit of the Solar Cash Account from time to time; and
 - (ii) will pay all Distributions which Solar Honor is entitled to receive in connection with the Collateral Shares charged by Solar Honor pursuant to the Solar Share Charge and/or the Solar Account Charge into the Solar Cash Account.
- (b) Solar Safekept Securities Account: The Borrower shall procure that any ADSs in the Solar Safekept Securities Account are registered in the name of the Account Bank and that Solar Honor shall not make any withdrawals from the Solar Safekept Securities Account.

21.18 ADSs Registration

The Borrower shall procure that all ADSs which each of it and Solar Honor charges pursuant to the Borrower Account Charge or the Solar Account Charge (as applicable) are registered in the name of the Account Bank and credited to the Borrower Safekept Securities Account and the Solar Safekept Securities Account pursuant to the Borrower Account Charge or the Solar Account Charge (as applicable) not later than the date of this Agreement or, in respect of any ADSs acquired after the date of this Facility Agreement, immediately upon acquisition of such ADSs.

21.19 Further assurances

- (a) Each Obligor shall promptly do all such acts or execute all such documents as the Lender may specify (and in such form as the Lender may require):
 - (i) to perfect the Transaction Security (which may include the execution of a mortgage, charge, a security assignment or other Security over all or any of the assets which are, or are intended to be, the subject of the Security Documents pursuant to this Agreement) or for the proper exercise of any rights, powers and remedies of the Lender provided by or pursuant to the Finance Documents or by law (including issuances of notices or instructions);
 - (ii) to confer on the Lender Security over any property or assets of the Borrower located in any jurisdiction which are, or are intended to be, the subject of the Security Documents pursuant to this Agreement) equivalent or similar to the Transaction Security; and/or

- (iii) after the Transaction Security has become enforceable in accordance with the terms of the Security Documents, to facilitate the realisation of the assets which are, or are intended to be, the subject of the Security Documents.
- (b) Each Obligor shall take all such action as is available to it (including making all filings and registrations) as may be necessary for the purpose of the creation, perfection, protection or maintenance of any Transaction Security and otherwise as required thereby.

22. DIVIDENDS

- (a) All Distributions paid in cash in respect of any Collateral Shares will be immediately paid or delivered by the Chargor entitled to such Distributions to the Borrower Cash Account or the Solar Cash Account (as applicable) and such Distributions shall become the subject of the Transaction Security.

23. EVENTS OF DEFAULT

Each of the events or circumstances set out in the following sub-clauses of this Clause 23 (other than Clause 23.13 (*Acceleration*)) is an Event of Default.

23.1 Non-payment

An Obligor does not pay on the due date any amount payable pursuant to a Finance Document at the place at and in the currency in which it is expressed to be payable unless:

- (a) its failure to pay is caused by administrative or technical error; and
- (b) payment is made within three (3) Business Day of it due date.

23.2 Other obligations

- (a) An Obligor does not comply with any provision of the Finance Documents (other than those referred to in Clause 23.1 (*Non-payment*)).
- (b) No Event of Default under paragraph (a) above will occur if the failure to comply is capable of remedy and is remedied within ten (10) Business Days of the earlier of (A) the Lender giving notice to the Borrower and (B) the Borrower becoming aware of the failure to comply.

23.3 Misrepresentation

Any representation or statement made or deemed to be made by or on behalf of an Obligor in the Finance Documents or any other document delivered by or on behalf of any Obligor under or in connection with any Finance Document is or proves to have been incorrect or misleading in any material respect when made or deemed to be made.

23.4 Cross default

- (a) Any Financial Indebtedness of the Company is not paid when due nor within any originally applicable grace period.

- (b) Any Financial Indebtedness of the Company is declared to be or otherwise becomes due and payable prior to its specified maturity as a result of an event of default (however described).
- (c) Any commitment for any Financial Indebtedness of the Company is cancelled or suspended by a creditor of the Company as a result of an event of default (however described).
- (d) Any creditor of the Company becomes entitled to declare any Financial Indebtedness of the Company due and payable prior to its specified maturity as a result of an event of default (however described).
- (e) No Event of Default will occur under this Clause 23.4 (*Cross default*) if the aggregate amount of Financial Indebtedness or commitment for Financial Indebtedness falling within paragraphs (a) to (d) above does not or could not reasonably be expected to have a Material Adverse Effect.

23.5 **Insolvency**

- (a) The Company or a Personal Guarantor is or is presumed or deemed to be unable or admits inability to pay its debts as they fall due, suspends making payments on any of its debts or, by reason of actual or anticipated financial difficulties, commences negotiations with one or more of its creditors with a view to rescheduling any of its indebtedness.
- (b) The value of the assets of the Company or of a Personal Guarantor is less than its liabilities (taking into account contingent and prospective liabilities).
- (c) A moratorium is declared in respect of any indebtedness of the Company or of a Personal Guarantor.

23.6 **Insolvency proceedings**

Any corporate action, legal proceedings or other procedure or step is taken in relation to:

- (a) the suspension of payments, a moratorium of any indebtedness, winding-up, dissolution, administration, provisional supervision or reorganisation (by way of voluntary arrangement, scheme of arrangement or otherwise) of the Company other than a solvent liquidation or reorganisation of the Company or an Obligor;
 - (b) a composition or arrangement with any member of the Company, or an assignment for the benefit of creditors generally of the Company or an Obligor or a class of such creditors;
 - (c) the appointment of a liquidator (other than in respect of a solvent liquidation of the Company or an Obligor), receiver, administrator, administrative receiver, compulsory manager, provisional supervisor or other similar officer in respect of the Company or an Obligor or any of its assets; or
 - (d) enforcement of any Security over any assets of the Company or an Obligor,
- or any analogous procedure or step is taken in any jurisdiction.

Clause 23.6(a) (*Insolvency proceedings*) shall not apply to any winding-up petition which is frivolous or vexatious and is discharged, stayed or dismissed within twenty-one (21) days of commencement.

23.7 **Creditors' process**

Any expropriation, attachment, sequestration, distress or execution affects any asset or assets of the Company or of an Obligor affects any asset or assets of the Company or the Obligor (as the case may be) having an aggregate value of more than US\$ 5,000,000.

23.8 **Unlawfulness**

It is or becomes unlawful for an Obligor to perform any of its obligations under the Finance Documents.

23.9 **Repudiation**

An Obligor repudiates a Finance Document or evidences an intention to repudiate a Finance Document.

23.10 **Cessation of business**

The Borrower suspends or ceases to carry on all or a material part of its business.

23.11 **Change of position**

- (a) Mr. Jianyu Yang no longer serves as chairman and chief executive officer of the Company.
- (b) Mr. Zheng Cheng no longer serves as a senior officer of the Company; or
- (c) Either Mr. Jianyu Yang or Mr. Zheng Cheng no longer serves as a member of the board of directors of the Company.

23.12 **Board seat appointment**

The candidate nominated by the Lender to be appointed as a board director of the Company fails to be so appointed within six (6) months of the date of this Agreement pursuant to Clause 21.15 (*Board Seat*) or is removed after appointment.

23.13 **Acceleration**

On and at any time after the occurrence of an Event of Default which is continuing the Lender may by notice to the Borrower:

- (a) cancel the Commitment (and reduce it to zero), whereupon it shall immediately be cancelled (and reduced to zero);
- (b) cancel any part of the Commitment (and reduce the Commitment accordingly), whereupon the relevant part shall immediately be cancelled (and the Commitment shall be immediately reduced accordingly); and/or

- (c) declare that all or part of the Loans, together with accrued interest, and all other amounts accrued or outstanding under the Finance Documents be immediately due and payable, whereupon they shall become immediately due and payable; and/or
- (d) declare that all or part of the Loans be payable on demand, whereupon they shall immediately become payable on demand by the Lender.

**SECTION 9
CHANGES TO PARTIES**

24. CHANGES TO THE LENDER

24.1 Assignments and transfers by the Lender

Subject to this Clause 24 (*Changes to the Lender*), the Lender (the “**Existing Lender**”) may, without the Borrower’s consent:

- (a) assign any of its rights; or
- (b) transfer by novation any of its rights and obligations,

under the Finance Documents to another bank or financial institution or to a trust, fund or other entity which is regularly engaged in or established for the purpose of making, purchasing or investing in loans, securities or other financial assets (the “**New Lender**”).

24.2 Conditions of assignment or transfer

- (a) A transfer will be effective only if the procedure set out in Clause 24.4 (*Procedure for transfer*) is complied with.
- (b) An assignment will be effective only if the procedure and conditions set out in Clause 24.5 (*Procedure for assignment*) are complied with.

24.3 Limitation of responsibility of Existing Lender

- (a) Unless expressly agreed to the contrary, the Existing Lender makes no representation or warranty and assumes no responsibility to the New Lender for:
 - (i) the legality, validity, effectiveness, adequacy or enforceability of the Finance Documents or any other documents;
 - (ii) the financial condition of any Obligor;
 - (iii) the performance and observance by any Obligor of its obligations under the Finance Documents or any other documents; or
 - (iv) the accuracy of any statements (whether written or oral) made in or in connection with any Finance Document or any other document, and any representations or warranties implied by law are excluded.
- (b) The New Lender confirms to the Existing Lender that it:
 - (i) has made (and shall continue to make) its own independent investigation and assessment of the financial condition and affairs of each Obligor and its related entities in connection with its participation in this Agreement and has not relied exclusively on any information provided to it by the Existing Lender in connection with any Finance Document; and

- (ii) will continue to make its own independent appraisal of the creditworthiness of each Obligor and its related entities whilst any amount is or may be outstanding under the Finance Documents or any Commitment is in force.
- (c) Nothing in any Finance Document obliges the Existing Lender to:
 - (i) accept a re-transfer or re-assignment from the New Lender of any of the rights and obligations assigned or transferred under this Clause 24; or
 - (ii) support any losses directly or indirectly incurred by the New Lender by reason of the non-performance by any Obligor of its obligations under the Finance Documents or otherwise.

24.4 Procedure for transfer

- (a) Subject to the conditions set out in Clause 24.2 (*Conditions of assignment or transfer*) a transfer is effected in accordance with paragraph (b) below when the Existing Lender and the New Lender execute a duly completed Transfer Certificate.
- (b) On the Transfer Date:
 - (i) to the extent that in the Transfer Certificate the Existing Lender seeks to transfer by novation its rights and obligations under the Finance Documents each of the Obligors and the Existing Lender shall be released from further obligations towards one another under the Finance Documents and their respective rights against one another shall be cancelled (being the “**Discharged Rights and Obligations**”);
 - (ii) each of the Obligors and the New Lender shall assume obligations towards one another and/or acquire rights against one another which differ from the Discharged Rights and Obligations only insofar as that Obligor and the New Lender have assumed and/or acquired the same in place of that Obligor and the Existing Lender; and
 - (iii) the New Lender shall become a Party as the “Lender”.
- (c) The procedure set out in this Clause 24.4 shall not apply to any right or obligation under any Finance Document (other than this Agreement) if and to the extent its terms, or any laws or regulations applicable thereto, provide for or require a different means of transfer of such right or obligation or prohibit or restrict any transfer of such right or obligation, unless such prohibition or restriction shall not be applicable to the relevant transfer or each condition of any applicable restriction shall have been satisfied.

24.5 Procedure for assignment

- (a) Subject to the conditions set out in Clause 24.2 (*Conditions of assignment or transfer*), an assignment may be effected in accordance with paragraph (b) below when the Existing Lender and the New Lender execute a duly completed Assignment Agreement.

- (b) On the Transfer Date:
- (i) the Existing Lender will assign absolutely to the New Lender the rights under the Finance Documents expressed to be the subject of the assignment in the Assignment Agreement;
 - (ii) the Existing Lender will be released by each Obligor from the obligations owed by it (the “**Relevant Obligations**”) and expressed to be the subject of the release in the Assignment Agreement; and
 - (iii) the New Lender shall become a Party as the “Lender” and will be bound by obligations equivalent to the Relevant Obligations.
- (c) The Lender may utilise procedures other than those set out in this Clause 24.5 to assign their rights under the Finance Documents.
- (d) The procedure set out in this Clause 24.5 shall not apply to any right or obligation under any Finance Document (other than this Agreement) if and to the extent its terms, or any laws or regulations applicable thereto, provide for or require a different means of assignment of such right or release or assumption of such obligation or prohibit or restrict any assignment of such right or release or assumption of such obligation, unless such prohibition or restriction shall not be applicable to the relevant assignment, release or assumption or each condition of any applicable restriction shall have been satisfied.

24.6 Copy of Transfer Certificate or Assignment Agreement to Borrower

The Lender shall, as soon as reasonably practicable after it has executed a Transfer Certificate or an Assignment Agreement, send to the Borrower a copy of that Transfer Certificate or Assignment Agreement.

24.7 Existing consents and waivers

The New Lender shall be bound by any consent, waiver, election or decision given or made by the Existing Lender under or pursuant to any Finance Document prior to the coming into effect of the relevant assignment or transfer to the New Lender.

25. CHANGES TO THE OBLIGORS

25.1 Assignments and transfers by Obligors

An Obligor may not assign or transfer any of its rights or obligations under any Finance Document, except with the prior written consent of the Lender.

26. DISCLOSURE OF INFORMATION

The Lender may disclose:

- (a) to any of its Affiliates and any of its or their officers, directors, employees, professional advisers, auditors, partners and Representatives such Confidential Information as the Lender shall consider appropriate if any person to whom the Confidential Information is to be given pursuant to this paragraph (a) is made aware in writing of its confidential nature and that some or all of such Confidential Information may be price-sensitive information except that there shall be no such requirement to so inform if the recipient is subject to professional obligations to maintain the confidentiality of the information or is otherwise bound by requirements of confidentiality in relation to the Confidential Information;

- (b) to any person:
- (i) to (or through) whom it assigns or transfers (or may potentially assign or transfer) all or any of its rights and/or obligations under one or more Finance Documents and to any of that person's Affiliates, Representatives and professional advisers;
 - (ii) with (or through) whom it enters into (or may potentially enter into), whether directly or indirectly, any sub-participation in relation to, or any other transaction under which payments are to be made or may be made by reference to, one or more Finance Documents and/or one or more Obligors and to any of that person's Affiliates, Representatives and professional advisers;
 - (iii) appointed by the Lender or by a person to whom paragraph (b)(i) or (ii) above applies to receive communications, notices, information or documents delivered pursuant to the Finance Documents on its behalf;
 - (iv) who invests in or otherwise finances (or may potentially invest in or otherwise finance), directly or indirectly, any transaction referred to in paragraph (b)(i) or (b)(ii) above;
 - (v) to whom information is required or requested to be disclosed by any court of competent jurisdiction or any governmental, banking, taxation or other regulatory authority or similar body, the rules of any relevant stock exchange or pursuant to any applicable law or regulation;
 - (vi) to whom information is required to be disclosed in connection with, and for the purposes of, any litigation, arbitration, administrative or other investigations, proceedings or disputes;
 - (vii) who is a Party; or
 - (viii) with the consent of the Borrower;

in each case, such Confidential Information as the Lender shall consider appropriate if:

- (A) in relation to paragraphs (b)(i), (b)(ii) and b(iii) above, the person to whom the Confidential Information is to be given has entered into a Confidentiality Undertaking except that there shall be no requirement for a Confidentiality Undertaking if the recipient is a professional adviser and is subject to professional obligations to maintain the confidentiality of the Confidential Information;

- (B) in relation to paragraph (b)(iv) above, the person to whom the Confidential Information is to be given has entered into a Confidentiality Undertaking or is otherwise bound by requirements of confidentiality in relation to the Confidential Information they receive and is informed that some or all of such Confidential Information may be price-sensitive information;
- (C) in relation to paragraphs (b)(v) and (b)(vi) above, the person to whom the Confidential Information is to be given is informed of its confidential nature and that some or all of such Confidential Information may be price-sensitive information except that there shall be no requirement to so inform if, in the opinion of the Lender, it is not practicable so to do in the circumstances;
- (c) to any person appointed by the Lender or by a person to whom paragraph (b)(i) or (b)(ii) above applies to provide administration or settlement services in respect of one or more of the Finance Documents including without limitation, in relation to the trading of participations in respect of the Finance Documents, such Confidential Information as may be required to be disclosed to enable such service provider to provide any of the services referred to in this paragraph (c) if the service provider to whom the Confidential Information is to be given has entered into a confidentiality agreement substantially in the form of the LMA Master Confidentiality Undertaking for Use With Administration/Settlement Service Providers or such other form of confidentiality undertaking agreed between the Borrower and the Lender;
- (d) to any rating agency (including its professional advisers) such Confidential Information as may be required to be disclosed to enable such rating agency to carry out its normal rating activities in relation to the Finance Documents and/or the Obligors.

**SECTION 10
ADMINISTRATION**

27. PAYMENT MECHANICS

27.1 Payments to the Lender

- (a) On each date on which an Obligor is required to make a payment under a Finance Document, that Obligor shall make the same available to the Lender (unless a contrary indication appears in a Finance Document) for value on the due date at the time and in such funds specified by the Lender as being customary at the time for settlement of transactions in the relevant currency in the place of payment.
- (b) Payment shall be made to such account in the principal financial centre of the country of that currency with such bank as the Lender specifies.

27.2 Distributions to an Obligor

The Lender may (with the consent of the Obligor or in accordance with Clause 28 (*Set-off*)) apply any amount received by it for that Obligor in or towards payment (in the currency and funds of receipt) of any amount due from that Obligor under the Finance Documents or in or towards purchase of any amount of any currency to be so applied.

27.3 Partial payments

- (a) If the Lender receives a payment that is insufficient to discharge all the amounts then due and payable by an Obligor under the Finance Documents, the Lender shall apply that payment towards the obligations of that Obligor under the Finance Documents in the following order:
 - (i) **first**, in or towards payment pro rata of any unpaid fees, costs and expenses of the Lender under the Finance Documents;
 - (ii) **secondly**, in or towards payment pro rata of any accrued interest, fee (other than as provided in (i) above) or commission due but unpaid under this Agreement;
 - (iii) **thirdly**, in or towards payment pro rata of any principal due but unpaid under this Agreement; and
 - (iv) **fourthly**, in or towards payment pro rata of any other sum due but unpaid under the Finance Documents.
- (b) The Lender may vary the order set out in paragraphs (a)(ii) to (iv) above.
- (c) Paragraphs (a) and (b) above will override any appropriation made by an Obligor.

27.4 No set-off by Obligors

All payments to be made by an Obligor under the Finance Documents shall be calculated and be made without (and free and clear of any deduction for) set-off or counterclaim.

27.5 **Business Days**

- (a) Any payment which is due to be made on a day that is not a Business Day shall be made on the next Business Day in the same calendar month (if there is one) or the preceding Business Day (if there is not).
- (b) During any extension of the due date for payment of any principal or Unpaid Sum under paragraph (a) above, interest is payable on the principal or Unpaid Sum at the rate payable on the original due date.

27.6 **Currency of account**

- (a) Subject to paragraphs (b) and (c) below, US Dollars is the currency of account and payment for any sum due from an Obligor under any Finance Document.
- (b) Each payment in respect of costs, expenses or Taxes shall be made in the currency in which the costs, expenses or Taxes are incurred.
- (c) Any amount expressed to be payable in a currency other than US Dollars shall be paid in that other currency.

28. **SET-OFF**

The Lender may set off any matured obligation due from an Obligor under the Finance Documents (to the extent beneficially owned by the Lender) against any matured obligation owed by the Lender to that Obligor, regardless of the place of payment, booking branch or currency of either obligation. If the obligations are in different currencies, the Lender may convert either obligation at a market rate of exchange in its usual course of business for the purpose of the set-off.

29. **NOTICES**

29.1 **Communications in writing**

Any communication to be made under or in connection with the Finance Documents shall be made in writing and, unless otherwise stated, may be made by fax or letter.

29.2 **Addresses**

The address and fax number (and the department or officer, if any, for whose attention the communication is to be made) of each Party for any communication or document to be made or delivered under or in connection with the Finance Documents is:

- (a) in the case of the Borrower, that identified with its name below:

Morgancreek Investment Holdings Limited
c/o P.O. Box 957, Offshore Incorporations Centre
Road Town, Tortola
British Virgin Islands
Attention: Jianyu Yang
Facsimile: (+86) 10 5957 5252

- (b) in the case of each other Obligor, that notified in writing to the Lender on or prior to the date on which it becomes a Party; and
- (c) in the case of the Lender, that identified with its name below:

Gopher Investment Fund SPC for the account of Gopher Financing Fund SP
c/o Noah Holdings (Hong Kong) Limited
Room 1603, Wheelock House
20 Pedder Street
Central
Hong Kong
Attention: Shang Chuang
Email: shang.chuang@noahwm.com
Facsimile: (+852) 3791 2282

or any substitute address, fax number or department or officer as the Party may notify to the Lender (or the Lender may notify to the other Parties, if a change is made by the Lender) by not less than five Business Days' notice.

29.3 **Delivery**

- (a) Any communication or document made or delivered by one person to another under or in connection with the Finance Documents will be effective:
 - (i) if by way of fax, only when received in legible form; or
 - (ii) if by way of letter, only when it has been left at the relevant address or five (5) Business Days after being deposited in the post postage prepaid in an envelope addressed to it at that address;

and, if a particular department or officer is specified as part of its address details provided under Clause 29.2 (*Addresses*), if addressed to that department or officer.

- (b) Any communication or document made or delivered to the Borrower in accordance with this Clause will be deemed to have been made or delivered to each of the Obligors.
- (c) Any communication or document which becomes effective, in accordance with paragraphs (a) to (b) above, after 5.00 p.m. in the place of receipt shall be deemed only to become effective on the following day.

29.4 **Electronic communication**

- (a) Any communication to be made between any two Parties under or in connection with the Finance Documents may be made by electronic mail or other electronic means to the extent that those two Parties agree that, unless and until notified to the contrary, this is to be an accepted form of communication and if those two Parties:
 - (i) notify each other in writing of their electronic mail address and/or any other information required to enable the sending and receipt of information by that means; and

- (ii) notify each other of any change to their address or any other such information supplied by them by not less than five Business Days' notice.
- (b) Any electronic communication made between those two Parties will be effective only when actually received in readable form.
- (c) Any electronic communication which becomes effective, in accordance with paragraph (b) above, after 5.00 p.m. in the place of receipt shall be deemed only to become effective on the following day.

29.5 English language

- (a) Any notice given under or in connection with any Finance Document must be in English.
- (b) All other documents provided under or in connection with any Finance Document must be:
 - (i) in English; or
 - (ii) if not in English, and if so required by the Lender, accompanied by a certified English translation and, in this case, the English translation will prevail unless the document is a constitutional, statutory or other official document.

30. CALCULATIONS AND CERTIFICATES

30.1 Accounts

In any litigation or arbitration proceedings arising out of or in connection with a Finance Document, the entries made in the accounts maintained by the Lender are *prima facie* evidence of the matters to which they relate.

30.2 Certificates and determinations

Any certification or determination by the Lender of a rate or amount under any Finance Document is, in the absence of manifest error, conclusive evidence of the matters to which it relates.

30.3 Day count convention

Any interest, commission or fee accruing under a Finance Document will accrue from day to day and is calculated on the basis of the actual number of days elapsed (including the first and last day of each Interest Period or other period in respect of which such amount is calculated) and a year of 365 days or, in any case where the practice in the Relevant Interbank Market differs, in accordance with that market practice.

31. PARTIAL INVALIDITY

If, at any time, any provision of the Finance Documents is or becomes illegal, invalid or unenforceable in any respect under any law of any jurisdiction, neither the legality, validity or enforceability of the remaining provisions nor the legality, validity or enforceability of such provision under the law of any other jurisdiction will in any way be affected or impaired.

32. REMEDIES AND WAIVERS

No failure to exercise, nor any delay in exercising, on the part of the Lender, any right or remedy under the Finance Documents shall operate as a waiver of any such right or remedy or constitute an election to affirm any of the Finance Documents. No election to affirm any of the Finance Documents on the part of the Lender shall be effective unless it is in writing. No single or partial exercise of any right or remedy shall prevent any further or other exercise or the exercise of any other right or remedy. The rights and remedies provided in this Agreement are cumulative and not exclusive of any rights or remedies provided by law.

33. AMENDMENTS AND WAIVERS

33.1 Required consents

- (a) Any term of the Finance Documents may be amended or waived only with the consent of the Lender and the Borrower and any such amendment or waiver will be binding on all Parties;

33.2 Adjustment following Adjustment Event

Following the occurrence of any Adjustment Event, the Lender may (after consultation with the Borrower for no more than one Business Day after the occurrence of the relevant Adjustment Event) by written notice to the Borrower make such adjustment to the terms of this Agreement relating to the Collateral Shares, the Loan-to-Value Ratio and/or any other terms and provisions of this Agreement (including, without limitation, those relating to the calculation, provision and return of Collateral Shares) as the Lender deems appropriate (acting in a commercially reasonable manner after reasonable consultation with the Borrower) to take into account the effect of such Adjustment Event.

34. COUNTERPARTS

Each Finance Document may be executed in any number of counterparts, and this has the same effect as if the signatures on the counterparts were on a single copy of the Finance Document.

SECTION 11
GOVERNING LAW AND ENFORCEMENT

35. GOVERNING LAW

This Agreement, and all non-contractual obligations arising from or in connection with this Agreement, are governed by English law.

36. ENFORCEMENT

36.1 Arbitration

- (a) All disputes arising out of or in connection with this Agreement (including, but not limited to, any dispute concerning the existence, validity, formation, effect, interpretation, performance or termination of this Agreement) shall be finally settled and resolved by binding arbitration under the Rules of Arbitration of the International Chamber of Commerce (the “**ICC Rules**”) by the arbitral tribunal appointed in accordance with the ICC Rules.
- (b) Any arbitration initiated pursuant to or in accordance with paragraph (a) above shall be conducted as follows:
 - (i) the seat of arbitration shall be Hong Kong;
 - (ii) the language to be used in the arbitral proceedings shall be English;
 - (iii) the arbitral tribunal shall consist of three arbitrators;
 - (iv) any award rendered by the arbitral tribunal shall be final, conclusive and binding upon the Parties. To the extent permitted by law, the Parties irrevocably waive any right to any form of appeal, review or recourse of any rendered award to any state or other judicial authority; and
 - (v) judgment upon any award rendered may be entered in any court having jurisdiction.

36.2 Waiver of immunities

Each Obligor irrevocably waives, to the extent permitted by applicable law, with respect to itself and its revenues and assets (irrespective of their use or intended use), all immunity on the grounds of sovereignty or other similar grounds from:

- (a) suit;
- (b) jurisdiction of any court;
- (c) relief by way of injunction or order for specific performance or recovery of property;
- (d) attachment of its assets (whether before or after judgment); and
- (e) execution or enforcement of any judgment to which it or its revenues or assets might otherwise be entitled in any proceedings in the courts of any jurisdiction (and irrevocably agrees, to the extent permitted by applicable law, that it will not claim any immunity in any such proceedings).

This Agreement has been entered into on the date stated at the beginning of this Agreement.

SCHEDULE 1

THE ORIGINAL PARTIES

**Part I
The Original Obligors**

Name of Borrower	Company Number (or equivalent, if any)	Jurisdiction of Incorporation
Morgancreek Investment Holdings Limited	1796272	British Virgin Islands
Name of Personal Guarantor		Jurisdiction of Citizenship
Jianyu Yang		PRC
Cheng Zheng		PRC

**Part II
The Lender**

Name of Lender	Commitment
Gopher Investment Fund SPC for the account of Gopher Financing Fund SP	US\$71,827,050.45

SCHEDULE 2

CONDITIONS PRECEDENT

Conditions Precedent to Initial Utilisation

1. The Borrower

- (a) A copy of the constitutional documents of the Borrower.
- (b) A copy of a resolution of the board of directors of the Borrower:
 - (i) approving the terms of, and the transactions contemplated by, the Finance Documents to which it is a party and resolving that it execute the Finance Documents to which it is a party;
 - (ii) authorising a specified person or persons to execute the Finance Documents to which it is a party on its behalf; and
 - (iii) authorising a specified person or persons, on its behalf, to sign and/or despatch all documents and notices (including, if relevant, any Utilisation Request) to be signed and/or despatched by it under or in connection with the Finance Documents to which it is a party.
- (c) A copy of a resolution signed by all the holders of the issued shares in the Borrower approving the terms of, and the transactions contemplated by, the Finance Documents to which the Borrower is a party.
- (d) A specimen of the signature of each person authorised by the resolution referred to in paragraph (b) above.
- (e) A certificate from the Borrower (signed by a director) confirming that borrowing or guaranteeing, as appropriate, the Commitment would not cause any borrowing, guaranteeing or similar limit binding on it to be exceeded.
- (f) A certificate of an authorised signatory of the Borrower certifying that each copy document relating to it specified in this Schedule 2 is correct, complete and in full force and effect as at a date no earlier than the date of this Agreement.
- (g) Any document required pursuant to Section 3(4) of the Conditions of Consent to Account Charge.

2. Personal Guarantors

- (a) A copy of each Personal Guarantor's PRC identity card and PRC passport.
- (b) The specimen signature of each Personal Guarantor.
- (c) A certificate of each Personal Guarantor certifying that each copy document relating to such Personal Guarantor and specified in this Schedule 2 (*Conditions precedent*) and/or any document or evidence delivered hereunder in relation to such Personal Guarantor in copy form is correct, complete and in full force and effect as at a date no earlier than the date of this Agreement.

3. The Company

- (a) A certified copy of each constitutional document of the Company, including its certificate of incorporation (and certificate of incorporate on change of name, if any), memorandum and articles of association, register of directors and register of members.
- (b) A letter from any director of the Company instructing King Fair Secretaries Limited as registrar of the Company holding the original register of members of the Company to make notations in the register of members of the Company to note the security interests created pursuant to the Share Mortgages and to provide certified true copies of such annotated register of members to the Lender.
- (c) A copy of a certificate of good standing in respect of the Company issued by the Registrar of Companies in the Cayman Islands.

4. Finance Documents

- (a) A copy of the Option Agreement duly executed by the parties thereto (other than the Lender).
- (b) A copy of each Safekeeping Agreement duly executed by the parties thereto (other than the Lender).
- (c) A copy of each Security Document duly executed by the parties thereto (other than the Lender).

5. Other documents and evidence

- (a) Evidence that each of the Borrower Cash Account, the Borrower Safekept Securities Account, the Solar Cash Account and the Solar Safekept Securities Account has been opened.
- (b) A copy of each of the SPA I, the SPA II and SPA III duly executed by the parties thereto.
- (c) Evidence that the fees, costs and expenses then due from the Borrower pursuant to Clause 10 (*Fees*) and Clause 15 (*Costs and expenses*) have been paid or will be paid by the first Utilisation Date.
- (d) A copy of any other Authorisation or other document, opinion or assurance which the Lender reasonably considers to be reasonably necessary (after consultation with the Borrower) in connection with the entry into and performance of the transactions contemplated by any Finance Document or for the validity and enforceability of any Finance Document.

SCHEDULE 3

UTILISATION REQUEST

From: [Borrower]

To: [Lender]

Dated:

Dear Sirs

**[Borrower] – [] Facility Agreement
dated [] (the “Facility Agreement”)**

1. We refer to the Facility Agreement. This is a Utilisation Request. Terms defined in the Facility Agreement shall have the same meaning in this Utilisation Request.
2. We wish to borrow a Loan on the following terms:

Proposed Utilisation Date: [] (or, if that is not a Business Day, the next Business Day)
Amount: [] or, if less, the Available Facility
3. We authorise an advance payment payable to you pursuant to Clause 8.3(a) of the Facility Agreement, being the advance payment fee, to be payable first from the amount drawn pursuant to this Utilisation Request. You may deduct this advance payment fee from the proceeds of this Loan prior to the proceeds of this Loan being credited into the accounts set out in paragraph (5) below.
4. We confirm that each condition specified in Clause 4.2 (*Further conditions precedent*) of the Facility Agreement is satisfied on the date of this Utilisation Request.
5. The proceeds of this Loan (after deduction of the advance payment fee referred to in paragraph (3) above should be credited to the following accounts:
 - (a) US\$[—] to [account information of the Borrower Cash Account] in respect of the SPA I, SPA II and SPA III; and
 - (b) US\$[—] (being the balance) to the [account information of the Borrower Cash Account].
6. This Utilisation Request is irrevocable.

Yours faithfully

authorised signatory for
[name of the Borrower]

SCHEDULE 4

FORM OF TRANSFER CERTIFICATE

To: [] (the “Existing Lender”)

From: [the New Lender] (the “New Lender”)

Dated:

[Borrower] – [] Facility Agreement
dated [] (the “Facility Agreement”)

1. We refer to Clause 24.4 (*Procedure for transfer*) of the Facility Agreement. This is a Transfer Certificate. Terms used in the Facility Agreement shall have the same meaning in this Transfer Certificate.
2. The Existing Lender and the New Lender agree to the Existing Lender transferring to the New Lender by novation, and in accordance with Clause 24.4 (*Procedure for transfer*) of the Facility Agreement, all of the Existing Lender’s rights and obligations under the Facility Agreement and the other Finance Documents which relate to that portion of the Existing Lender’s Commitment and participations in Loans under the Facility Agreement as specified in the Schedule.
3. The proposed Transfer Date is [].
4. The Facility Office and address, fax number and attention particulars for notices of the New Lender for the purposes of Clause 29.2 (*Addresses*) of the Facility Agreement are set out in the Schedule.
5. The New Lender expressly acknowledges:
 - (a) the limitations on the Existing Lender’s obligations set out in paragraphs (a) and (c) of Clause 24.3 (*Limitation of responsibility of Existing Lender*) of the Facility Agreement; and
 - (b) that it is the responsibility of the New Lender to ascertain whether any document is required or any formality or other condition requires to be satisfied to effect or perfect the transfer contemplated by this Transfer Certificate or otherwise to enable the New Lender to enjoy the full benefit of each Finance Document.
6. The New Lender confirms that it is a “New Lender” within the meaning of Clause 24.1 (*Assignments and transfers by the Lender*) of the Facility Agreement.
7. The Existing Lender and the New Lender confirm that the New Lender is not an Obligor or an Affiliate of an Obligor.
8. This Transfer Certificate may be executed in any number of counterparts and this has the same effect as if the signatures on the counterparts were on a single copy of this Transfer Certificate.

9. This Transfer Certificate and all non-contractual obligations arising from or in connection with this Transfer Certificate are governed by English law.
10. This Transfer Certificate has been entered into on the date stated at the beginning of this Transfer Certificate.

THE SCHEDULE

Commitment/rights and obligations to be transferred, and other particulars

Commitment/participation(s) transferred

Drawn Loan(s) participation(s) amount(s): []
Available Commitment amount: []

Administration particulars:

New Lender's receiving account: []
Address: []
Telephone: []
Facsimile: []
Attn/Ref: []

[the Existing Lender]

[the New Lender]

By:

By:

SCHEDULE 5

FORM OF COMPLIANCE CERTIFICATE

To: [—] as Lender

From: [—], as Borrower

Dated:

Dear Sirs

US\$71,827,050.45 Facility Agreement between the Borrower, the Personal Guarantors and the Lender dated 8 November 2013 (the “Facility Agreement”)

1. We refer to the Facility Agreement. This is a Compliance Certificate. Terms used in the Facility Agreement shall have the same meaning in this Compliance Certificate.
2. We confirm that, in respect of the Relevant Period ended [—]:
 - (a) the Leverage Ratio was [—]: and
 - (b) Adjusted EBITDA was [—].Computations as to the above financial covenants are attached in Annex A hereto and are true and accurate in all material respects.
3. [We confirm that no Default is continuing.]*

Signed:

Director
of
[—]

Chief Financial Officer
of
[—]

* If this statement cannot be made, the certificate should identify any Default that is continuing and the steps, if any, being taken to remedy it.

[Insert computations as to financial covenants]

THE BORROWER

SIGNED for and on behalf of

MORGANCREEK INVESTMENT HOLDINGS LIMITED

by

)

)

)

/s/ Jianyu Yang

[Signature Page to Facility Agreement]

PERSONAL GUARANTOR

/s/ Jianyu Yang

JIANYU YANG

Signature Page to Facility Agreement

PERSONAL GUARANTOR

/s/ Zheng Cheng

ZHENG CHENG

[Signature Page to Facility Agreement]

THE LENDER

SIGNED for and on behalf of)

GOPHER INVESTMENT FUND SPC for the account of GOPHER

FINANCING FUND SP)

by)

/s/ Shang-Yan Chuang

[Signature Page to Facility Agreement]

AMENDMENT

Dated 27th of November 2013

to the

US\$71,827,050.45 FACILITY AGREEMENT

dated 8 November 2013

between

MORGANCREEK INVESTMENT HOLDINGS LIMITED
as Borrower

MR. JIANYU YANG
as Personal Guarantor

MR. ZHENG CHENG
as Personal Guarantor

and

GOPHER INVESTMENT FUND SPC for the account of
GOPHER FINANCING FUND SP
as Lender

Skadden, Arps, Slate, Meagher & Flom
42/F, Edinburgh Tower
The Landmark
15 Queen's Road Central
Hong Kong

This Amendment is dated 27th November 2013 and is made to that facility agreement dated 8 November 2013 previously executed by and between Morgancreek Investment Holdings Limited as Borrower, Mr. Jianyu Yang and Mr. Zheng Cheng as Personal Guarantors and Gopher Investment Fund SPC for the account of Gopher Financing Fund SP as Lender (the "original facility agreement"). Terms not defined herein have the same meaning as in that original facility agreement.

It is mutually understood and agreed by and between the undersigned contracting parties to amend that original facility agreement, as follows with effect from the date hereof:

In Clause 17.16, to replace paragraph (h)(ii) with: "is free of any forms of guaranty, pledge, charge, lien or other encumbrances (except for any liens which the Account Bank may have under the terms of the Safekeeping Agreement) and is not in any way jointly owned with any third parties or subject to any other third-party rights or claims."

In Clause 17.19, paragraph (a), to replace the paragraph in its entirety with: "As at the date of this Agreement, the total outstanding share capital of the Company is 134,836,300 Ordinary Shares (excluding treasury shares)".

In Clause 21.13, paragraph (a), to replace the paragraph in its entirety with: "the Borrower shall charge in favour of the Lender pursuant to the Security Documents 3,294,000 Ordinary Shares prior to the Utilisation Date;"

In Clause 21.13, to replace paragraph (b) with paragraphs (b)(i) and (b)(ii) as set out below:

paragraph (b)(i): "immediately upon their acquisition, the SPA Shares are charged by the Borrower in favour of the Lender pursuant to the Security Documents (other than (i) 8,240,760 Ordinary Shares which will be charged to certain Institutional Shareholders on the SPA I First Closing Date; and (ii) 7,648,095 Ordinary Shares which have been charged to a certain third party, and (iii) 3,294,000 Ordinary Shares which shall have been charged in favour of the Lender prior to the Utilisation Date)";

paragraph (b)(ii): "immediately upon the transfer of 4,836,611 Ordinary Shares held by Daketala International Investment Holding and 3,269,629 Ordinary Shares held by CZY Investments Limited to the Borrower, such Ordinary Shares are charged by the Borrower in favour of the Lender pursuant to the Security Documents (and in any event such transfer and charge shall occur immediately upon the occurrence of the SPA I First Closing Date)."

In Clause 21.13, to replace paragraph (e) with paragraphs (e)(i) and (e)(ii) as set out below:

paragraph (e)(i): "Solar Honor shall charge not less than 405,326 ADSs in favour of the Lender pursuant to the Solar Account Charge immediately upon their acquisition (and shall procure that in any event such acquisition and charge shall occur immediately upon the occurrence of the SPA I First Closing Date)."

paragraph (e)(ii): "Solar Honor shall charge not less than 14,163,325 Ordinary Shares in favour of the Lender pursuant to the Solar Share Charge immediately upon their acquisition (and shall procure that in any event such acquisition and charge shall occur immediately upon the occurrence of the SPA I First Closing Date)."

All other terms and conditions that are not hereby amended are to remain in full force and effect.

This Amendment has been entered into on the date stated above.

THE BORROWER

SIGNED for and on behalf of

MORGANCREEK INVESTMENT HOLDINGS LIMITED

by

)

)

)

/s/ Jianyu Yang

[Signature Page to Amendment to the Facility Agreement]

PERSONAL GUARANTOR

/s/ Jianyu Yang

JIANYU YANG

[Signature Page to the Amendment to the Facility Agreement]

PERSONAL GUARANTOR

/s/ Zheng Cheng

ZHENG CHENG

[Signature Page to the Amendment to the Facility Agreement]

THE LENDER

SIGNED for and on behalf of)

GOPHER INVESTMENT FUND SPC for the account)
of GOPHER FINANCING FUND SP)

by)

/s/ Shang-Yan Chuang

[Signature Page to the Amendment to the Facility Agreement]

**Equitable Mortgage Over Shares
in
Concord Medical Services Holdings Limited**

25 November 2013

MORGANCREEK INVESTMENT HOLDINGS LIMITED

(as Mortgagor)

and

**GOPHER INVESTMENT FUND SPC for the account of Gopher Financing Fund SP
(as Mortgagee)**

This equitable mortgage over shares (this “Mortgage”) is made on the 25th day of November 2013

Between:

- (1) **MORGANCREEK INVESTMENT HOLDINGS LIMITED**, a company incorporated under the laws of the British Virgin Islands whose registered office is at P.O. Box 957, Offshore Incorporations Centre, Road Town, Tortola, B.V.I. (the “**Mortgagor**”); and
- (2) **GOPHER INVESTMENT FUND SPC for the account of Gopher Financing Fund SP**, an exempted company incorporated with limited liability in the Cayman Islands, the registered office of which is at PO Box 309, Ugland House, Grand Cayman, KY1-1104, Cayman Islands, for the account of Gopher Financing Fund SP (the “**Mortgagee**”, which expression shall include its successors, assigns and transferees).

Whereas:

- (A) Pursuant to the Facility Agreement (as defined below), the Mortgagee has agreed to provide a loan facility to the Borrower (as defined below), subject to the terms and conditions set out in the Facility Agreement.
- (B) It is a condition of the Facility Agreement that the Mortgagor enters into this equitable mortgage over certain shares in the Company (as defined below).

It is agreed as follows:

1 Definitions and Interpretation

- 1.1 In this Mortgage (except where the context otherwise requires) words and expressions shall have the same meanings assigned to them as defined in the Facility Agreement and the following words and expressions shall have the following meanings:

“ Account Charge ”	means the charge over the Charged Account dated on or about the date of this Mortgage and made between the Mortgagor and the Mortgagee;
“ Borrower ”	means Morgancreek Investment Holdings Limited;
“ Business Day ”	means any day which is not a Saturday or Sunday or a public holiday in the place or at which the notice is left or sent;
“ BVI Act ”	means the BVI Business Companies Act, 2004 (as amended) of the British Virgin Islands;
“ Cash Account ”	has the meaning given to that term in the Account Charge;
“ Charged Account ”	has the meaning given to that term in the Account Charge;
“ Company ”	means Concord Medical Services Holdings Limited, a company incorporated with limited liability under the laws of the Cayman Islands;

“Event of Default”	has the meaning given to that term in the Facility Agreement;
“Facility Agreement”	means the US\$71,827,050.45 term loan facility agreement dated 8 November 2013 between the Borrower, the Mortgagee as lender (the “Lender”), and each of Mr. Jianyu Yang and Mr. Zheng Cheng as guarantors;
“Initial Shares”	means the securities listed in Schedule 1 which are all registered in the name of the Mortgagor and which are evidenced by share certificate no. 154;
“Liability”	means any liability, damage, loss, cost, claim or expense of any kind or nature, whether direct, indirect, special, consequential or otherwise;
“Memorandum and Articles”	means the memorandum and articles of association of the Company adopted as of December 11, 2009, as amended, restated, and/or supplemented from time to time;
“Mortgaged Shares”	<p>subject to Clause 3.3, means (i) the Initial Shares, (ii) any Subsequent Shares and (iii) all rights, benefits and advantages now or at any time in the future deriving from or incidental to any of the Initial Shares or any of the Subsequent Shares including:</p> <p>(a) all dividends, interest and other income paid or payable in relation to any Mortgaged Shares; and</p> <p>(b) all shares, securities, rights, monies or other property accruing, offered or issued at any time by way of redemption, conversion, exchange, substitution, preference, option or otherwise in respect of any Mortgaged Shares (including but not limited to proceeds of sale);</p>
“Ordinary Shares”	means ordinary shares in the Company;
“Register of Members”	means the register of members held with a registered office provider which records the names and addresses of the members of the Company, the shares held by each members, the amount paid or agreed to be paid on the shares of each member, the date on which the name of any person was entered on the register and the date on which any person ceased to be a member;

“Receiver”	has the meaning given to it in Clause 10;
“Secured Obligations”	means all principal sums of money and liabilities now or in the future due, owing or payable by the Borrower to the Lender under or in connection with the Facility Agreement including any liability in respect of any further advances made under the Facility Agreement, whether actually or contingently, whether solely or jointly with any other person, whether as principal or surety, together with all interest, commission, fees, charges, costs and expenses and other sums and payments for which the Borrower and/or the Mortgagor may be or become liable to the Lender in respect of, under or in connection with the Facility Agreement or any of the other Finance Documents (as defined in the Facility Agreement) (after as well as before any demand or judgment) including (without limitation) Tax gross-ups or indemnities, stamp Taxes and Indirect Taxes payable under Clause 11 of the Facility Agreement;
“Security Interest”	means any mortgage, charge, pledge, lien, encumbrance, right of set off or any security interest, howsoever created or arising;
“Subsequent Shares”	means any shares in the Company acquired by the Mortgagor after the date of this Mortgage;
“Tax(es)”	means any tax, levy, impost, duty or other charge or withholding tax imposed by or paid to a government or any governmental agency, semi-governmental or judicial entity or authority (including any stock exchange or any self-regulatory organisation established under statute) (including any penalty or interest payable in connection with any failure to pay or any delay in paying any of the same);
“Third Party Shares”	means 8,240,760 Ordinary Shares which are charged to certain institutional shareholders as at SPA I First Closing Date, such security to be released in favour of the Lender on the SPA I Second Closing Date and 7,648,095 Ordinary Shares which are charged to a third party.

1.2 In this Mortgage:

- (a) any reference to a Recital, Clause or Schedule is to the relevant Recital, Clause or Schedule of or to this Mortgage;

- (b) the clause headings are included for convenience only and shall not affect the interpretation of this Mortgage;
 - (c) use of the singular includes the plural and vice versa;
 - (d) use of any gender includes the other gender;
 - (e) any phrase introduced by the terms “including”, “include”, “in particular” or any similar expression shall be construed as illustrative and shall not limit the sense of the words preceding those terms; and
 - (f) references to this Mortgage or any other document or agreement are to be construed as references to this Mortgage or such other document as varied, amended, supplemented, novated, modified, replaced or restated in any manner from time to time, even if changes are made to the composition of the parties to this Mortgage or such other document or to the nature or amount of any facilities made available under such other document.
- 1.3 If any conflict arises between the covenants and undertakings in this Mortgage and the corresponding covenants and undertakings in the Facility Agreement, as applicable, the covenants and undertakings given in the Facility Agreement, as applicable, shall prevail.
- 1.4 Expressions defined in the Companies Law of the Cayman Islands as in effect from time to time (and not redefined in this Mortgage) shall have the same meanings in this Mortgage, except that the expression “company” shall include a body corporate established outside the Cayman Islands.
- 1.5 The Recitals and Schedules form part of this Mortgage and shall have effect as if set out in full in the body of this Mortgage and any reference to this Mortgage includes the Recitals and Schedules.

2 Covenant to Pay

- 2.1 The Mortgagor hereby covenants that it will, pay or discharge to the Mortgagee all the Secured Obligations when the same become due to the Mortgagee in accordance with the terms thereof.

3 Security

- 3.1 The Mortgagor hereby mortgages to the Mortgagee by way of a first equitable mortgage and as a continuing security for the payment and discharge of the Secured Obligations, the Mortgaged Shares.
- 3.2 Any receipt, release or discharge of any security interest created by this Mortgage may be given by any authorised representative of the Mortgagee in accordance with the provisions of this Mortgage and shall not release or discharge the Mortgagor from any liability owed to the Mortgagee for the same or any other monies which may exist independently of this Mortgage.
- 3.3 If the Mortgagee sells any Mortgaged Shares pursuant to clause 20.3 (*Margin Sale*) of the Facility Agreement, such shares shall be released from the security interests created by this Mortgage in accordance with the terms of the Facility Agreement.

- 3.4 Upon the unconditional and irrevocable payment or discharge of all Secured Obligations, and subject to this Mortgage, the Mortgagee shall on request by the Mortgagor (at the Mortgagor's cost) release the Mortgaged Shares from the security interests and discharge the obligations of the Mortgagor, each created by this Mortgage.
- 3.5 The Mortgagee shall, following the release of the security interest and discharge of the obligations of the Mortgagee created by this Mortgage, provide written confirmation of such release and discharge to the Mortgagor.
- 3.6 Any release, discharge or settlement between the Mortgagor and the Mortgagee shall be conditional upon no security, disposition or payment to the Mortgagee being voidable or void, set aside or ordered to be refunded pursuant to any enactment or law relating to liquidation or insolvency or for any other reason whatsoever and if such condition is not fulfilled the Mortgagee shall be entitled to enforce this Mortgage as if such release, discharge or settlement had not occurred and any such payment not been made.

4 Covenants by the Mortgagor

- 4.1 The Mortgagor shall deliver to the Mortgagee on the date hereof in form and substance acceptable to the Mortgagee as security in accordance with the terms of this Mortgage:
- (a) a blank, signed and undated transfer in respect of the Initial Shares in the form set out in Schedule 2;
 - (b) a certified true copy (such certification to be made by a director of the Company) of the Register of Members of the Company showing that all the Initial Shares are registered in the name of the Mortgagor;
 - (c) a notice of equitable mortgage and/or charge addressed by the Mortgagor to the Company in the form set out in Schedule 3; and
 - (d) an executed but undated shareholder proxy in favour of the Mortgagee in the form set out in Schedule 4
- 4.2 The Mortgagor shall:
- (a) Immediately after the execution of this Mortgage, instruct its registered agent to create and maintain a register of charges ("**Register of Charges**") and to enter particulars of the security created pursuant to this Mortgage in such Register of Charges, and the Mortgagor shall instruct its registered agent to effect registration of particulars of this Mortgage at the Registry of Corporate Affairs of the British Virgin Islands (the "**Registry**") pursuant to Section 163 of the BVI Business Companies Act, 2004 (as amended) of the British Virgin Islands, (the "**BVI Act**");
 - (b) Promptly and in any event within three (3) Business Days from and including the date of execution of this Mortgage, deliver or procure to be delivered to the Mortgagee a certified copy of the updated Register of Charges recording the particulars of the security created pursuant to this Mortgage and a confirmation in writing from the registered agent of the Mortgagor that the relevant application form to register the security created pursuant to this Mortgage with the Registry has been filed with the Registry pursuant to Section 163 of the BVI Act;

- (c) Promptly and in any event within thirty (30) Business Days from and including the date of execution of this Mortgage, deliver or procure to be delivered to the Mortgagee the certificate of registration of charge issued by the Registry and a Registry stamped copy of the description of the security created pursuant to this Mortgage; and
 - (d) Promptly and in any event within seven (7) Business Days from and including the Utilisation Date (as defined in the Facility Agreement), deliver or procure to be delivered to the Mortgagee the original share certificate in respect of the Initial Shares.
- 4.3 The Mortgagor shall, for as long as any Secured Obligations remain outstanding, immediately and from time to time deposit with the Mortgagee (in respect of any Subsequent Shares, immediately upon the acquisition of such Subsequent Shares by the Mortgagor):
- (a) all original share certificates (if any) and any other documents of title relating to the Mortgaged Shares (which, for the avoidance of doubt, includes all share certificates and other documents of title relating to any Subsequent Shares) or confirmation from the Company that it does not issue any such certificates;
 - (b) blank, signed and undated transfers in respect of all Subsequent Shares in the form set out in Schedule 2;
 - (c) a certified true copy (such certification to be made by a director of the Company) of the Register of Members of the Company showing that all such Subsequent Shares are registered in the name of the Mortgagor;
 - (d) a notice of equitable mortgage and/or charge addressed by the Mortgagor to the Company in the form set out in Schedule 3; and
 - (e) an executed but undated shareholder proxy in favour of the Mortgagee in the form set out in Schedule 4.
- 4.4 The Mortgagor shall promptly pay (and shall promptly indemnify the Mortgagee against) all calls, instalments and other payments which may be made or become due in respect of the Mortgaged Shares and, at any time after the occurrence of an Event of Default, the Mortgagee may do so on behalf of the Mortgagor and any sums paid by the Mortgagee towards this end shall become part of the Secured Obligations.
- 4.5 The Mortgagor shall not, except with the prior written consent of the Mortgagee:
- (a) create, or agree or attempt to create, or permit to subsist over all or part of the Mortgaged Shares (or any interest therein) any Security Interest (except as may be created under this Mortgage or a lien arising by operation of law in the ordinary course of the Mortgagor's business) or any trust over any the Mortgaged Shares whether ranking prior to, pari passu with, or behind the security contained in this Mortgage;
 - (b) sell, assign, lease, license or sub-license, grant any interest in the Mortgaged Shares or any interest therein or attempt or agree to surrender or so dispose (other than in accordance with this Mortgage and the Facility Agreement);

- (c) permit any person other than the Mortgagor or the Mortgagee or the Mortgagee's nominee or nominees to be registered as, or become the holder of, the Mortgaged Shares;
 - (d) vote in favour of a resolution to continue the Company in a jurisdiction outside the Cayman Islands;
 - (e) exercise any voting or other rights in a way which would reasonably be expected to prejudice the value of the Mortgaged Shares or otherwise jeopardise (i) the security constituted by this Mortgage over them or (ii) the rights of the Mortgagee under this Mortgage or the Facility Agreement; or
 - (f) borrow any monies from the Company or enter into any transaction with the Company whereby the Company would obtain a lien or Security Interest over any part of the Mortgaged Shares.
- 4.6 The Mortgagor shall procure that the Register of Members of the Company is located and maintained at the registered office of the Company in the Cayman Islands.
- 4.7 The Mortgagor shall promptly forward to the Mortgagee all notices, reports, accounts and other documents relating to the Mortgaged Shares which it may receive from time to time (including without limitation all notices of meetings of the shareholders of the Company).
- 4.8 At any time after the occurrence of an Event of Default the Mortgagor shall exercise all voting and other rights and powers which may at any time be exercisable by the holder of the Mortgaged Shares as the Mortgagee may in its absolute discretion direct.
- 4.9 The Mortgagor shall not take or accept any Security Interest from the Company or, in relation to the Secured Obligations, from any third party, without obtaining the Mortgagee's prior written consent.
- 4.10 Unless directed in writing to do so by the Mortgagee the Mortgagor shall not prove in a liquidation or winding up of the Company until all the Secured Obligations are paid in full and if directed to prove by the Mortgagee (or if the Mortgagor otherwise receives any payment or other benefit in breach of this Clause 4.10) the Mortgagor shall hold all monies received by it on trust for the Mortgagee to satisfy the Secured Obligations.
- 4.11 Until all of the Secured Obligations have been paid in full or otherwise discharged, the Mortgagor shall not claim payment whether directly or by set-off, lien, counterclaim or otherwise of any amount which may be or has become due to the Mortgagor by the Company.

5 Representations and Warranties

The Mortgagor represents and warrants to the Mortgagee on the date of this Mortgage, on each Utilisation Date (as defined in the Facility Agreement) and on the last day of each Interest Period (as defined in the Facility Agreement) that, and the Mortgagor undertakes throughout the continuance of this Mortgage that:

- 5.1 it is the absolute sole legal and beneficial owner of all of the Initial Shares free of all Security Interests, encumbrances, trusts, equities and claims whatsoever and that all of the Initial Shares are fully paid up;

- 5.2 the Initial Shares (together with the Subsequent Shares (if any) and the Third Party Shares) represent all the shares issued by the Company beneficially owned by or registered in the name of the Mortgagor;
- 5.3 with effect from the date on which it acquires any Subsequent Shares, it will be the absolute sole legal and beneficial owner of all of such Subsequent Shares free of all Security Interests, encumbrances, trusts, equities and claims whatsoever and that all of such Subsequent Shares are at all times fully paid up; and with effect from the occurrence of the SPA I Second Closing Date, it will be the absolute sole legal and beneficial owner of 8,240,760 of the Third Party Shares after the security in favour of the Institutional Shareholders have been released;
- 5.4 the Register of Members of the Company is located and maintained at the registered office of the Company in the Cayman Islands;
- 5.5 it is duly incorporated and in good standing under the laws of the jurisdiction in which it is incorporated and has and will at all times have the necessary power to enter into and perform its obligations under this Mortgage and has duly authorised the execution and delivery of this Mortgage and the performance of its obligations hereunder;
- 5.6 this Mortgage constitutes its legal, valid, binding and enforceable obligation and is a first priority security interest over the Mortgaged Shares effective in accordance with its terms, subject to insolvency laws or similar laws affecting creditors' rights generally or general equitable principles in equity or at law;
- 5.7 the execution, delivery, observance and performance by the Mortgagor of this Mortgage will not require the Mortgagor to obtain any licences, consents or approvals and will not result in any violation of any law, statute, ordinance, rule or regulation applicable to it;
- 5.8 it has obtained all the necessary and desirable authorisations and consents to enable it to enter into this Mortgage and the necessary and desirable authorisations and consents will remain in full force and effect at all times during the subsistence of the security constituted by this Mortgage; and
- 5.9 the execution, delivery, observance and performance by the Mortgagor of the Mortgage will not constitute an Event of Default or trigger any enforcement under any Security Interest over any of the Mortgagor's assets nor will it result in the creation of any Security Interest over or in respect of the present or future assets of the Company.

6 Power of Attorney

- 6.1 The Mortgagor, by way of security for the payment of the Secured Obligations and the performance of its obligations under this Mortgage and the Facility Agreement, hereby irrevocably appoints the Mortgagee (whether or not a Receiver or administrator has been appointed) and any Receiver separately to be its attorney (with full power to appoint substitutes and to delegate) with power in its name and on its behalf, and as its act and deed or otherwise at any time and from time to time, to:
- (a) sign, seal, execute, deliver and complete all transfers, renunciations, proxies, mandates, assignments, deeds and documents and do all acts and things which the Mortgagee may consider to be necessary or advisable to perfect its security over the Mortgaged Shares;

- (b) give proper effect to the intent and purposes of this Mortgage;
- (c) enable or assist in any way in the exercise of any right or the enforcement thereof including any power of sale of the Mortgaged Shares (whether arising under this Mortgage or implied by statute or otherwise); and
- (d) perform any other act of any description,

which may be required of the Mortgagor under this Mortgage or may be deemed by such attorney necessary or desirable for any purpose of this Mortgage or to constitute, enhance or perfect the security intended to be constituted by it or to convey or transfer legal ownership of the Mortgaged Shares, provided that unless and until the occurrence of an Event of Default the Mortgagee may not do anything pursuant to this appointment.

6.2 This power of attorney is given to secure a proprietary interest of the Mortgagee or the performance of the Mortgagor's obligation owed to the Mortgagee.

6.3 The Mortgagor ratifies and confirms whatever any attorney does or purports to do pursuant to its appointment under this Clause.

6.4 All sums expended by the Mortgagee or any Receiver under this Clause shall be recoverable from the Mortgagor.

7 Dividends

Until the occurrence of an Event of Default, the Mortgagee shall pay any and all dividends received by it in respect of the Mortgaged Shares into the Charged Account in accordance with the provisions of the Account Charge and the Facility Agreement.

8 Event of Default

8.1 Unless and until the occurrence of an Event of Default, the Mortgagor shall be entitled to exercise all voting rights attaching to the Mortgaged Shares or any part thereof for all purposes not inconsistent with the purposes of this Mortgage.

8.2 The Mortgagor shall forthwith following the occurrence of an Event of Default sign, seal, deliver and complete all transfers, renunciations, proxies, mandates, assignments, deeds and documents and do all acts and things which the Mortgagee may, in its absolute discretion, at any time and from time to time specify for enabling or assisting the Mortgagee:

- (a) to perfect or improve its title to and security over the Mortgaged Shares;
- (b) to vest the Mortgaged Shares in the Mortgagee or its nominee or nominees;
- (c) to procure that the Mortgagee or its nominee or nominees is registered in the Register of Members of the Company in respect of the Mortgaged Shares;
- (d) to exercise (or enable its nominee or nominees to exercise) any rights or powers attaching to the Mortgaged Shares;
- (e) to sell or dispose of the Mortgaged Shares; and/or

(f) otherwise to enforce any of the rights of the Mortgagee under or in connection with this Mortgage.

9 Mortgagee's Rights as to Shares

At any time after the occurrence of an Event of Default, the Mortgagee shall, without prejudice to any other right or remedy available hereunder or under applicable law, forthwith become entitled:

- 9.1 solely and exclusively to exercise all voting rights attaching to the Mortgaged Shares or any thereof and shall exercise such rights in such manner as the Mortgagee may in its absolute discretion determine; and/or
- 9.2 solely and exclusively to exercise all other rights and/or powers and/or discretions of the Mortgagor in, to and under the Mortgaged Shares pursuant to the Memorandum and Articles; and/or
- 9.3 to receive and retain all dividends and other distributions made on or in respect of the Mortgaged Shares or any thereof and any such dividends and other distributions received by the Mortgagor after such time shall be held in trust by the Mortgagor for the Mortgagee and be paid or transferred to the Mortgagee on demand to be applied towards the discharge of the Secured Obligations; and/or
- 9.4 without notice to, or further consent or concurrence by, the Mortgagor to sell the Mortgaged Shares or any part thereof by such method, at such place and upon such terms as the Mortgagee may in its absolute discretion determine, with power to postpone any such sale and in any such case the Mortgagee may exercise any and all rights attaching to the Mortgaged Shares as the Mortgagee in its absolute discretion may determine and without being answerable for any loss occasioned by such sale or resulting from postponement thereof or the exercise of such rights; and/or
- 9.5 to date and deliver the documents delivered to it pursuant to this Mortgage hereof as it considers appropriate and to take all steps to register the Mortgaged Shares in the name of the Mortgagee or its nominee or nominees and to assume control as registered owner of the Mortgaged Shares.

10 Receiver

- 10.1 At any time after the occurrence of an Event of Default, the Mortgagee may by writing and without notice to the Mortgagor appoint one or more person or persons as the Mortgagee thinks fit to be a receiver (the "**Receiver**") in relation to the Mortgaged Shares. Where the Mortgagee appoints two or more persons as Receiver, the Receivers may act jointly or independently.
- 10.2 The Mortgagee may remove any Receiver it appoints, and appoint another person or other persons as Receiver or Receivers, either in the place of a Receiver it has removed, or who has otherwise ceased to act, or to act jointly with a Receiver or Receivers.
- 10.3 If at any time any two or more persons hold office as Receivers of the same assets or income, such Receivers may act jointly and/or severally so that each one of such Receivers shall be entitled (unless the contrary is stated in any instrument(s) appointing them) to exercise all the powers and discretions hereby conferred on Receivers individually and to the exclusion of the other or others of them.

- 10.4 Every such appointment or removal, and every delegation, appointment or removal by the Mortgagee in the exercise of any right to delegate its powers or to remove delegates, may be made in writing under the hand of any officer of the Mortgagee.
- 10.5 Every Receiver shall have all the powers of the Mortgagee in this Mortgage and, without prejudice to the foregoing, shall have the following powers:
- (a) power to take possession of, collect and get in any of the Mortgaged Shares and, for that purpose, to take such proceedings as may seem to him to be expedient;
 - (b) without notice to, or further consent or concurrence by, any Mortgagor to sell or otherwise dispose of any of the Mortgaged Shares by such method, at such place and upon such terms as a Receiver may in its absolute discretion determine, with power to postpone any such sale and in any such case a Receiver may exercise any and all rights attaching to the Mortgaged Shares as the Receiver in its absolute discretion may determine and without being answerable for any loss occasioned by such sale or resulting from postponement thereof or the exercise of such rights;
 - (c) power to raise or borrow money and grant security over any of the Mortgaged Shares;
 - (d) power to appoint attorneys or accountants or other professionally qualified persons to assist him in the performance of his functions;
 - (e) power to bring or defend any action or other legal proceedings in the name of and on behalf of the Mortgagor in respect of the Mortgaged Shares;
 - (f) power to do all acts and execute in the name and on behalf of the Mortgagor any document or deed in respect of the Mortgaged Shares;
 - (g) power to make any payment which is necessary or incidental to the performance of his functions;
 - (h) power to make any arrangement or compromise on behalf of the Mortgagor in respect of the Mortgaged Shares;
 - (i) power to rank and claim in the insolvency or liquidation of the Company and to receive dividends and to accede to trust deeds for the creditors of the Company;
 - (j) power to present or defend a petition for the winding up of the Company; and
 - (k) power to do all other things incidental to the exercise of the foregoing powers.
- 10.6 The Receiver shall be the agent of the Mortgagor and the Mortgagor shall be jointly responsible for his acts and defaults and jointly liable on any contracts made, entered into or adopted by the Receiver. The Mortgagee shall not be liable for the Receiver's acts, omissions, negligence or default, nor be liable on contracts entered into or adopted by the Receiver unless caused by the Mortgagee's wilful misconduct or gross negligence.
- 10.7 In making any sale or other disposal of any of the Mortgaged Shares in the exercise of their respective powers, the Receiver or the Mortgagee may accept by way of consideration for such sale or other disposal, cash, shares, loan capital or other obligations including, without limitation, consideration fluctuating according to or dependent upon a profit or turnover and consideration the amount of which is to be determined by a third party. Any such consideration may be receivable in a lump sum or by instalments.

10.8 Every Receiver shall be entitled to remuneration for his services at a rate to be fixed by agreement between him and the Mortgagee (or, failing such agreement, to be conclusively fixed by the Mortgagee) commensurate with the work and responsibilities involved upon the basis of charging from time to time adopted in accordance with the current practice of such Receiver or his firm.

10.9 To the fullest extent permissible under law, the Mortgagee may exercise any right or power that the Receiver may exercise in relation to the enforcement of this Mortgage.

11 Other powers exercisable by the Mortgagee

11.1 All powers of the Receiver conferred by this Mortgage may be exercised by the Mortgagee in accordance with the terms of this Mortgage after this Mortgage has become enforceable.

11.2 The Mortgagee shall have no Liability or responsibility to the Mortgagor arising out of the exercise or non-exercise of the powers conferred on it by this Clause.

11.3 The Mortgagee need not enquire as to the sufficiency of any sums received by it in respect of any debt or claim so assigned to it or make any claim or take any other action to collect in or enforce them.

12 Application of Monies by the Mortgagee or a Receiver

12.1 The Mortgagee (and any Receiver) shall apply the monies received by it as a result of the enforcement of the security:

- (a) first, in payment or satisfaction of the expenses related to enforcement of this security (including without limitation the fees and expenses of the Receiver);
- (b) secondly, in meeting claims of the Mortgagee in respect of the Secured Obligations; and
- (c) thirdly, in payment of the balance (if any) to the Mortgagor or persons entitled to it.

12.2 The Mortgagee shall not be liable for any loss or damage occasioned by:

- (a) any sale or disposal of the Mortgaged Shares or an interest in the Mortgaged Shares; or
- (b) arising out of the exercise, or failure to exercise, any of its powers under this Mortgage; or
- (c) any neglect or default to pay any instalment or accept any offer or notify the Mortgagor of any such neglect or default; or
- (d) any other loss of whatever nature in connection with the Mortgaged Shares.

12.3 The Mortgagee may, at any time after demand and until the irrevocable and unconditional payment to the Mortgagee of all Secured Obligations, place and keep to the credit of a suspense account any money received or realised by the Mortgagee by virtue of this Mortgage. The Mortgagee shall have no intermediate obligation to apply such money in or towards the discharge of any Secured Obligations.

12.4 If this Mortgage is enforced at a time when no amount is due under the Facility Agreement but amounts may or will become due, the Mortgagee (or Receiver) may pay the proceeds or recoveries into a suspense account.

13 Protection of the Mortgagee and Receiver

13.1 Neither the Mortgagee nor any Receiver shall be liable in respect of any Liability which arises out of the exercise or the attempted or purported exercise of, or the failure to exercise, any of their respective powers under or by virtue of this Mortgage.

13.2 Without prejudice to the generality of Clause 13.1, neither the Mortgagee nor any Receiver shall be liable to account as Mortgagee in possession or otherwise for any sum not actually received by it or him respectively. If and whenever the Mortgagee enters into possession of any Mortgaged Shares, it shall be entitled at any time at its discretion to go out of possession.

14 Protection of Purchasers

14.1 No purchaser from, or other person dealing with, the Mortgagee or any Receiver shall be concerned to enquire whether any of the powers which the Mortgagee has exercised or purported to exercise has arisen or become exercisable, or whether this Mortgage has become enforceable, or whether a Receiver has been validly appointed, or whether any event or cause has happened to authorise the Mortgagee or a Receiver to act or as to the propriety or validity of the exercise or purported exercise of any such power, and the title of such a purchaser and the position of such a person shall not be impeachable by reference to any of those matters.

14.2 The receipt by the Mortgagee or any Receiver shall be an absolute and a conclusive discharge to a purchaser and shall relieve him of any obligation to see to the application of any money paid to or by the direction of the Mortgagee or any Receiver.

15 Continuing Security and Non-Merger

15.1 The security constituted by this Mortgage shall be continuing and shall not be considered as satisfied or discharged by any intermediate payment or settlement of the whole or any part of the Secured Obligations or any other matter or thing whatsoever and shall be binding until all the Secured Obligations have been unconditionally and irrevocably paid and discharged in full.

15.2 This Mortgage is in addition to and shall not merge with or otherwise prejudice or affect any banker's lien, right to combine and consolidate accounts, right of set-off or any other contractual or other right or remedy or any guarantee, lien, pledge, bill, note, charge or other security now or hereafter held by or available to the Mortgagee.

15.3 The obligations of the Mortgagor under this Mortgage will not be affected by an act, omission, matter or thing which, but for this Mortgage, would reduce, release or prejudice any of its obligations under this Mortgage (without limitation and whether or not known to it or the Mortgagee), including:

(a) any time, waiver or consent granted to, or composition with, any person;

- (b) the release of any person under the terms of any composition or arrangement;
- (c) the taking, variation, compromise, exchange, renewal or release of, or refusal or neglect to perfect, take up or enforce, any rights against, or security over assets of, any person or any non-presentation or non-observance of any formality or other requirement in respect of any instrument or any failure to realise the full value of any security;
- (d) any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of any person;
- (e) any amendment, novation, supplement, extension (whether of maturity or otherwise) or restatement (in each case, however fundamental, of whatsoever nature and whether or not more onerous) or replacement of the Facility Agreement or any other document or security including, without limitation, any change to the purpose of any extensions of or increase in any facility or addition of any new facility or under the Facility Agreement or other document or security;
- (f) any unenforceability, illegality, invalidity or non-provability of any obligation of any person under the Facility Agreement or any other document or security; or
- (g) any insolvency or similar proceedings.

16 Currency

- 16.1 For the purpose of, or pending the discharge of, any of the Secured Obligations the Mortgagee may, in its sole discretion, convert any moneys received, recovered or realised in any currency under this Mortgage (including the proceeds of any previous conversion under this Clause) from their existing currency of denomination into any other currency at such rate or rates of exchange and at such time as the Mortgagee thinks fit.
- 16.2 No payment to the Mortgagee (whether under any judgment or court order or otherwise) shall discharge the Secured Obligations in respect of which it was made unless and until the Mortgagee shall have received payment in full in the currency in which such Secured Obligations were incurred and, to the extent that the amount of any such payment shall on actual conversion into such currency fall short of such Secured Obligations expressed in that currency, the Mortgagee shall have a further separate cause of action against the Mortgagor and shall be entitled to enforce this Mortgage to recover the amount of the shortfall.

17 Costs

The Mortgagor shall on demand and on a full indemnity basis pay to the Mortgagee the amount of all costs and expenses and other liabilities (including stamp duty, and legal and out of pocket expenses) which the Mortgagee incurs in connection with:

- (a) any actual or proposed amendment or waiver or consent under or in connection with this Mortgage;
- (b) any discharge or release of this Mortgage;
- (c) the preservation or exercise (or attempted preservation or exercise) of any rights under or in connection with and the enforcement (or attempted enforcement) of this Mortgage; or

- (d) dealing with or obtaining advice about any matter or question arising out of or in connection with enforcing the Mortgagee's exercise of its rights under this Mortgage.

18 Variation and Amendment

This Mortgage shall remain in full force and effect notwithstanding any amendments or variations from time to time of the Facility Agreement and no variation of this Mortgage shall be valid unless it is in writing and signed by or on behalf of each of the parties.

19 Assignment

- 19.1 The Mortgagor shall not be entitled to assign or transfer any of its rights, benefits or obligations hereunder without the prior written consent of the Mortgagee.
- 19.2 The Mortgagee may assign or otherwise transfer the whole or any part of the benefit of this Mortgage to any person and the expression "the Mortgagee" wherever used herein shall be deemed to include the assignees, transferees and other successors, whether immediate or derivative, of the Mortgagee, who shall be entitled to enforce and proceed upon this Mortgage in the same manner as if named herein. The Mortgagee shall be entitled to disclose any information concerning the Mortgagor to any such assignee or other successor or any participant or proposed assignee, successor or participant.

20 Currency Indemnity

If, for any reason, any amount payable to the Mortgagee by the Mortgagor under this Mortgage is paid or recovered in a currency other than that in which it is required to be paid (the "contractual currency"), then, to the extent that the payment to the Mortgagee (when converted into the contractual currency at its then applicable rate of exchange) falls short of the amount payable in the contractual currency, the Mortgagor shall, as a separate and independent obligation, fully indemnify the Mortgagee on demand against the amount of the shortfall.

21 Information

The Mortgagee may from time to time seek from any other finance provider to the Mortgagor such information about the Mortgagor and its affairs as Mortgagee may think fit. The Mortgagor directs any such third party to provide such information to the Mortgagee and agrees to provide such further authority for this purpose as the Mortgagee may from time to time require.

22 Forbearance, severability and consents

- 22.1 All rights, powers and privileges under this Mortgage shall continue in full force and effect, regardless of the Mortgagee exercising, delaying in exercising or omitting to exercise any of them.
- 22.2 No provision of this Mortgage shall be avoided or invalidated by reason only of one or more other provisions being invalid or unenforceable.
- 22.3 Any provision of this Mortgage which is or becomes illegal, invalid or unenforceable shall be ineffective only to the extent of such illegality, invalidity and unenforceability, without invalidating the remaining provisions of this Mortgage.

22.4 Save as otherwise expressly specified in this Mortgage, any consent of the Mortgagee may be given absolutely or on any terms and subject to any conditions as the Mortgagee may determine in its entire discretion.

23 **Entire Agreement**

This Mortgage constitutes the entire agreement and understanding of the parties and supersedes any previous agreement between the parties relating to the subject matter of this Mortgage.

24 **Further Assurance**

The Mortgagor shall promptly execute all documents and do all things that the Mortgagee may specify for the purpose of:

- (a) securing and perfecting its security over or title to all or any of the Mortgaged Shares; and/or
- (b) enabling the Mortgagee to vest all or part of the Mortgaged Shares in its name or in the names of its nominee(s), agent or any purchaser, including the execution and delivery of all assignments, transfers, mortgages, charges, notices, instructions and such other documents as the Mortgagee may in its discretion think fit.

25 **Notices**

The provisions of clause 29 (Notices) of the Facility Agreement are incorporated *mutatis mutandis* into this Mortgage.

26 **Miscellaneous**

- 26.1 All sums payable by the Mortgagor under this Mortgage shall be paid without any set off, counterclaim, withholding or deduction whatsoever unless required by law in which event the Mortgagor will simultaneously with making the relevant payment under this Mortgage pay to the Mortgagee such additional amount as will result in the receipt by the Mortgagee of the full amount which would otherwise have been receivable and will supply the Mortgagee promptly with evidence satisfactory to the Mortgagee that the Mortgagor has accounted to the relevant authority for the sum withheld or deducted.
- 26.2 A statement, determination or certificate signed (or, where reliance is being placed on it by any third party, appearing to be signed) by an officer of the Mortgagee as to the Secured Obligations for the time being due or owing from the Mortgagor to the Mortgagee or (without limitation) any other matter provided for in this Mortgage shall be treated, in favour of the Mortgagee or any person to whom such statement, determination or certificate is issued, as conclusive evidence for all purposes against the Mortgagor and binding on it (save in the case of manifest error) and such statement, determination or certificate may be relied upon by the Mortgagee and any other such person in all circumstances without further enquiry.
- 26.3 No delay or omission on the part of the Mortgagee in exercising any right or remedy under this Mortgage shall impair that right or remedy or operate as or be taken to be a waiver of it nor shall any single, partial or defective exercise of any such right or remedy preclude any other or further exercise under this Mortgage of that or any other right or remedy.

- 26.4 The Mortgagee's rights powers and remedies under this Mortgage are cumulative and are not, nor are they to be construed as, exclusive of any rights, powers or remedies provided by law or otherwise and may be exercised from time to time and as often as the Mortgagee deems expedient.
- 26.5 Any waiver by the Mortgagee any terms of this Mortgage or any consent or approval given by the Mortgagee under it shall be effective only if given in writing and then only for the purpose and upon the terms and conditions (if any) on which it is given.
- 26.6 If at any time any one or more of the provisions of this Mortgage is or becomes illegal, invalid or unenforceable in any respect under any law of any jurisdiction neither the legality, validity or enforceability of the remaining provisions of this Mortgage nor the legality, validity or enforceability of such provision under the law of any other jurisdiction shall be in any way affected or impaired as a result.
- 26.7 The Mortgagor shall be deemed to be a principal debtor and the sole, original and independent obligor for the Secured Obligations and the Security Interest created by this Mortgage shall be deemed to be a principal security for the Secured Obligations. The Liability of the Mortgagor under this Mortgage shall not be discharged, impaired or otherwise affected by any circumstance, act, omission, matter or thing which but for this provision might operate to reduce, release, prejudice or otherwise exonerate the Mortgagor from its obligations under the Facility Agreement in whole or in part.

27 Law and Jurisdiction

- 27.1 This Mortgage is governed by, and shall be construed in accordance with, the laws of the Cayman Islands.
- 27.2 The Mortgagor irrevocably agrees for the exclusive benefit of the Mortgagee that the courts of the Cayman Islands shall have jurisdiction to hear and determine any suit, action or proceeding and to settle any dispute which may arise out of or in connection with this Mortgage and for such purposes irrevocably submits to the jurisdiction of such courts.

28 Counterparts

This Mortgage may be executed in any number of counterparts and all such counterparts taken together shall be deemed to constitute one and the same instrument.

SIGNATURES

The Mortgagor
THE COMMON SEAL of
MORGANCREEK INVESTMENT HOLDINGS LIMITED
was affixed to this Deed
in the presence of:

)
)
)
)

/s/ Jianyu Yang

/s/ Botao Shi

(Signature of witness)

Botao Shi

(Name of witness)

18/F, Tower A Global Trade Center, 36 North 3rd Ring Road East, Dongcheng District, Beijing

(Address of witness)

Manager

(Occupation of witness)

Address:

Telephone: 010-5957 5279

Fax: 010-5957 5252

Attention:

The Mortgagee

SIGNED, SEALED and DELIVERED

by
on behalf of Gopher Investment Fund SPC
for the account of Gopher Financing Fund SP

in the presence of:

)
)
)
)
)

/s/ Shang-Yan Chuang

/s/ Chan Yuen Han Amy

(Signature of witness)

Chan Yuen Han Amy

(Name of witness)

1603 Wheelock House, 20 Pedder Street, Central, Hong Kong

(Address of witness)

Head of Operations

(Occupation of witness)

Address:

Telephone: (+852) 3628 3663

Fax: (+852) 3791 2282

Attention:

[Signature Page to Borrower Share Charge]

Schedule 1

Amount or number of Initial Shares	Description of Shares
3,294,000	Ordinary shares of US\$0.0001 par value in Concord Medical Services Holdings Limited, a Cayman Islands exempted company

Schedule 2

Share Transfer

The Undersigned, MORGANCREEK INVESTMENT HOLDINGS LIMITED, (the “**Transferor**”), for value received does hereby transfer to (the “**Transferee**”), _____ shares standing in its name in the undertaking named Concord Medical Services Holdings Limited to hold the same unto the Transferee.

Signed by the Transferor acting by:

Dated this _____ day of _____

Signed by the Transferee acting by:

Dated this _____ day of _____

Schedule 3

Notice of Equitable Mortgage

To: Concord Medical Services Holdings Limited

2013

Dear Sirs

Mortgage over Shares

We hereby notify you that pursuant to a mortgage over shares dated 2013 between MORGANCREEK INVESTMENT HOLDINGS LIMITED (the "**Mortgagor**") and GOPHER INVESTMENT FUND SPC for the account of Gopher Financing Fund SP (the "**Mortgagee**") (the "**Mortgage over Shares**"), the Mortgagor has granted a security interest over shares standing in its name in Concord Medical Services Holdings Limited. Capitalised terms shall have the meanings given thereto in the Mortgage over Shares. At any time after the Mortgagee notifies you that an Event of Default (as defined in the Mortgage over Shares) has occurred you may take all steps to register Mortgagee or its nominee as the registered holder of the shares pursuant to the Mortgage over Shares as the Mortgagee may require.

As of the date of this notice, you should, until you receive notice from the Mortgagee to the contrary, pay all dividends which you are permitted to pay to us to the Mortgagee for deposit in the Cash Account; at the following account:

Yours faithfully

for and on behalf of
MORGANCREEK INVESTMENT HOLDINGS LIMITED

Schedule 4

Irrevocable Proxy

Concord Medical Services Holdings Limited (the "Company")

The undersigned, MORGANCREEK INVESTMENT HOLDINGS LIMITED (the "Mortgagor"), being the legal owner of 3,294,000 issued shares (the "Shares") in the share capital of the Company, a company incorporated in the Cayman Islands, effective upon the occurrence of an Event of Default as defined in the Mortgage over Shares, hereby makes, constitutes and appoints (the "Attorney") as the true and lawful attorney and proxy of the undersigned with full power to appoint a nominee or nominees to act hereunder from time to time and to vote the Shares represented by the Share Certificate(s) of the Company at all general meetings of shareholders or stockholders of the Company with the same force and effect as the undersigned might or could do and to requisition and convene a meeting or meetings of the shareholders of the Company for the purpose of appointing or confirming the appointment of new directors of the Company and/or such other matters as may in the opinion of the Attorney be necessary or desirable for the purpose of implementing the Mortgage referred to below and the undersigned hereby ratifies and confirms all that the said attorney or its nominee or nominees shall do or cause to be done by virtue hereof.

The Shares have been mortgaged to the Attorney pursuant to a mortgage over shares dated 2013 between the Mortgagor and GOPHER INVESTMENT FUND SPC for the account of Gopher Financing Fund SP (the "Mortgage over Shares").

This power and proxy is given to secure a proprietary interest of the donee of the power or the performance of an obligation owed to the donee and is irrevocable and shall remain irrevocable as long as the Mortgage over Shares is in force.

In witness whereof this instrument has been duly executed this 2013 as a deed.

EXECUTED and)
DELIVERED as a DEED by)
MORGANCREEK INVESTMENT)
HOLDINGS LIMITED)

Director

Witness

DATED 25 NOVEMBER 2013

MORGANCREEK INVESTMENT HOLDINGS LIMITED

as Chargor

and

GOPHER INVESTMENT FUND SPC for the account of Gopher Financing Fund SP

as Chargee

BORROWER ACCOUNT CHARGE

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BETWEEN

- (1) **MORGANCREEK INVESTMENT HOLDINGS LIMITED**, a company incorporated under the laws of the British Virgin Islands whose registered office is at P.O. Box 957, Offshore Incorporations Centre, Road Town, Tortola, B.V.I. (the “**Chargor**”); and
- (2) **GOPHER INVESTMENT FUND SPC (for the account of Gopher Financing Fund SP)**, an exempted company incorporated with limited liability in the Cayman Islands, the registered office of which is at PO Box 309, Ugland House, Grand Cayman, KY1-1104, Cayman Islands, for the account of Gopher Financing Fund SP, as chargee (the “**Chargee**”), which expression shall include its successors, assigns and transferees.

IT IS AGREED as follows:

1. **DEFINITIONS AND INTERPRETATION**

1.1 **Definitions**

In this Deed, unless otherwise defined herein, all terms defined or referred to in the Facility Agreement (as defined below), shall bear the same meaning when used in this Deed and, in addition:

“**Account Bank**” means Citibank N.A., Hong Kong Branch.

“**ADSs**” means American depositary shares in the Company, each representing three (3) ordinary shares in the Company.

“**Cash Account**” means a cash account, with account number 5229067011, opened in the name of the Chargor with the Account Bank, which forms part of the Charged Account.

“**Charged Account**” means:

- (a) the Cash Account;
- (b) the Safekept Securities Account;
- (c) any account opened (with any financial institution, situated in Hong Kong) in replacement of an account referred to in paragraphs (a) or (b) above with the consent of the Chargee; and
- (d) any other account (with any financial institution, situated in Hong Kong) designated as such, from time to time, jointly by the Chargor and the Chargee.

“**Charged Property**” means all the assets and undertaking of the Chargor which from time to time are the subject of the security created or expressed to be created in favour of the Chargee pursuant to this Deed.

“**Collateral Rights**” means all rights, powers and remedies of the Chargee provided by this Deed or by law.

“**Company**” means Concord Medical Services Holdings Limited, an exempted company established under the law of the Cayman Islands.

“**Conditions of Consent to Account Charge**” means the notice to the Chargee from the Account Bank relating to the charge in favour of the Chargee over the Charged Account, the form of which is set out in Schedule 2.

“**Event of Default**” has the meaning given to that term in the Facility Agreement.

“**Facility Agreement**” means the US\$71,827,050.45 term loan facility agreement dated 8 November 2013 between Morgancreek Investment Holdings Limited as borrower, the Chargee as lender, and each of Mr. Jianyu Yang and Mr. Zheng Cheng as a guarantor.

“**Hong Kong SAR**” or “**Hong Kong**” means the Hong Kong Special Administrative Region.

“**Instruction Notice**” has the meaning given to that term in the Conditions of Consent to Account Charge

“**Receiver**” means a receiver or receiver and manager from time to time appointed in respect of the whole or any part of the Charged Property.

“**Safekeeping Agreement**” means the safekeeping agreement in relation to the Cash Account and Safekept Securities Account dated 20 November 2013 and entered into between the Chargor and the Account Bank.

“**Safekept Securities**” means any and all ADSs held in the Safekept Securities Account.

“**Safekept Securities Account**” means a securities account in which the Safekept Securities are held, with account number 2290670000 opened in the name of the Chargor with the Account Bank and which forms part of the Charged Account.

“**Secured Obligations**” means all present and future sums, obligations and liabilities (whether actual or contingent) of the Chargor to the Chargee under each or any of the Finance Documents, and whether or not matured and whether or not liquidated, in each case together with all money, obligations and liabilities due, owing or incurred in respect of any variations or increases in the amount or composition of the facilities provided under any Finance Document or the obligations and liabilities imposed under such documents.

“**Security**” has the meaning given to that term in the Facility Agreement

1.2 Interpretation

In this Deed:

- (a) the principles of construction and interpretation contained or referred to in Clause 1.2 (*Construction*) of the Facility Agreement shall apply to the construction and interpretation of this Deed; and

- (b) any reference to any or all of the Chargor or the Chargee shall be construed so as to include its or their (and any subsequent) successors and any permitted assignees and transferees in accordance with their respective interests.

2. PAYMENT OF SECURED OBLIGATIONS

2.1 Covenant to Pay

The Chargor shall discharge and pay to the Chargee (when due and payable) each of the Secured Obligations when the same become due in accordance with the Finance Documents.

2.2 Interest

The Chargor shall ensure that all interest accruing on the moneys from time to time standing to the credit of the Cash Account is to be credited to the Cash Account.

2.3 Interest on Overdue Sums

If the Chargor fails to pay any sum due and payable by it under this Deed on the due date for payment of that sum it shall pay interest on such sum (before and after any judgment and to the extent interest at a default rate is not otherwise being paid on such sum) from the date of demand until the date of payment of such sum in full by that Chargor, calculated on a daily basis at the rate determined in accordance with the provisions of Clause 8.3 (*Default interest*) of the Facility Agreement.

3. CHARGE OVER CASH AND SECURITIES ACCOUNT

3.1 As continuing security for the due and punctual payment and discharge of all the Secured Obligations, the Chargor as beneficial owner hereby:

- (a) charges in favour of the Chargee by way of first fixed charge, all its rights, title and interest present and future in and to the Safekept Securities and all Distributions in respect thereof and any other assets now or in the future held in the Charged Account except to the extent that the rights will be subject to an assignment under paragraph (c) below;
- (b) charges in favour of the Chargee by way of a first fixed charge, all its right, title and interest present and future in, in respect of or represented by its interest in the Charged Account (including without limitation all amounts now or in the future standing to the credit of or accrued or accruing in respect of the Charged Account) except to the extent that the rights will be subject to an assignment under paragraph (c) below;
- (c) assigns, and agrees to assign absolutely to the Chargee all its rights , present and future, relating to the Charged Account, the Safekept Securities, the Account Bank and the Safekeeping Agreement to which it is a party, including without limitation to its rights against the Account Bank, all rights it may have against any person to require delivery to it of any Safekept Securities and all rights it may have to give instructions relating to the Safekept Securities and the Charged Account (and the securities and amounts standing to the credit thereof).

4. **PERFECTION OF SECURITY**

4.1 The Chargor shall deliver to the Chargee (or procure the delivery to the Chargee of), as soon as reasonably practicable after execution of this Deed (but in any event prior to the delivery of a Utilisation Request pursuant to the Facility Agreement):

- (a) a notice of charge to the Account Bank in respect of the Charged Account in the form of the Schedule 1 (*Form of Notice of Charge*) (or otherwise in form and substance satisfactory to the Chargee) duly executed by, or on behalf of, the Chargor, and shall procure that such notice is acknowledged by the Account Bank as soon as reasonably practicable thereafter (but in any event prior to the delivery of a Utilisation Request pursuant to the Facility Agreement) in the form of acknowledgement attached to such notice.
- (b) a letter to the Chargee in respect of the Charged Account in the Form of the Schedule 2 (*Conditions of Consent to Account Charge*) (or otherwise in form and substance satisfactory to the Chargee) duly executed by, or on behalf of, the Account Bank, and shall procure that such letter is acknowledged by the Chargor as soon as reasonably practicable thereafter (but in any event prior to the delivery of a Utilisation Request pursuant to the Facility Agreement) in the form of acknowledgement attached to such letter.

5. **OPERATION OF THE CHARGED ACCOUNT**

5.1 Cash Account

Subject to Clause 9, the Chargor shall operate the Cash Account in accordance with Clause 21.16 (*Borrower Charged Account*) of the Facility Agreement. Save as permitted under the provisions of the Facility Agreement, the Chargor shall have no right to withdraw, or to cause or to consent to the withdrawal of, funds held in the Cash Account or to direct the investment of such funds or the liquidation of such investments, in each case other than with the prior written consent of the Chargee.

5.2 Safekept Securities Account

- (a) The Chargor represents to the Chargee on the date of this Deed, on each Utilisation Date and on the last day of each Interest Period that the Safekept Securities which are the subject of the security created pursuant to this Deed are in uncertificated form and the Account Bank is the registered owner of the Safekept Securities.
- (b) Subject to Clause 9, the Chargor shall operate the Safekept Securities Account in accordance with Clause 21.16 (*Borrower Charged Account*) of the Facility Agreement. Save as permitted under the provisions of the Facility Agreement, the Chargor shall not make or consent to the making of any withdrawal or transfer of any Safekept Securities from the Safekept Securities Account, in each case other than with the prior written consent of the Chargee.

- (c) The Chargor shall procure that any Distributions paid or to be paid in respect of the Safekept Securities are deposited in the Cash Account, and any such Distributions shall be subject to the security created pursuant to this Deed including (without limitation) the provisions of Clause 5.1.

5.3 Instruction Notice

The Chargee shall be entitled to give an Instruction Notice to the Account Bank with effect from the date of this Deed.

6. **FURTHER ASSURANCE**

- 6.1 If at any time after the date of this Deed, the Chargor applies to have itself registered as a non-Hong Kong company under Part XI of the Companies Ordinance (Cap. 32), it shall within five Business Days of such application being made notify the Chargee. Without prejudice to the foregoing, upon its being registered as a non-Hong Kong company under Part XI of the Companies Ordinance (Cap. 32), the Chargor shall procure that prescribed particulars of this Deed shall, forthwith upon its registration as a non-Hong Kong company, be presented to the Hong Kong Companies Registry in accordance with the Companies Ordinance (Cap. 32) (and in any event within 5 weeks of the date of its registration as a non-Hong Kong company).
- 6.2 The Chargor shall promptly execute, or procure the execution of, all documents (including without limitation transfers) and do all things (including without limitation the delivery, transfer, assignment or payment of all or part of the Charged Property to the Chargee) that the Chargee may require for the purpose of (a) exercising the Collateral Rights or (b) securing and perfecting the Chargee's security over or title to all or any part of the Charged Property.
- 6.3 The Chargor shall, upon demand from the Chargee, at any time after the security created pursuant to this Deed has become enforceable, execute, or procure the execution of, all documents and do all other things that the Chargee may require to facilitate the realisation of the Charged Property.
- 6.4 The Chargor shall, at the request of the Chargee, promptly at its own cost as the Chargee may from time to time require, change the nature, status or form of any of the Charged Property to such other nature, status or form as may (in the sole and absolute discretion of the Chargee) be necessary or desirable in order to preserve, protect or enhance the value or realisation of such Charged Property by any deposit, transfer or other procedure as may be necessary or desirable in order for any entitlement to be held or enjoyed by means of American depository receipts.
- 6.5 The Chargor shall:
 - (a) Immediately after the execution of this Deed, instruct its registered agent to create and maintain a register of charges ("**Register of Charges**") and to enter particulars of the security created pursuant to this Deed in such Register of Charges, and the Chargor shall instruct its registered agent to effect registration of particulars of this Deed at the Registry of Corporate Affairs of the British Virgin Islands (the "**Registry**") pursuant to Section 163 of the BVI Business Companies Act, 2004 (as amended) of the British Virgin Islands, (the "**BVI Act**");

- (b) Promptly and in any event within three (3) Business Days from and including the date of execution of this Deed, deliver or procure to be delivered to the Chargee a certified copy of the updated Register of Charges recording the particulars of the security created pursuant to this Deed and a confirmation in writing from the registered agent of the Chargor that the relevant application form to register the security created pursuant to this Deed with the Registry has been filed with the Registry pursuant to Section 163 of the BVI Act; and
- (c) Promptly and in any event within thirty (30) Business Days from and including the date of execution of this Deed, deliver or procure to be delivered to the Chargee the certificate of registration of charge issued by the Registry and a Registry stamped copy of the description of the security created pursuant to this Deed.

7. CHARGOR'S REPRESENTATIONS AND WARRANTIES

7.1 The Chargor hereby makes the following representations and warranties to the Chargee and acknowledges that the Chargee has relied upon those representations and warranties:

- (a) the Chargor has not assigned or otherwise disposed or purported to assign or otherwise dispose of any of its right, title or interest in relation to the Charged Property, or any part thereof except for the creation of the security hereunder;
- (b) subject to the delivery of a notice of charge referred to in Clause 4.1, this Deed:
 - (i) constitutes an effective charge over the Charged Property; and
 - (ii) enjoys the priority which it is expressed to have;
- (c) it is the sole and absolute legal and beneficial owner of all of the Charged Property free from any Security, except the security created pursuant to this Deed;
- (d) it is not registered in Hong Kong as a non-Hong Kong company under Part XI of the Companies Ordinance (Cap. 32) at the date of execution of this Deed;
- (e) The Chargor has not sold or disposed of or granted any options or pre-emption rights in respect of any of its right, title and interest in the Charged Property or entered into any swap or other arrangement that transfers to another, in whole or in part, any of the economic consequences or incidents of ownership of the Charged Property nor agreed to do so, other than as permitted under the Facility Agreement;
- (f) In relation to the Safekeeping Agreement:
 - (i) the Safekeeping Agreement is a legally binding, valid and enforceable obligation;

- (ii) it is not in default of any of its material obligations under the Safekeeping Agreement;
 - (iii) there is no prohibition on assignment of the Safekeeping Agreement to the Chargee; and
 - (iv) its entry into and performance of this Deed will not conflict with any term of the Safekeeping Agreement.
- (g) all acts, conditions and things required to be done, fulfilled and performed in order (i) to enable it lawfully to enter into, and perform and comply with the obligations expressed to be assumed by it in, this Deed, (ii) to ensure that the obligations expressed to be assumed by it in this Deed are legal, valid, binding and enforceable and (iii) to make this Deed admissible in evidence in its jurisdiction of incorporation, have been done, fulfilled and performed; and
- (h) except for the registration referred to in Clause 6.5, under the laws of its jurisdiction of incorporation in force at the date hereof, it is not necessary that this Deed be filed, recorded or enrolled with any court or other authority in such jurisdiction or that any stamp, registration or similar tax be paid on or in relation to this Deed

7.2 The representations and warranties contained in Clause 7.1 shall be deemed to be repeated (by reference to the facts and circumstances then existing) by the Chargor on the Utilisation Date.

8. RESTRICTIONS, NEGATIVE PLEDGE AND DISPOSALS

8.1 Incidents of Conversion

The Chargor hereby acknowledges and agrees (and it shall be a condition of each such release, assurance or other action hereinafter mentioned) that, if in connection with any change (or proposed change) in the nature, status or form of any of the Charged Property (whether in the form of ADSs being converted into Ordinary Shares or otherwise) (the “**Relevant Charged Assets**”), the Chargee or its nominee(s) or any other person on its behalf shall issue any release of any of the Charges in connection with such Relevant Charged Assets or otherwise give any assurance or take any other action that might otherwise be construed as a release of, or inconsistent with, the Security over such Relevant Charged Assets created or expressed to be created by or pursuant to this Deed, such release, assurance or other action shall not operate so as to release or otherwise prejudice in any way the security created pursuant to this Deed to the extent that it relates to:

- (a) any of the Charged Property which will or may accrue or arise by virtue of such change (or proposed change), or
- (b) any of the Charged Property in existence immediately prior to such action, in the event such change (or proposed change) shall not be completed, in whole or in part, or

(c) any of the Charged Property which is not specifically the subject of such action.

8.2 The Chargor further acknowledges and agrees that, in connection with any such change (or proposed change), the Chargee, its nominee or other persons on its behalf (or, at the direction of the Chargee, on behalf of the Chargor) may enter into one or more agreements or give assurances or undertakings as may be necessary or desirable for the purpose of such change (or proposed change). The Chargor undertakes promptly on demand to indemnify the Chargee and each such nominee or other person against any expenses, cost, loss or liability it may incur or suffer arising out of or in connection with any of the foregoing.

8.3 **Accounts**

The Chargor shall not, during the subsistence of this Deed, agree to any variation of the rights attaching to the Charged Account or close the Charged Account, in each case without the prior written consent of the Chargee.

8.4 **Negative Pledge**

The Chargor undertakes that it will not, at any time during the subsistence of this Deed, create or permit to subsist any security created pursuant to this Deed over all or any part of the Charged Property.

8.5 **Distributions**

For the avoidance of doubt, subject to Clause 5.2(c), all Distributions shall at all times be applied and dealt with in accordance with Clause 21 (*Dividends*) of the Facility Agreement.

8.6 **Payment of calls etc.**

The Chargor will promptly pay or procure the payment of all calls, instalments or other payments (on a joint and several basis) which may at any time become due in respect of any of the Charged Assets.

8.7 **Provision of information to the Chargee**

The Chargor shall promptly and, in any event, within five Business Days, provide to the Chargee copies of all notices issued and all resolutions passed in relation to its shareholding in the Company.

8.8 **Substitution**

No substitution or release of the Charged Assets shall occur or shall in any circumstances be permitted without the specific and prior written consent of the Chargee unless such substitution or release is permitted in accordance with this Deed or the Facility Agreement.

8.9 **No Disposal of Interests**

The Chargor undertakes that it will not (and will not agree to) at any time during the subsistence of this Deed make any assignment, transfer or other disposal of all or any part of the Charged Property, save as expressly permitted under the Facility Agreement.

9. **ENFORCEMENT OF SECURITY**

9.1 **Enforcement**

Upon the occurrence of an Event of Default the security created pursuant to this Deed will become immediately enforceable and the Chargee shall be entitled, without prior notice to the Chargor or prior authorisation from the Chargor or any court, to enforce all or any part of such security and without limitation shall be entitled to:

- (a) give notice to the Account Bank and the Chargor instructing the Account Bank not to act on the instructions or requests of the Chargor in relation to any sums, Safekept Securities or other securities, property or assets at any such time or thereafter standing to the credit of the Charged Account and the Chargor shall not be entitled to give or make any further such instructions or requests;
- (b) give written notice to the Account Bank (with a copy to the Chargor) that the Chargee shall from that time onwards be the sole signatory in relation to the Charged Account;
- (c) make withdrawals from the Cash Account and/or the Safekept Securities Account as it sees fit and apply any credit balances in the Charged Account in or towards repayment of the Secured Obligations and such other liabilities of the Chargor as the Chargee may elect;
- (d) sell or otherwise dispose of all or any of the Safekept Securities, or any other security, asset or property in the Charged Account;
- (e) give notice to the Account Bank to transfer the Safekept Securities or any other securities or property in the Charged Account into an account in the name of or nominated by the Chargee and the Chargor agrees that in such circumstances and at the request of the Chargee it shall arrange for those Safekept Securities, other securities or property to be credited to the Chargee's nominated account;
- (f) generally use amounts standing to the credit of the Charged Account at its discretion in order to discharge the Chargor's obligations under the Finance Documents;
- (g) give any other notice or instructions to the Account Bank relating to the Charged Account to be acted upon by the Account Bank without enquiry and without further authority from the Chargor;
- (h) request the Account Bank to disclose to the Chargee and its appointed representatives the books and records of the Charged Account maintained at the Account Bank and other information and particulars in relation to the Charged Account in which case the Chargor hereby irrevocably waives any right of confidentiality which may exist in respect of such books, records and other information to the extent necessary to allow disclosure of such books, records and other information to the Chargee and its advisers;

- (i) enforce all or any part of the security created pursuant to this Deed (at the times, in the manner and on the terms it thinks fit) including taking possession of, holding, selling or otherwise disposing of all or any part of the Charged Property at the times, in the manner and on the terms as it may think fit; and
- (j) whether or not it has appointed a Receiver, exercise all or any of the powers, authorities and discretions conferred by this Deed on any Receiver or otherwise conferred by law on mortgagees or Receivers.

The Chargee shall apply the proceeds of any of the above actions in accordance with Clause 12.1 and/or Clause 12.2.

- 9.2 Any restrictions on the consolidation of liens shall be excluded to the fullest extent permitted by law and the Chargee shall, so far as it shall be lawful, be entitled to consolidate all or any of the security interests constituted by this Deed and/or its powers hereunder with any other liens whether in existence at the date of this Deed or created thereafter.
- 9.3 A certificate in writing by an officer or agent of the Chargee that any power of sale or other disposal has arisen and is exercisable shall be conclusive evidence in the absence of manifest error of that fact, in favour of a purchaser of all or any part of the Charged Property.
- 9.4 Neither the Chargee nor any Receiver shall be liable to account as a mortgagee in possession in respect of all or any part of the Charged Property or be liable for any loss upon realisation or for any neglect, default or omission in connection with the Charged Property to which a mortgagee in possession might otherwise be liable.

10. APPOINTMENT OF RECEIVER

10.1 Appointment and Removal

After the security created by this Deed has become enforceable or if requested by the Chargor, the Chargee may by writing without notice to the Chargor:

- (a) appoint one or more persons to be a Receiver of the whole or any part of the Charged Property;
- (b) remove (so far as it is lawfully able) any Receiver so appointed; and
- (c) appoint another person(s) as an additional or replacement Receiver(s).

10.2 Capacity of Receivers

Each person appointed to be a Receiver pursuant to Clause 10.1 (*Appointment and Removal*) shall be:

- (a) entitled to act individually or together with any other person appointed or substituted as Receiver;

- (b) for all purposes deemed to be the agent of the Chargor who shall be solely responsible for his acts, defaults and liabilities (other than such acts, defaults and liabilities that are attributed to the gross negligence or wilful misconduct of the Receiver) and for the payment of his remuneration and no Receiver shall at any time act as agent for the Chargee; and
- (c) entitled to remuneration for his services at a reasonable rate to be fixed by the Chargee from time to time.

11. POWERS OF RECEIVER

- 11.1 In addition to the powers of the Chargee conferred by Clause 9 (*Enforcement of Security*), every Receiver shall (subject to any limitations or restrictions in the instrument appointing him but notwithstanding any winding-up, insolvency or dissolution of the Chargor) have and be entitled to exercise, in relation to the Charged Property (and any assets of the Chargor which, when got in, would be Charged Property) in respect of which he was appointed, and as varied and extended by the provisions of this Deed (in the name of or on behalf of the Chargor or in his own name and, in each case, at the cost of the Chargor):
- (a) all the powers and rights of an absolute owner and power to do or omit to do anything which the Chargor itself could do or omit to do;
 - (b) the power to do all things (including without limitation bringing or defending proceedings in the name or on behalf of the Chargor) which are incidental or conducive to (a) any of the functions, powers, authorities or discretions conferred on or vested in him or (b) the exercise of the Collateral Rights (including without limitation realisation of all or any part of the Charged Property) or (c) bringing into his hands any assets of the Chargor forming part of the, or which when got in would be, Charged Property; and
 - (c) all the powers conferred on him by general law.
- 11.2 Without prejudice to the generality of the foregoing, each Receiver shall (subject to any limitations or restrictions in the instrument appointing him but notwithstanding any winding-up, bankruptcy, insolvency or dissolution of the Chargor) have the following powers in relation to the part of the Charged Property (and any assets which, when got in, would be part of such Charged Property) in respect of which he was appointed (and every reference in this Clause 11.2 to the '**Charged Property**' shall be read as a reference to that part of the Charged Property in respect of which such Receiver was appointed):
- (a) **Take Possession**
power to take immediate possession of, collect and get in all or any part of the Charged Property including without limitation all dividends, interests and other monies arising therefrom or accruing thereto (whether before or after the date of his appointment) and, without prejudice to the foregoing, to cause to be registered all or any part of the Charged Property in its own name or in the name of its nominee(s) or in the name of any purchaser(s) thereof;

- (b) **Proceedings and Claims**
power to bring, prosecute, enforce, defend and abandon applications, claims, disputes, actions, suits and proceedings in connection with the business of the Chargor or all or any part of the Charged Property or this Deed in the name of the Chargor or in his own name and to submit to arbitration, negotiate, compromise and settle any such applications, claims, disputes, actions, suits or proceedings;
- (c) **Deal with Charged Property**
power to sell, transfer, convey and/or dispose of all or any part of the Charged Property (in each case with or without consideration) in such manner and on such terms as he thinks fit;
- (d) **Voting Rights**
power to exercise (or refrain from exercising) any or all of the voting rights in respect of the Charged Property or any part thereof in such manner and on such terms as he thinks fit;
- (e) **Acquisitions**
power to purchase, lease, hire or otherwise acquire any assets or rights of any description which he shall in his absolute discretion consider necessary or desirable for the improvement or realisation of the whole or any part of the Charged Property or otherwise for the benefit of the whole or any part of the Charged Property;
- (f) **Redemption of Security**
power to redeem, discharge or compromise any Security whether or not having priority to the security constituted by this Deed or any part of it;
- (g) **Covenants, Guarantees and Indemnities**
power to enter into bonds, covenants, guarantees, commitments, indemnities and other obligations or liabilities as he shall think fit, to make all payments needed to effect, maintain or satisfy such obligations or liabilities and to use the company seal(s) (if any) of the Chargor; and
- (h) **Exercise of Powers in Chargor's Name**
power to exercise any of the above powers on behalf of and in the name of the Chargor (notwithstanding any winding-up, bankruptcy, insolvency or dissolution of the Chargor) or on his own behalf.

11.3 In making any sale or other disposal of all or any part of the Charged Property or any acquisition in the exercise of their respective powers, a Receiver or the Chargee may do so for such consideration, in such manner, and generally on such terms and conditions as it thinks fit. Any contract for such sale, disposal or acquisition by the Receiver or the Chargee may contain conditions excluding or restricting the personal liability of the Receiver or the Chargee.

12. APPLICATION OF MONEYS

12.1 All moneys received or recovered by the Chargee or any Receiver pursuant to this Deed or the powers conferred by it shall (subject to (a) the claims of any person having prior rights thereto and (b) Clause 12.2) be applied by the Chargee (notwithstanding any purported appropriation by the Chargor) in accordance with the provisions of the Facility Agreement.

12.2 Notwithstanding any other provision of the Finance Documents, the Chargee or any Receiver may, at any time after the security created pursuant to this Deed has become enforceable, pay any or all of the monies received, recovered or realised by the Chargee or such Receiver under this Deed (including without limitation the proceeds of any conversion of currency) into any suspense or impersonal account (with no obligation to pay tax thereon) for so long as the Chargee or such Receiver shall think fit (whether or not any Secured Obligations shall have become due) pending any further application of such moneys in accordance with the provisions of Clause 12.1. If the Secured Obligations have been fully discharged or would be fully discharged if the monies in such suspense or impersonal account were applied towards satisfaction of the Secured Obligations, the Chargee shall apply the monies in such suspense or impersonal account towards satisfaction of the Secured Obligations and if there are any monies remaining in such suspense or impersonal account after the Secured Obligations have been fully discharged, the Chargee shall pay such remaining monies to the Chargor or to any person as directed by the Chargor. Any interest accrued on any monies in such suspense or impersonal account shall be credited to such suspense or, as the case may be, impersonal account and shall, subject to the terms of this Clause 12.2, be applied towards satisfaction of the Secured Obligations.

13. PROTECTION OF PURCHASERS

13.1 Consideration

The receipt of the Chargee or any Receiver in respect of consideration from a purchaser shall be conclusive discharge to a purchaser and, in making any sale or disposal of any of the Charged Property or making any acquisition, the Chargee or any Receiver may do so for such consideration, in such manner and on such terms as it thinks fit.

13.2 Protection of Purchasers

No purchaser or other person dealing with the Chargee or any Receiver shall be bound to inquire whether the right of the Chargee or such Receiver to exercise any of its powers has arisen or become exercisable or be concerned with any propriety or regularity on the part of the Chargee or such Receiver in such dealings.

14. **POWER OF ATTORNEY**

14.1 The Chargor hereby by way of security irrevocably (within the meaning of Section 4 of the Powers of Attorney Ordinance (Cap. 31)) appoints the Chargee and any Receiver severally to be its attorney and in its name, on its behalf and as its act and deed to, upon and at all times after the security created pursuant to this Deed has become enforceable, execute, deliver and perfect all documents and do all things which the attorney may consider to be required or desirable for:

- (a) carrying out any obligation imposed on the Chargor by this Deed (including without limitation the execution and delivery of any deeds, charges, assignments or other security and any transfers of the Charged Property) and/or any other Finance Documents which the Chargor has failed to perform in accordance with the terms hereof or thereof; and
- (b) enabling the Chargee and any Receiver to exercise, or delegate the exercise of, any of the rights, powers and authorities conferred on them by or pursuant to this Deed or any other Finance Document or by law (including without limitation, after the security created pursuant to this Deed has become enforceable, the exercise of any right of a legal or beneficial owner of the Charged Property).

14.2 The Chargor shall ratify and confirm all things done and all documents executed by any attorney in accordance with the terms of this Clause 14 in the exercise of all or any of his powers granted by or in relation to the Chargor.

15. **CHARGOR'S OBLIGATIONS**

The obligations of the Chargor hereunder and the Collateral Rights shall not be discharged, impaired or otherwise affected by:

- (a) any winding-up, dissolution, re-organisation, bankruptcy, death or insolvency of, or any change in, the Chargor or any other person;
- (b) any of the Secured Obligations being at any time illegal, invalid, unenforceable or ineffective;
- (c) any unenforceability or invalidity of any other agreement or document;
- (d) any time or other indulgence being granted to the Chargor or any other person with respect to the Secured Obligations;
- (e) any amendment, variation, waiver or release of any of the Secured Obligations;
- (f) any variation of the terms upon which the Chargee holds the security constituted hereby;
- (g) any failure to take or failure to realise the value of any other collateral in respect of the Secured Obligations or any release, discharge, exchange or substitution of any such collateral; or

- (h) any other act, event or omission which but for this provision would or might operate to impair, discharge or otherwise affect any or all of the obligations of the Chargor or the Collateral Rights hereunder.

16. EFFECTIVENESS OF COLLATERAL

- 16.1 The collateral constituted by this Deed and the Collateral Rights shall be cumulative, in addition to and independent of every other security which the Chargee may at any time hold for the Secured Obligations. No prior security held by the Chargee (whether in its capacity as agent or trustee or otherwise) over the whole or any part of the Charged Property shall merge into the collateral hereby constituted.
- 16.2 This Deed shall remain in full force and effect as a continuing security for the Secured Obligations unless and until discharged by the Chargee and shall not cease by reason of any partial payment of any of the Secured Obligations. Notwithstanding the foregoing, if the obligations of the Chargor under this Deed cease to be continuing for any reason, the liability of the Chargor at the date of such cessation shall remain, regardless of any subsequent increase or reduction in the Secured Obligations.
- 16.3 No failure on the part of the Chargee to exercise, or delay on its part in exercising, any Collateral Right shall operate as a waiver thereof, nor shall any single or partial exercise of a Collateral Right preclude any further or other exercise of that or any other Collateral Right.
- 16.4 The Chargee shall not be obliged, before exercising any Collateral Right as against the Chargor (a) to make any demand of any other person, (b) to take any action or obtain judgment in any court against the Chargor or any other person, (c) to make or file any proof or claim in a liquidation, bankruptcy or insolvency of the Chargor or any other person or (d) to enforce or seek to enforce any security in respect of the Secured Obligations.

17. SUBSEQUENT SECURITY INTERESTS AND CHARGED ACCOUNT

If the Chargee at any time receives or is deemed to have received notice of any subsequent lien affecting all or any part of the Charged Property or any assignment or transfer of the Charged Property which is prohibited by the terms of this Deed or the other Finance Documents, all payments thereafter by or on behalf of the Chargor to the Chargee shall be treated as having been credited to a new account of the Chargor and not as having been applied in reduction of the Secured Obligations as at the time when the Chargee received such notice.

18. SET-OFF AND CASH ACCOUNT

18.1 Set-off

The Chargor authorises the Chargee (but the Chargee shall not be obliged to exercise such right) from time to time, after the security created pursuant to this Deed has become enforceable, to set off against any or all of the sums due and payable but unpaid by and/or any or all of the obligations of the Chargor to the Chargee under this Deed any amount or other obligation (contingent or otherwise) owing by the Chargee to the Chargor and apply any credit balance to which the Chargor is entitled on any account with the Chargee in discharge of such sums payable by and/or such obligations of the Chargor (notwithstanding any specified maturity of any deposit standing to the credit of any such account).

18.2 Cash Account

In no circumstances shall the Cash Account have a balance that is less than zero.

19. EXPENSES, STAMP TAXES AND LIABILITY

19.1 Expenses

The Chargor shall, at any time after the security created pursuant to this Deed has become enforceable, within three (3) Business Days of demand from the Chargee, reimburse the Chargee for all costs and expenses (including legal fees) on a full indemnity basis incurred by it in connection with:

- (a) the perfection of the security contemplated in this Deed; and
- (b) the exercise, preservation and/or enforcement of any of the Collateral Rights or the security contemplated by this Deed or any proceedings instituted by or against the Chargee as a consequence of taking or holding the security contemplated by this Deed or of enforcing the Collateral Rights,

and shall carry interest from the date following 5 days after the date of such demand until so reimbursed at the rate and on the basis as mentioned in Clause 8.1 (*Calculation of interest*) of the Facility Agreement.

19.2 Stamp Taxes

The Chargor shall pay all stamp, registration and other taxes to which this Deed, the security contemplated in this Deed or any judgment given in connection with it is or at any time may be subject and shall, from time to time, indemnify the Chargee on demand against any liabilities, costs, claims and expenses resulting from any failure to pay or delay in paying any such tax other than any liabilities, costs, claims and expenses which arise as a consequence of any gross negligence or wilful misconduct on the part of the Chargee.

19.3 Indemnity

The Chargor shall, notwithstanding any release or discharge of all or any part of the security, indemnify the Chargee, its agents, attorneys and any Receiver against any action, proceeding, claims, losses, liabilities and costs which it has sustained as a consequence of any breach by the Chargor of the provisions of this Deed and/or the exercise of any of the rights and powers conferred on them by this Deed (other than any loss or cost which arises as a consequence of any gross negligence or wilful misconduct on the part of the Chargee) provided that such costs shall be reasonable prior to the security created pursuant to this Deed becoming enforceable. The Chargor is not liable to indemnify the Chargee against any costs referred to in this Clause 19.3 to the extent that such costs have been paid by the Chargor to the Chargee under Clause 19.1.

19.4 **No Liability**

None of the Chargee or any Receiver shall be liable by reason of (a) taking any action permitted by this Deed or (b) any neglect or default in connection with all or any part of the Charged Property or (c) the taking possession or realisation of all or any part of such Charged Property, except in the case of gross negligence or wilful default upon its part.

20. **CURRENCY CONVERSION AND INDEMNITY**

20.1 For the purpose of or pending the discharge of any or all of the Secured Obligations, the Chargee may convert any moneys received, recovered or realised or subject to application by the Chargee pursuant to this Deed from the currency of such moneys to another for such purpose and any such conversion shall be made at such market rate of exchange as may be available to the Chargee from time to time in the ordinary course of its business for obtaining such other currency with the first currency and the Secured Obligations shall be discharged only to the extent of the net proceeds of such conversion received by the Chargee.

20.2 If any sum (a 'Sum') due from the Chargor under this Deed or any order or judgment given or made in relation thereto has to be converted from the currency (the 'First Currency') in which such Sum is payable into another currency (the 'Second Currency') for the purpose of:

- (a) making or filing a claim or proof against the Chargor; or
- (b) obtaining or enforcing an order or judgment in any court or other tribunal,

the Chargor shall as an independent obligator, within three Business Days of demand, indemnify the Chargee from and against any loss suffered or incurred as a result of any discrepancy between (a) the rate of exchange used for such purpose to convert such Sum from the First Currency into the Second Currency and (b) the rate or rates of exchange at which the Chargee may in the ordinary course of business purchase the First Currency with the Second Currency at the time of receipt of such Sum.

21. **PAYMENTS FREE OF DEDUCTION**

All payments to be made by the Chargor under this Deed shall be made free and clear of and without deduction for or on account of tax unless the Chargor is required to make such payment subject to the deduction or withholding of tax, in which case the sum payable by the Chargor in respect of which such deduction or withholding is required to be made shall be increased to the extent necessary to ensure that, after the making of such deduction or withholding, the Chargee receives and retains (free from any liability in respect of any such deduction or withholding) a net sum equal to the sum which it would have received and so retained had no such deduction or withholding been made or required to be made.

22. **PARTIAL INVALIDITY**

If, at any time, any provision of this Deed is or becomes illegal, invalid or unenforceable in any respect under the law of any jurisdiction, neither the legality, validity or enforceability of the remaining provisions of this Deed nor of such provision under the laws of any other jurisdiction shall in any way be affected or impaired thereby and, if any part of the security intended to be created by or pursuant to this Deed is invalid, unenforceable or ineffective for any reason, that shall not affect or impair any other part of the security intended to be created by or pursuant to this Deed.

23. **CHANGES TO PARTIES**

23.1 The Chargor may not assign or transfer any or all of its rights (if any) and/or obligations under this Deed.

23.2 The Chargee may:

- (a) assign all or any of its rights under this Deed; and
 - (b) transfer all or any of its obligations (if any) under this Deed,
- to any other person.

23.3 The Chargor irrevocably and unconditionally confirms that:

- (a) it consents to any assignment or transfer by the Chargee of its rights and/or obligations made in accordance with the provisions of the Finance Documents;
- (b) it shall continue to be bound by the terms of this Deed, notwithstanding any such assignment or transfer; and
- (c) the assignee or transferee of the Chargee shall acquire an interest in this Deed upon such assignment or transfer taking effect.

24. **PERPETUITY PERIOD**

The perpetuity period under the rule against perpetuities, if applicable to this Deed, shall be the period of 80 years from the date of this Deed.

25. **NOTICES**

The provisions of Clause 29 (*Notices*) of the Facility Agreement shall apply *mutandis mutandis* to this Deed.

26. **GOVERNING LAW**

This Deed shall be governed by and construed in accordance with the laws of Hong Kong.

27. **ENFORCEMENT**

27.1 Arbitration

- (a) All disputes arising out of or in connection with this Deed (including, but not limited to, any dispute concerning the existence, validity, formation, effect, interpretation, performance or termination of this Agreement) shall be finally settled and resolved by binding arbitration under the Rules of Arbitration of the International Chamber of Commerce (the “**ICC Rules**”) by the arbitral tribunal appointed in accordance with the ICC Rules.
- (b) Any arbitration initiated pursuant to or in accordance with paragraph (a) above shall be conducted as follows:
 - (i) the seat of arbitration shall be Hong Kong;
 - (ii) the language to be used in the arbitral proceedings shall be English;
 - (iii) the arbitral tribunal shall consist of three arbitrators;
 - (iv) any award rendered by the arbitral tribunal shall be final, conclusive and binding upon the Parties. To the extent permitted by law, the Parties irrevocably waive any right to any form of appeal, review or recourse of any rendered award to any state or other judicial authority; and
 - (v) judgment upon any award rendered may be entered in any court having jurisdiction.

27.2 Waiver of immunities

Each Chargor irrevocably waives, to the extent permitted by applicable law, with respect to itself and its revenues and assets (irrespective of their use or intended use), all immunity on the grounds of sovereignty or other similar grounds from:

- (a) suit;
- (b) jurisdiction of any court;
- (c) relief by way of injunction or order for specific performance or recovery of property;
- (d) attachment of its assets (whether before or after judgment); and
- (e) execution or enforcement of any judgment to which it or its revenues or assets might otherwise be entitled in any proceedings in the courts of any jurisdiction (and irrevocably agrees, to the extent permitted by applicable law, that it will not claim any immunity in any such proceedings).

28. **COUNTERPART**

This Deed may be executed in any number of counterparts, each of which is an original and all of which together evidence the same agreement.

IN WITNESS WHEREOF this Deed has been executed as a deed by the Chargor and by the Chargee and is intended to be and is hereby delivered by the Chargor and by the Chargee as a deed on the date specified above.

**SCHEDULE 1
FORM OF NOTICE OF CHARGE**

To: [Citibank N.A., Hong Kong Branch]

Copy to: Gopher Investment Fund SPC for the account of Gopher Financing Fund SP

Date: []

Dear Sirs,

Re: [Description of the Safekept Securities Account] (the “**Safekept Securities Account**”)

[Description of the Cash Account] (the “**Cash Account**”)

1. We hereby give you notice that we have granted a first fixed charge and assignment in favour of Gopher Investment Fund SPC for the account of Gopher Financing Fund SP (the “**Chargee**”) pursuant to an account charge (the “**Account Charge**”) entered into between ourselves and the Chargee dated [] 2013 over the Safekept Securities Account and the Cash Account as described in the heading above, including any renewal or re-designation thereof, together the “**Charged Account**”), the credit balance from time to time on the Charged Account, all Safekept Securities (as defined in the Account Charge) or other securities from time to time standing to the credit of the Safekept Securities Account and all rights, benefits and proceeds in respect thereof.
2. We are authorised by the Chargee to tell you that (until further notice to you from the Chargee) you should continue to treat us as entitled to operate the Charged Account save that no withdrawals may be made from the Safekept Securities Account or the Cash Account without the prior written consent of the Chargee.
3. We hereby irrevocably and unconditionally instruct and authorise you (notwithstanding any previous instructions whatsoever which we may have given you to the contrary), if you receive notice from the Chargee that the security under the Account Charge has become enforceable:
 - (a) not to act on our instructions or requests in relation to any sums, Safekept Securities or other securities, property or assets at any such time or thereafter standing to the credit of the Charged Account;
 - (b) that the Chargee shall from that time onwards be the sole signatory in relation to the Charged Account;
 - (c) if so instructed by the Chargee, to act in accordance with any instructions from the Chargee to withdraw moneys, Safekept Securities or other securities, property or assets standing to the credit of the Charged Account without enquiry and without further authority from us and to apply all such moneys as directed from time to time by the Chargee;
 - (d) if instructed by the Chargee, to act in accordance with any instructions from the Chargee to sell or otherwise realise, or to enter into any exchange transaction with respect to, any Safekept Securities, other securities, deposits, funds or other investments, property or assets concerned with or recorded in or standing to the credit of the Charged Account without enquiry and without further authority from us;

- (e) to comply with any other notice or instructions from the Chargee relating to the Charged Account without enquiry and without further authority from us; and
 - (f) to, at the request of the Chargee, disclose to the Chargee and its appointed representatives the books and records of the Charged Account and other information and particulars in relation to the Charged Account and we irrevocably waive any right of confidentiality which may exist in respect of such books, records and other information to the extent necessary to allow disclosure of such books, records and other information to the Chargee and its advisers.
4. These instructions may not be revoked, amended, varied or waived without the prior written consent of the Chargee.
 5. Prior to the Account Charge becoming enforceable, the Chargee shall be entitled to receive statements in respect of the Charged Account upon request to the Account Bank.
 6. This notice is governed by Hong Kong law.
 7. Please acknowledge receipt of this notice and your consent to the charge and assignment referred to in this notice by signing the form of Conditions of Consent to Account Charge on the enclosed copy letter and returning it to the Chargee marked for the attention of [].

Yours faithfully,

for and on behalf of
[]

Authorised Signatory of the Chargor

SCHEDULE 2
CONDITIONS OF CONSENT TO ACCOUNT CHARGE

Date:

To: Gopher Investment Fund SPC
for the account of Gopher Financing Fund SP
Attention:
Address:

Cc: Morgancreek Investment Holdings Limited
Attention:
Address:

Dear Sirs,

Notice of charge in relation to the Safekeeping Account (and related Cash Account) to Citibank N.A., Hong Kong Branch (as Bank) dated [] relating to [] (the *Customer's*) Account No. [] and [] (the "Notice**") charged in favour of Gopher Investment Fund SPC for the account of Gopher Financing Fund SP (or its successor, the "**Lender**")**

1. We refer to the Safekeeping Account # (the "Safekeeping Account") and Cash Account # (the "**Cash Account**") (altogether the "**Customer Accounts**") and the Notice.
2. Please note that the General Account Conditions for the Safekeeping Account (and related Cash Account) opened pursuant to the Safekeeping Agreement dated [] specifically provide that:

11.1: "*Neither the client or Citibank may assign or transfer any of its rights or obligations under these conditions or any Local Conditions without the other's written consent...*".
3. We shall only provide our consent to any assignment by way of security, charge or otherwise of the Customer Accounts, subject to the following:
 - (1) The Customer, acting through its authorized signatories for each of the Customer Accounts, confirms to us, by accepting and acknowledging this letter, that
 - (a) we, the Bank, are/shall be authorised to act on the instructions of the Lender which, **upon and from receipt of the Instruction Notice (as defined in clause 3(4) below)**, shall prevail over those of the Customer for as long as we have not received the Discharge Notice referred to in section 3 (6) below;
 - (b) we, the Bank may rely on the instructions and confirmations of any person that purports to be authorized signatory of the Lender without any duty of signature or authority verification;
 - (c) we, the Bank, are entitled to assume that the Lender has the authority to act for and on behalf of itself and the persons (together, the "**Secured Parties**") who are the beneficiaries of the assignment or otherwise entitled to the security interest over the Customer Accounts;

- (d) we, the Bank, are/shall be hereby authorized to disclose to the Lender such information relating to the Customer Accounts as the Lender may request; and
- (e) all necessary corporate actions and authorisations of the Customer have been obtained in respect of (a) to (d) above.
- (2) The Lender hereby agrees, upon our request, to provide us with documentation evidencing the authority of signatories of the Lender, in form and substance reasonably acceptable to us, to issue or execute any instructions to us and/or to agree any amendment or to execute any agreement or document on behalf of the Lender, in respect of the Customer Accounts but each of the Lender and the Customer also acknowledges that we shall have no duty to verify the signature or authority of any person who purports to be an authorized signatory of the Lender and that we are entitled to rely on each such authorized signatory's instructions;
- (3) The Lender, and, as applicable, the Customer shall also execute the following documents for purposes of facilitating fund transfers:
- Call back nomination form (which will be incorporated in the Instruction Notice in the case of the Lender)
- (4) The instructions by the Lender that it shall exercise its rights over the Customer Accounts shall be as set out in the form of notice (the "**Instruction Notice**") attached as Appendix 1. We are under no obligation to act on the instruction set out in the Instruction Notice until one Hong Kong Business Day after the Regional A&T Operations in Hong Kong for the Customer has received the documents referred to in sections 3 (2) and 3(3) above and acknowledged receipt of the Instruction Notice in writing ("**Hong Kong Business Day**" means a day (other than Saturday, or Sunday) on which banks in Hong Kong and New York are open for general banking business) and;
- (5) The instructions by the Lender to remit any amount or withdraw any securities out of the above account(s) shall be in the forms of notice (the "**Remittance Notice**" or the "**Withdrawal Notice**", as applicable) attached as Appendix 2A and 2B. Such instructions will be processed in accordance with our standard operational procedures as may be notified to you from time to time subject to our earlier receipt of the documents referred to in sections 3 (2) and 3(3) above;
- (6) The instructions by the Lender to discharge all rights over the charged/assigned account(s) shall be in the form of notice (the "**Discharge Notice**") attached as Appendix 3. We are under no obligation to act on the instruction set out in the Discharge Notice until one Hong Kong Business Day after the Regional A&T Operations confirms in writing receipt of the Discharge Notice (and subject to our earlier receipt of the documents referred to in sections 3 (2) and 3(3) above);

(7) The Account Bank shall not be required to act on the Lender's instructions unless such instructions are provided in accordance with the following paragraphs:-

(a) Via fax to:

*Citibank, N.A., Hong Kong Branch
55th Floor, One Island East
18 Westlands Road
Island East
Hong Kong*

Attention: Regional A&T Operations; **and**

(b) Via fax to (852) 26213183 / 3184; **and**

(c) Cc a fax copy to (852) 2323 0279/Agency & Trust; **and**

(d) In addition to the steps enumerated above, the Lender **shall call Agency & Trust** Tel: (852) 2868 7963 in Hong Kong and advise that it has sent fax instruction at the aforesaid fax number.

The Account Bank may notify the Lender of any change to the aforementioned addresses, modes of notification and other details at any time.

(8) We shall not be obliged to verify the authenticity of any instructions given in accordance to paragraph 3(7) above.

(9) Notwithstanding anything stated to the contrary in the Notice and any other agreement between the Chargor and the Lender, [the Chargor] may continue to operate the Customer Accounts and the Account Bank shall have full authority to do so in accordance with the account terms and conditions until we receive instructions from the Lender (in accordance to paragraph 3(7) above) that it is exercising its rights over the Customer Account(s) by way of the Instruction Notice.

(10) Save as expressly provided herein, the terms and conditions applicable to the respective Customer Accounts shall continue in full force and effect.

(11) Each of the Lender and the Customer agrees that the Bank shall not be liable in any manner for complying with the instructions of the Lender and/or Customer. The Customer and the Lender agree jointly and severally to indemnify and hold the Bank harmless from and against all losses, liabilities, claims, actions, damages and expenses arising out of or in connection with the Bank carrying out the instructions given by the Customer and/or the Lender pursuant to the Notice.

4. Subject to your acceptance of the terms set out above, we provide our consent to the charge and assignment of the Customer Accounts and the Safekeeping Agreement and acknowledge and confirm:

(a) that each of the Customer Accounts has been charged in favour of Gopher Investment Fund SPC for the account of Gopher Financing Fund SP as the Lender with effect from the latest date on which the Lender and the Customer have duly signed and accepted this letter; and

(b) subject to paragraph 3(4) above, we will, in respect of the Customer Accounts, act only in accordance with the instructions given by the persons authorized by the Lender.

5. Kindly confirm your acceptance of our terms as set out above.

Yours faithfully

For and on behalf of
Citibank, N.A., Hong Kong branch

Name:
Authorized Signatory

ACCEPTED:

For and on behalf of [the Customer]

Authorised Signatory
Name:
Date:

For and on behalf of Gopher Investment Fund SPC for the
account of Gopher Financing Fund SP

Authorised Signatory
Name:
Date:

ENC

Appendix 1 – Instruction Notice

[Note: To be prepared on letterhead of the Lender]

Date:

**[Regional A&T Operations
Citibank, N.A., Hong Kong Branch
55th Floor, One Island East
18 Westlands Road
Island East
Hong Kong**

and fax to (852) 2621 3183 / 3184

Cc: Agency & Trust
Fax no: (852) 2323 0279

Cc: []

RE: Instruction Notice of Lender

Dear Sir or Madam,

Pursuant to the Notice of Charge dated _____ in relation to the Safekeeping Account and the Cash Account (the “**Customer Accounts**”) issued by the Customer, the Lender hereby instructs Citibank, N.A., Hong Kong Branch to hold all sums and securities from time to time standing to the credit of the following account(s) to the order of the Lender and block all outgoing fund/securities transfers from the following account(s):-

Bank Account Number	Account Title	Currency
[] (Safekeeping Account)	[]	[]
[] (Cash Account)	[]	[]

A subsequent and separate instruction shall be provided by the Lender to the Bank in respect of remittance of funds or withdrawal of securities out of the above-mentioned account(s).

Call Back Nomination Form

For the purpose of verifying withdrawal or any instructions received by you from us relating to the above account(s), you may (but you are not obliged to) seek confirmation by telephoning any of the persons named below:

	<u>Telephone number</u>	<u>Name</u>
1		
2		
3		
4		

Yours sincerely,

Authorized representative
For and on behalf of
Gopher Investment Fund SPC
for the account of Gopher Financing Fund SP
Tel:
Fax:

Appendix 2A – Fund Remittance Notice

[To be issued on the letterhead of the Lender]

Regional A&T Operations
via
Citibank, N.A., Hong Kong Branch
55th Floor, One Island East
18 Westlands Road
Island East
Hong Kong

and fax to (852) 2621 3183 / 3184

Cc: Agency & Trust
Fax no: (852) 2323 0279

Cc: []

RE: Notice of Fund Transfer by the Lender

Dear Sir or Madam,

Pursuant to:

- (a) the Notice of Charge dated in relation to the Cash Account and the Safekeeping Account (**the “Customer Accounts”**) issued by [the Customer] and
- (b) our letter entitled **“Instruction Notice”** dated in relation to the Customer Accounts specified therein,

The Lender hereby instructs you as Bank to transfer the following sum of money to the bank account as stated below:-

Debiting A/c No.	:
Value Date	:
Currency/Amount	:
Beneficiary Bank & Location (Swift Code preferred)	:
Beneficiary A/c No.	:
Beneficiary Name	:
Payment Details (Optional)	:

Yours Sincerely,

Authorized representative
For and on behalf of
[Lender]
Tel:
Fax:

Tel:
Fax:

[To be issued on the letterhead of the Lender]

Regional A&T Operations
via
Citibank, N.A., Hong Kong Branch
55th Floor, One Island East
18 Westlands Road
Island East
Hong Kong

and fax to (852) 2621 3183 / 3184

Cc: Agency & Trust
Fax no: (852) 2323 0279

Cc: []

RE: Notice of Securities Transfer by Lender

Dear Sir or Madam,

Pursuant to:

- (a) the Notice of Charge dated in relation to []'s Account No. [] (the "**Customer Account(s)**") issued by the Customer, with a copy sent to the Lender, and
- (b) our letter entitled "**Instruction Notice**" dated in relation to the Safekeeping Account(s) specified therein,

The Lender hereby instructs you as Bank to transfer the following securities to the account as stated below:-

Safekeeping A/c No.	:
Value Date	:
Deliver SHS or Receive SHS	:
Free of Payment or Against Payment	:
Name of Security	:
No. of shares	:
Money Settlement Amount if Against Payment	:
Counterparty and its [CCASS] ¹ No.	:

Yours Sincerely,

Authorized representative
For and on behalf of
[the Lender]
Tel:
Fax:

¹ Please confirm

Appendix 3 – Discharge Notice

[Notice of Discharge of Charge is to be prepared on the letterhead of the Lender]

Regional A&T Operations
via
Citibank, N.A., Hong Kong Branch
55th Floor, One Island East
18 Westlands Road
Island East
Hong Kong

and fax to (852) 2621 3183 / 3184

Cc: Agency & Trust
Fax no: (852) 2323 0279

Cc []

RE: Notice of Discharge of Assignment

Dear Sir or Madam,

Pursuant to the Notice of Charge dated in relation to the Cash Account and the Safekeeping Account (the “**Safekeeping Accounts**”) issued by the Customer, the Lender hereby instructs you as the Bank to discharge the charge over the following Customer Accounts:-

Bank Account Number	Account Title	Currency
[] (Safekeeping Account)	[]	[]
[] (Cash Account)	[]	[]

We confirm that with effect from the date of this letter, we do not have any interest and/or any other rights in respect of the abovementioned account(s).

We further confirm that you may take instructions from the Lender in relation to the operation of the abovementioned account(s) and the Lender shall have full authority to do so in accordance with the applicable account terms and conditions.

Yours Sincerely,

Authorized representative
For and on behalf of
[Lender]
Tel:
Fax:

SIGNATURES

The Chargor

THE COMMON SEAL of)
MORGANCREEK INVESTMENT)
HOLDINGS LIMITED)
was affixed to this Deed) /s/ Jianyu Yang
in the presence of:) _____

/s/ Botao Shi

(Signature of witness)

Botao Shi

(Name of witness)

18/F, Tower A Global Trade Center, 36 North 3rd Ring Road East, Dongcheng District, Beijing
(Address of witness)

Manager

(Occupation of witness)

Address:

Telephone: 010-5957 5279

Fax: 010-5957 5252

Attention:

[Signature Page to Borrower Account Charge]

The Chargee

SIGNED, SEALED and DELIVERED)
by)
on behalf of Gopher Investment Fund SPC)
for the account of Gopher Financing Fund SP) /s/ Shang-Yan Chuang
in the presence of:) _____

/s/ Chan Yuen Han Amy

(Signature of witness)

Chan Yuen Han Amy

(Name of witness)

Room 1603, Wheelock House, 20 Pedder Street, Central, Hong Kong
(Address of witness)

Head of Operations

(Occupation of witness)

Address:

Telephone: (+852) 3628 3663

Fax: (+852) 3791 2282

Attention:

[Signature Page to Borrower Account Charge]

DATED 29 NOVEMBER 2013

(1) MORGANCREEK INVESTMENT HOLDINGS LIMITED

(2) CARLYLE ASIA GROWTH PARTNERS III, L.P.

EQUITABLE SHARE MORTGAGE IN RESPECT OF SHARES OF
CONCORD MEDICAL SERVICES HOLDINGS LIMITED

THE TAKING OR SENDING BY ANY PERSON OF AN ORIGINAL OF THIS DOCUMENT
INTO THE CAYMAN ISLANDS MAY GIVE RISE TO THE IMPOSITION OF CAYMAN
ISLANDS STAMP DUTY

 WALKERS

匯嘉 關曼 羣島 律師事務所

Suite 1501-1507, Alexandra House, 18 Chater Road, Central, Hong Kong

T 852 2284 4566 F 852 2284 4560 www.walkersglobal.com

Cayman Islands Lawyers

REF: AOD/ESL/C4605-H08926

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BETWEEN

- (1) **MORGANCREEK INVESTMENT HOLDINGS LIMITED**, a BVI business company incorporated under the laws of the British Virgin Islands with company number 1796272 and having its registered office at P.O. Box 957, Offshore Incorporations Centre, Road Town, Tortola, British Virgin Islands (the “**Mortgagor**”); and
- (2) **CARLYLE ASIA GROWTH PARTNERS III, L.P.**, an exempted limited partnership formed and registered under the laws of Cayman Islands as security trustee for and on behalf of the Secured Parties and acting in such capacity (the “**Mortgagee**”).

IT IS AGREED

1. DEFINITIONS AND INTERPRETATION

- 1.1 In this Mortgage, unless the context otherwise requires, words and expressions which are capitalised but not defined herein shall have the same meanings as are given to them in the Share Purchase Agreement. In addition, the following definitions shall apply:

“**BVI Act**” means the BVI Business Companies Act, 2004 (as amended) of the British Virgin Islands.

“**BVI Working Day**” means a day on which government offices are ordinarily open for business in the British Virgin Islands.

“**Companies Law**” means the Companies Law (as amended) of the Cayman Islands.

“**Company**” means Concord Medical Services Holdings Limited, an exempted company with registered office at Scotia Centre, 4th Floor, P.O. Box 2804, George Town, Grand Cayman, Cayman Islands KY1-1112.

“**Event of Default**” means the failure by the Mortgagor to observe or perform any covenant or agreement contained in this Mortgage or any default in the payment of any other Secured Obligation.

“**Insolvency Act**” means the Insolvency Act, 2003 (as amended) of the British Virgin Islands.

“**Mortgage**” means this share mortgage.

“**Mortgaged Property**” means the Mortgaged Shares and all rights, benefits and advantages now or at any time in the future deriving from or incidental to any of the Mortgaged Shares including:

- (a) with the exception of any Ordinary Dividend, all dividends or other distributions (whether in cash, securities or other property), interest and other income paid or payable in relation to any Mortgaged Shares;
- (b) all shares, securities, rights, monies or other property whether certificated or uncertificated accruing, offered or issued at any time by way of redemption, conversion, exchange, substitution, preference, option, bonus issue or otherwise in respect of any Mortgaged Shares (including but not limited to proceeds of sale); and
- (c) all certificates or other evidence of title to any of the Mortgaged Shares now and from time to time hereafter deposited with the Mortgagee.

“Mortgaged Shares” means:

- (a) 3,925,905 ordinary shares owned by the Mortgagor in the Company represented by certificate number 158; and
- (b) any shares acquired in respect of Mortgaged Shares by reason of a stock split, stock dividend, reclassification or otherwise.

“Ordinary Dividend” means cash dividends declared by the Company in any financial year in an amount consistent with, and no more than, dividends declared and paid in either of the previous two financial years.

“Parties” means the parties to this Mortgage.

“Register of Mortgages and Charges” means the register of charges of the Mortgagor maintained in accordance with section 162 of the BVI Act.

“Register of Members” means the register of members of the Company (including any applicable branch register and non-listed shares register) maintained by the Company in accordance with the Companies Law.

“Registrar of Corporate Affairs” means the Registrar of Corporate Affairs of the British Virgin Islands appointed under section 229 of the BVI Act.

“Secured Parties” means each of Carlyle Asia Growth Partners III, L.P. and CAGP III Co-Investment, L.P.

“Share Purchase Agreement” means the share purchase agreement dated August 15, 2013 between Mr. Jianyu Yang and Dr. Zheng Cheng as individual purchasers and Carlyle Asia Growth Partners III, L.P. and CAGP III Co-Investment, L.P. as sellers, to which the Mortgagor has by Deed of Joinder joined as Purchaser, as the same may be supplemented or amended from time to time.

“Secured Obligations” means any and all moneys, liabilities and obligations (whether actual or contingent, whether now existing or hereafter arising, whether or not for the payment of money and including any obligation or liability to pay damages) from time to time owing to the Secured Parties by the Mortgagor pursuant to clauses 2.3 (iii) and 2.3(iv) of the Share Purchase Agreement.

“Security Interest” means:

- (a) a mortgage, charge, pledge, lien, assignment by way of security or other encumbrance or security arrangement (including any hold back or **“flawed asset”** arrangement) securing any obligation of any person;
- (b) any arrangement under which money or claims to, or the benefit of, a bank or other account may be applied, set off or made subject to a combination of accounts so as to effect discharge of any sum owed or payable to any person;
- (c) any other type of arrangement having a similar effect; or
- (d) agreements to create the foregoing.

“Security Period” means the period commencing on the date of execution of this Mortgage and terminating upon discharge of the security created by this Mortgage by payment in full of the Secured Obligations.

1.2 In construing this Mortgage, unless otherwise specified:

- (a) references to any Party shall be construed so as to include that Party’s respective successors in title, permitted assigns and permitted transferees;

- (b) **“including”** and **“in particular”** shall not be construed restrictively but shall mean respectively “including, without prejudice to the generality of the foregoing” and “including without limitation”, and “in particular, but without prejudice to the generality of the foregoing”;
- (c) references to a **“person”** shall be construed so as to include any individual, firm, company or other body corporate, government, state or agency of a state, local or municipal authority or government body or any joint venture, association or partnership (whether or not having separate legal personality); and in each case, its successors and assigns and persons deriving title under or through it, in whole or in part, and any person which replaces any party to any document in its respective role thereunder, whether by assuming the rights and obligations of the party being replaced or whether by executing a document in or substantially in the form of the document it replaces;
- (d) **“variation”** includes any variation, amendment, accession, novation, restatement, modification, assignment, transfer, supplement, extension, deletion or replacement however effected and **“vary”** and **“varied”** shall be construed accordingly;
- (e) **“writing”** includes facsimile transmission legibly received except in relation to any certificate, notice or other document which is expressly required by this Mortgage to be signed and **“written”** has a corresponding meaning;
- (f) references to the **“consent”** of the Mortgagee shall be construed as the consent of the Mortgagee acting in its absolute discretion;
- (g) references to this Mortgage or to any other document include references to this Mortgage or such other document as varied from time to time, even if changes are made to:
 - (i) the composition of the parties to this Mortgage or such other document or to the nature or amount (including any increase) of any facilities made available or liability assumed under such other document; or
 - (ii) the nature or extent of any obligations under such other document;
- (h) references to uncertificated shares are to shares the title to which can be transferred by means of an electronic or other entry and references to certificated shares are to shares which are not uncertificated shares;
- (i) references to the singular shall include the plural and vice versa and references to the masculine shall include the feminine or neuter and vice versa;
- (j) references to clauses and schedules are to clauses of, and schedules to, this Mortgage;
- (k) references to any statute or statutory provision shall be construed as a reference to the same as it may have been, or may from time to time be amended, modified or re-enacted;
- (l) headings and titles are for convenience only and do not affect the interpretation of this Mortgage; and
- (m) an Event of Default is **“continuing”** if it has not been remedied or waived.

2. REPRESENTATION AND WARRANTIES

- 2.1 The Mortgagor hereby represents and warrants to the Mortgagee (for the benefit of each Secured Party) on the date of this Mortgage that:
- (a) it has been duly incorporated and registered as a BVI business company with limited liability under the BVI Act and is validly existing and in good standing under the laws of the British Virgin Islands;
 - (b) it has the power to own its assets and carry on its business as it is being conducted;
 - (c) it is the sole legal and beneficial owner of the Mortgaged Property free from any Security Interest (other than that created by this Mortgage) or other interest and any options or rights of pre-emption;
 - (d) any Mortgaged Shares are, or will be when mortgaged and charged, duly authorised, validly issued, fully paid, non-assessable, freely transferable and constitute shares in the capital of a Cayman Islands exempted company. To the extent they are in existence there are no moneys or liabilities outstanding or payable in respect of any such shares nor will there be any and they have not been redeemed nor cancelled in any way nor will they be;
 - (e) the Mortgaged Shares are freely transferable on the books of the Company and no consents or approvals are required in order to register a transfer of the Mortgaged Shares;
 - (f) the Mortgaged Shares are not issued with any preferred, deferred or other special rights or restrictions whether in regard to dividends, voting, return of any amount paid on account of shares or otherwise which are not expressly set out in the memorandum and articles of association of the Company;
 - (g) there are no covenants, agreements, conditions, interest, rights or other matters whatsoever which adversely affect the Mortgaged Property, other than those set forth in the Share Purchase Agreement;
 - (h) it has not received any notice of an adverse claim by any person in respect of the ownership of the Mortgaged Property or any interest in the Mortgaged Property;
 - (i) it has full power and authority to:
 - (i) execute and deliver this Mortgage;
 - (ii) be the legal and beneficial owner of the Mortgaged Property; and
 - (iii) comply with the provisions of, and perform all its obligations under this Mortgage;
 - (j) it has duly executed and delivered this Mortgage;
 - (k) this Mortgage constitutes its legal, valid and binding obligations enforceable against it in accordance with its terms;
 - (l) the execution and performance of its obligations and liabilities under this Mortgage will not:
 - (i) contravene any law or regulation or any order of any governmental or other official authority, body or agency or any judgment, order or decree of any court having jurisdiction over it;
 - (ii) conflict with, or result in any breach of any of the terms of, or constitute a default under, any agreement or other instrument to which it is a party or any licence or other authorisation to which it is subject or by which it or any of its property is bound; or

- (iii) contravene or conflict with any provision of its memorandum and articles of association;
 - (m) it is solvent within the meaning of the Insolvency Act and it has not taken any action nor have any steps been taken or legal proceedings been started or threatened in writing against it for:
 - (i) winding up, dissolution or reorganisation;
 - (ii) the enforcement of any Security Interest over its assets; or
 - (iii) the appointment of a liquidator, receiver, administrative receiver, administrator, trustee or similar officer of it or of any or all of its assets;
 - (n) it is not in breach (nor would be in breach with the giving of notice, passing of time, or satisfaction of any other condition) or in default under any deed, instrument or any agreement to which it is a party or which is binding on it or any of its assets;
 - (o) no action, litigation, arbitration or administrative proceeding has been commenced or is pending or threatened in writing against it, nor is there subsisting any unsatisfied judgment or award given against it by any court, board of arbitration or other body;
 - (p) all licences, consents, exemptions, clearance filings, registration, payments of taxes, notarisation and authorisations as are or may be necessary or desirable for the proper conduct of its business, trade, and ordinary activities and for the performance and discharge of its obligations and liabilities under this Mortgage and which are required in connection with the execution, delivery, validity, enforceability or admissibility in evidence of this Mortgage and the creation of security over the Mortgaged Property have been obtained and are in full force and effect;
 - (q) it has not taken any action whereby the rights attaching to the Mortgaged Property are altered or diluted save to the extent such alteration or dilution is expressly permitted under this Mortgage;
 - (r) it has taken all corporate and other action required to approve its execution, delivery, performance and enforceability of this Mortgage; and
 - (s) this Mortgage is effective to create a valid and enforceable first equitable mortgage and first priority fixed charge upon the Mortgaged Property in favour of the Mortgagee ranking in priority to the interests of any of its creditors or any liquidator (or similar officer) appointed in respect of it.
- 2.2 The Mortgagor also represents and warrants to and undertakes with the Mortgagee that the foregoing representations and warranties will be true and accurate throughout the continuance of this Mortgage with reference to the facts and circumstances subsisting from time to time.

3. COVENANT TO PAY

- 3.1 The Mortgagor hereby covenants with the Mortgagee as primary obligor and not merely as surety that it will pay and discharge the Secured Obligations when due in accordance with the terms of the Share Purchase Agreement.

4. SECURITY

- 4.1 As a continuing security for the payment of the Secured Obligations, the Mortgagor as legal and beneficial owner hereby:
- (a) mortgages in favour of the Mortgagee by way of a first equitable mortgage the Mortgaged Shares; and
 - (b) charges in favour of the Mortgagee, by way of a first fixed charge, all of its right, title and interest in and to the Mortgaged Property including all benefits, present and future, actual and contingent accruing in respect of the Mortgaged Property (to the extent not effectively mortgaged under Clause 4.1(a)).
- 4.2 The Mortgagor hereby agrees to deliver, or cause to be delivered, to the Mortgagee on the date hereof:
- (a) the corporate documents, resolutions and authorities of the Mortgagor required to authorise the execution of this Mortgage;
 - (b) an executed but undated share transfer certificate in respect of the Mortgaged Shares in favour of the Mortgagee or its nominees (as the Mortgagee shall direct) in the form set out in Schedule 1 to this Mortgage and any other documents which from time to time may be requested by the Mortgagee in order to enable the Mortgagee or its nominees to be registered as the owner or otherwise obtain legal title to the Mortgaged Shares following the occurrence of an Event of Default;
 - (c) share certificates representing the Mortgaged Shares;
- 4.3 The Mortgagor shall, within three BVI Working Days after execution of this Mortgage:
- (a) create and maintain a Register of Mortgages and Charges for the Mortgagor to the extent this has not already been done in accordance with section 162 of the BVI Act;
 - (b) enter particulars as required by the BVI Act of the security interests created pursuant to this Mortgage in the Register of Mortgages and Charges and immediately after entry of such particulars has been made, provide the Mortgagee with a certified true copy of the updated Register of Mortgages and Charges; and
 - (c) effect registration, or assist the Mortgagee in effecting registration, of this Mortgage with the Registrar of Corporate Affairs pursuant to section 163 of the BVI Act by making the required filing, or assisting the Mortgagee in making the required filing, in the approved form with the Registrar of Corporate Affairs and (if applicable) provide confirmation in writing to the Mortgagee that such filing has been made.
- 4.4 The Mortgagor shall, promptly on receipt, deliver or procure to be delivered to the Mortgagee the certificate of registration of charge issued by the Registrar of Corporate Affairs evidencing that the requirements of Part VIII of the BVI Act as to registration have been complied with and the filed, stamped copy of the application concerning the relevant particulars of charge.

5. RIGHTS IN RESPECT OF MORTGAGED PROPERTY

- 5.1 Unless and until the occurrence of an Event of Default:
- (a) the Mortgagor shall be entitled to exercise all voting and consensual powers pertaining to the Mortgaged Property or any part thereof for all purposes not inconsistent with the terms of this Mortgage; and
 - (b) the Mortgagor shall be entitled to receive and retain any Ordinary Dividend on or in respect of the Mortgaged Property or any part thereof.
- 5.2 The Mortgagor shall pay all calls, instalments or other payments and shall discharge all other obligations, which may become due in respect of any of the Mortgaged Property. The Mortgagee may at any time after an Event of Default, if it thinks fit make such payments or discharge such obligations on behalf of the Mortgagor. Any sums so paid by the Mortgagee in respect thereof shall be repayable on demand and pending such repayment shall constitute part of the Secured Obligations.

- 5.3 The Mortgagee shall not have any duty to ensure that any dividends, interest or other moneys and assets receivable in respect of the Mortgaged Property are duly and punctually paid, received or collected as and when the same become due and payable or to ensure that the correct amounts (if any) are paid or received on or in respect of the Mortgaged Property or to ensure the taking up of any (or any offer of any) stocks, shares, rights, moneys or other property paid, distributed, accruing or offered at any time by way of redemption, bonus, rights, preference, or otherwise on or in respect of, any of the Mortgaged Property.
- 5.4 The Mortgagor hereby authorises the Mortgagee to arrange at any time and from time to time prior to or after the occurrence of an Event of Default for the Mortgaged Property or any part thereof to be registered in the name of the Mortgagee (or its nominee) thereupon to be held, as so registered, subject to the terms of this Mortgage and at the request of the Mortgagee, the Mortgagor shall without delay procure that the foregoing shall be done.

6. PRESERVATION OF SECURITY

- 6.1 It is hereby agreed and declared that:
- (a) the security created by this Mortgage shall be held by the Mortgagee as a continuing security for the payment and discharge of the Secured Obligations and the security so created shall not be satisfied by any intermediate payment or satisfaction of any part of the Secured Obligations;
 - (b) the Mortgagee shall not be bound to enforce any other security before enforcing the security created by this Mortgage;
 - (c) no delay or omission on the part of the Mortgagee in exercising any right, power or remedy under this Mortgage shall impair such right, power or remedy or be construed as a waiver thereof nor shall any single or partial exercise of any such right, power or remedy preclude any further exercise thereof or the exercise of any other right, power or remedy. The rights, powers and remedies herein provided are cumulative and not exclusive of any rights, powers and remedies provided by law and may be exercised from time to time and as often as the Mortgagee may deem expedient; and
 - (d) any waiver by the Mortgagee of any terms of this Mortgage shall only be effective if given in writing and then only for the purpose and upon the terms for which it is given.
- 6.2 Any settlement or discharge under this Mortgage between the Mortgagee and the Mortgagor shall be conditional upon no security or payment to the Mortgagee by the Mortgagor or any other person being avoided or set aside or ordered to be refunded or reduced by virtue of any provision or enactment relating to bankruptcy, insolvency, administration or liquidation for the time being in force and, if such condition is not satisfied, the Mortgagee shall be entitled to recover from the Mortgagor on demand the value of such security or the amount of any such payment as if such settlement or discharge had not occurred the payment of which amounts shall, for the avoidance of doubt, form part of the Secured Obligations.
- 6.3 The rights of the Mortgagee under this Mortgage and the security hereby constituted shall not be affected by any act, omission, matter or thing which, but for this provision, might operate to impair, affect or discharge such rights and security, in whole or in part, including whether or not known to or discoverable by the Company, the Mortgagor, the Mortgagee or any other person:
- (a) any time or waiver granted to or composition with the Company, the Mortgagor or any other person;

- (b) the taking, variation, compromise, renewal or release of or refusal or neglect to perfect or enforce any rights, remedies or securities against the Company, the Mortgagor or any other person;
- (c) any legal limitation, disability, incapacity or other circumstances relating to the Company, the Mortgagor or any other person;
- (d) any amendment or supplement to the Share Purchase Agreement or any other document or security (including any amendment the effect of which is to change the nature or amount of any facilities made available thereunder or to change the nature or extent of any obligations thereunder);
- (e) the dissolution, liquidation, amalgamation, reconstruction or reorganisation of the Company, the Mortgagor or any other person; or
- (f) the unenforceability, invalidity or frustration of any obligations of the Company, the Mortgagor or any other person under the Share Purchase Agreement or any other document or security.

6.4 Until the Secured Obligations have been unconditionally and irrevocably satisfied and discharged in full to the satisfaction of the Mortgagee, the Mortgagor shall not by virtue of any payment made hereunder on account of the Secured Obligations or by virtue of any enforcement by the Mortgagee of its rights under, or the security constituted by, this Mortgage or the Share Purchase Agreement or by virtue of any relationship between or transaction involving the Mortgagor and/or the Company (whether such relationship or transaction shall constitute the Mortgagor a creditor of the Company, a guarantor of the obligations of the Company or in part subrogated to the rights of others against the Company or otherwise howsoever and whether or not such relationship or transaction shall be related to, or in connection with, the subject matter of this Mortgage):

- (a) exercise any rights of subrogation against the Company or any other person in relation to any rights, security or moneys held or received or receivable by the Mortgagee or any person;
- (b) exercise any right of contribution from any co-surety liable in respect of such moneys and liabilities under any other guarantee, security or agreement;
- (c) exercise any right of set-off or counterclaim against the Company or any such co-surety;
- (d) receive, claim or have the benefit of any payment, distribution, security or indemnity from the Company or any such co-surety; or
- (e) unless so directed by the Mortgagee (when the Mortgagor will prove in accordance with such directions), claim as a creditor of the Company or any such co-surety in competition with the Mortgagee.

The Mortgagor shall hold in trust for the Mortgagee and forthwith pay or transfer (as appropriate) to the Mortgagee any such payment (including an amount to any such set-off), distribution or benefit of such security, indemnity or claim in fact received by it.

6.5 Until the Secured Obligations have been unconditionally and irrevocably satisfied and discharged in full to the satisfaction of the Mortgagee, the Mortgagor shall not be entitled to retain any dividends or other distributions (whether in cash, securities or other property), interest, other moneys, assets or other income paid or payable or accruing on or in respect of the Mortgaged Property or any part thereof which does not constitute an Ordinary Dividend and if received by the Mortgagor or any nominee of the Mortgagor such dividends, distributions, interest, other moneys, assets or other income not constituting an Ordinary Dividend are to be held in trust by the Mortgagor for the Mortgagee as additional security mortgaged and charged under and subject to the terms of this Mortgage and any such dividends, distributions, interest, other moneys, assets or other income not constituting an Ordinary Dividend shall forthwith be paid or transferred to the Mortgagee;

- 6.6 Until the Secured Obligations have been unconditionally and irrevocably satisfied and discharged in full to the satisfaction of the Mortgagee, the Mortgagee may at any time keep in a separate account or accounts (without liability to pay interest thereon) in the name of the Mortgagee for as long as it may think fit, any moneys received recovered or realised under this Mortgage or under any other guarantee, security or agreement relating in whole or in part to the Secured Obligations without being under any intermediate obligation to apply the same or any part thereof in or towards the discharge of the Secured Obligations or any other amount owing or payable under the Share Purchase Agreement; provided that the Mortgagee shall be obliged to apply amounts standing to the credit of such account or accounts once the aggregate amount held by the Mortgagee in any such account or accounts opened pursuant hereto is sufficient to satisfy the outstanding amount of the Secured Obligations in full.
- 6.7 The Mortgagor shall not, without the prior written consent of the Mortgagee:
- (a) cause or permit any rights attaching to the Mortgaged Property to be varied or abrogated;
 - (b) cause or permit any of the Mortgaged Property to be consolidated, sub-divided or converted or the capital of the Company to be re-organised, exchanged or repaid; or
 - (c) cause or permit anything to be done which may depreciate, jeopardise or otherwise prejudice the value of the security hereby given.
- 6.8 The Mortgagor hereby covenants that during the Security Period it will remain the legal and beneficial owner of the Mortgaged Property (subject to the Security Interests hereby created) and that it will not:
- (a) create or suffer the creation of any Security Interests (other than those created by this Mortgage) or any other interest on or in respect of the whole or any part of the Mortgaged Property or any of its interest therein; or
 - (b) sell, assign, transfer or otherwise dispose of any of its interest in the Mortgaged Property without the prior consent in writing of the Mortgagee.
- 6.9 The Mortgagor shall remain liable to perform all the obligations assumed by it in relation to the Mortgaged Property and the Mortgagee shall be under no obligation of any kind whatsoever in respect thereof or be under any liability whatsoever in the event of any failure by the Mortgagor to perform its obligations in respect thereof.
- 6.10 The Mortgagor shall ensure that it shall not, without the prior written consent of the Mortgagee, use its voting rights to permit the Company to amend its memorandum or articles of association in a way which could be expected to adversely affect the interests of the Mortgagee or any of the Secured Parties.
- 6.11 The Mortgagor shall not, without the prior written consent of the Mortgagee, participate in any vote concerning a members' liquidation or compromise in respect of the Company pursuant to section 116 of the Companies Law.

7. ENFORCEMENT OF SECURITY

- 7.1 At any time after the occurrence of an Event of Default, the security hereby constituted shall become immediately enforceable and the rights of enforcement of the Mortgagee under this Mortgage shall be immediately exercisable upon and at any time thereafter and, without prejudice to the generality of the foregoing the Mortgagee without further notice to the Mortgagor may, whether acting on its own behalf or through a receiver or agent:

- (a) solely and exclusively exercise all voting and/or consensual powers pertaining to the Mortgaged Property or any part thereof and may exercise such powers in such manner as the Mortgagee may think fit;
 - (b) date and present to the Company or any other person any undated documents provided to it pursuant to Clause 4 or any other provision of this Mortgage;
 - (c) receive and retain all dividends, interest or other moneys or assets accruing on or in respect of the Mortgaged Property or any part thereof, such dividends, interest or other moneys or assets to be held by the Mortgagee, as additional security mortgaged and charged under and subject to the terms of this Mortgage and any such dividends, interest and other moneys or assets received by the Mortgagor after such time shall be held in trust by the Mortgagor for the Mortgagee and paid or transferred to the Mortgagee on demand;
 - (d) take possession of, get in, assign, exchange, sell, transfer, grant options over or otherwise dispose of the Mortgaged Property or any part thereof at such place and in such manner and at such price or prices as the Mortgagee may deem fit, and thereupon the Mortgagee shall have the right to deliver, assign and transfer in accordance therewith the Mortgaged Property so sold, transferred, granted options over or otherwise disposed of including by way of changing the ownership of the Mortgaged Shares as shown on the Register of Members;
 - (e) borrow or raise money either unsecured or on the security of the Mortgaged Property (either in priority to the Mortgage or otherwise);
 - (f) settle, adjust, refer to arbitration, compromise and arrange any claims, accounts, disputes, questions and demands with or by any person who is or claims to be a creditor of the Mortgagor or relating to the Mortgaged Property;
 - (g) bring, prosecute, enforce, defend and abandon actions, suits and proceedings in relation to the Mortgaged Property or any business of the Mortgagor;
 - (h) redeem any security (whether or not having priority to the Mortgage) over the Mortgaged Property and to settle the accounts of any person with an interest in the Mortgaged Property;
 - (i) exercise and do (or permit the Mortgagor or any nominee of the Mortgagor to exercise and do) all such rights and things as the Mortgagee would be capable of exercising or doing if it were the absolute beneficial owner of the Mortgaged Property;
 - (j) do anything else it may think fit for the realisation of the Mortgaged Property or incidental to the exercise of any of the rights conferred on the Mortgagee under or by virtue of any document to which the Mortgagor is party; and
 - (k) exercise all rights and remedies afforded to it under this Mortgage and applicable law.
- 7.2 The Mortgagee shall not be obliged to make any enquiry as to the nature or sufficiency of any payment received by it under this Mortgage or to make any claim or to take any action to collect any moneys assigned by this Mortgage or to enforce any rights or benefits assigned to the Mortgagee by this Mortgage or to which the Mortgagee may at any time be entitled hereunder.
- 7.3 Upon any sale of the Mortgaged Property or any part thereof by the Mortgagee, the purchaser shall not be bound to see or enquire whether the Mortgagee's power of sale has become exercisable in the manner provided in this Mortgage and the sale shall be deemed to be within the power of the Mortgagee, and the receipt of the Mortgagee for the purchase money shall effectively discharge the purchaser who shall not be concerned with the manner of application of the proceeds of sale or be in any way answerable therefor.

- 7.4 Any money received or realised under the powers conferred by this Mortgage shall be paid or applied in the following order of priority, subject to the discharge of any prior-ranking claims:
- (a) **FIRST:** in or towards the payment of all costs, expenses, fees and remuneration of the Mortgagee or any receiver incurred pursuant to or in connection with the Share Purchase Agreement;
 - (b) **SECOND:** in or towards satisfaction of the Secured Obligations; and
 - (c) **THIRD:** as to the surplus (if any), to the person or persons entitled to it.
- 7.5 Until all Secured Obligations have been unconditionally and irrevocably paid and discharged in full, the Mortgagee may refrain from applying or enforcing any other moneys, security or rights held by it in respect of the Secured Obligations or may apply and enforce such moneys, security or rights in such manner and in such order as it shall decide in its unfettered discretion.
- 7.6 Neither the Mortgagee nor its agents, managers, officers, employees, delegates and advisers shall be liable for any claim, demand, liability, loss, damage, cost or expense incurred or arising in connection with the exercise or purported exercise of any rights, powers and discretions hereunder in the absence of dishonesty or wilful default.
- 7.7 The Mortgagee shall not by reason of the taking of possession of the whole or any part of the Mortgaged Property or any part thereof be liable to account as mortgagee-in-possession or for anything except actual receipts or be liable for any loss upon realisation or for any default or omission for which a mortgagee-in-possession might be liable.

8. APPOINTMENT OF A RECEIVER

- 8.1 At any time after:
- (a) the occurrence of an Event of Default; or
 - (b) a request has been made by the Mortgagor to the Mortgagee for the appointment of a receiver over its assets or in respect of the Mortgagor,
- then notwithstanding the terms of any other agreement between the Mortgagor and any person, the Mortgagee may (unless precluded by law) appoint in writing any person or persons to be a receiver or receiver and manager of all or any part of the Mortgaged Property as the Mortgagee may choose in its entire discretion.
- 8.2 Where more than one receiver is appointed, the appointees shall have power to act jointly or separately unless the Mortgagee shall specify to the contrary.
- 8.3 The Mortgagee may from time to time determine the remuneration of a receiver.
- 8.4 The Mortgagee may remove a receiver from all or any of the Mortgaged Property of which he is the receiver and after the receiver has vacated office or ceased to act in respect of any of the Mortgaged Property, appoint a further receiver over all or any of the Mortgaged Property in respect of which he shall have ceased to act.
- 8.5 Such an appointment of a receiver shall not preclude:
- (a) the Mortgagee from making any subsequent appointment of a receiver over all or any Mortgaged Property over which a receiver has not previously been appointed or has ceased to act; or
 - (b) the appointment of an additional receiver to act while the first receiver continues to act.

8.6 The receiver shall be the agent of the Mortgagor (which shall be solely liable for his acts, defaults and remuneration). The receiver shall not at any time become the agent of the Mortgagee.

9. POWERS OF A RECEIVER

9.1 In addition to those powers conferred by law, a receiver shall have and be entitled to exercise in relation to the Mortgagor all the powers set out below:

- (a) to exercise all rights of the Mortgagee under or pursuant to this Mortgage including all voting and other rights attaching to the Mortgaged Property;
- (b) to make any arrangement or compromise with others as he shall think fit;
- (c) to appoint managers, officers and agents for the above purposes at such remuneration as the receiver may determine;
- (d) to redeem any prior encumbrance and settle and pass the accounts of the encumbrancer and any accounts so settled and passed shall (subject to any manifest error) be conclusive and binding on the Mortgagor and the money so paid shall be deemed an expense properly incurred by the receiver;
- (e) to pay the proper administrative charges in respect of time spent by his agents and employees in dealing with matters raised by the receiver or relating to the receivership of the Mortgagor; and
- (f) to do all such other acts and things as may be considered by the receiver to be incidental or conducive to any of the above matters or powers or otherwise incidental or conducive to the preservation, improvement or realisation of the Mortgaged Property or the value thereof.

10. FURTHER ASSURANCES

10.1 The Mortgagor shall at its own expense promptly do all such acts or execute all such documents (including assignments, transfers, mortgages, charges, notices and instructions) as the Mortgagee may specify and in such form as the Mortgagee may reasonably require in order to:

- (a) perfect or protect the security created or intended to be created under or evidenced by this Mortgage or for the exercise of any rights, powers and remedies of the Mortgagee provided by or pursuant to this Mortgage, the Share Purchase Agreement or by law;
- (b) confer on the Mortgagee security over any Mortgaged Property located in any jurisdiction which is (to the extent permitted by local law) equivalent or similar to the security intended to be conferred by or pursuant to this Mortgage; or
- (c) following an Event of Default, facilitate the realisation of the assets which are, or are intended to be, the subject of this Mortgage.

10.2 Without limiting the other provisions of this Mortgage, the Mortgagor shall at its own expense take all such action as is available to it (including making all filings and registrations) as may be necessary for the purpose of the creation, perfection, protection or maintenance of any security conferred or intended to be conferred on the Mortgagee by or pursuant to this Mortgage.

11. INDEMNITIES

- 11.1 The Mortgagor will indemnify and save harmless the Mortgagee, any receiver and each agent or attorney appointed under or pursuant to this Mortgage from and against any and all reasonable expenses, claims, liabilities, losses, taxes, costs, duties, fees and charges suffered, incurred or made by the Mortgagee or such agent or attorney:
- (a) in the exercise or purported exercise of any rights, powers or discretions vested in them pursuant to this Mortgage;
 - (b) in the preservation or enforcement of the Mortgagee's rights under this Mortgage or the priority thereof;
 - (c) on the release of any part of the Mortgaged Property from the security created by this Mortgage; or
 - (d) arising out of any breach by the Mortgagor of any term of this Mortgage,
- and the Mortgagee or such receiver, agent or attorney may retain and pay all sums in respect of the same out of money received under the powers conferred by this Mortgage. All amounts suffered, incurred or paid by the Mortgagee or such receiver, agent or attorney or any of them shall be recoverable on a full indemnity basis provided that nothing in this Clause 11.1 shall require the Mortgagor to indemnify and save harmless the Mortgagee from and against any expenses, claims, liabilities, losses, taxes, costs, duties, fees and charges suffered, incurred or made by the Mortgagee as a result of the Mortgagee's dishonesty or wilful default.
- 11.2 If, under any applicable law or regulation, and whether pursuant to a judgment being made or registered against the Mortgagor or the bankruptcy or liquidation of the Mortgagor or for any other reason any payment under or in connection with this Mortgage is made or fails to be satisfied in a currency (the "**Payment Currency**") other than the currency in which such payment is due under or in connection with this Mortgage (the "**Contractual Currency**"), then to the extent that the amount of such payment actually received by the Mortgagee when converted into the Contractual Currency at the rate of exchange, falls short of the amount due under or in connection with this Mortgage, the Mortgagor, as a separate and independent obligation, shall indemnify and hold harmless the Mortgagee against the amount of such shortfall. For the purposes of this Clause 11.2, "**rate of exchange**" means the rate at which the Mortgagee is able on or about the date of such payment to purchase the Contractual Currency with the Payment Currency and shall take into account any premium and other costs of exchange with respect thereto.
- 11.3 All payments to be made to the Mortgagee under this Mortgage shall be made free and clear of and without deduction for or on account of tax unless the Mortgagor is required to make such payment subject to the deduction or withholding of tax, in which case the sum payable by the Mortgagor in respect of which such deduction or withholding is required to be made shall be increased to the extent necessary to ensure that, after the making of such deduction or withholding, the person on account of whose liability to tax such deduction or withholding has been made receives and retains (free from any liability in respect of any such deduction or withholding) a net sum equal to the sum which it would have received and so retained had no such deduction or withholding been made or required to be made.

12. POWER OF ATTORNEY

- 12.1 The Mortgagor, by way of security and in order more fully to secure the performance of its obligations hereunder, hereby irrevocably appoints the Mortgagee and the persons deriving title under it (including, but without any limitation, any receiver) jointly and also severally (with full power of substitution and delegation) to be its attorney-in-fact:
- (a) to execute and complete in favour of the Mortgagee or its nominees or of any purchaser any documents which the Mortgagee may from time to time require for perfecting the Mortgagee's title to, for vesting any of the assets and property hereby mortgaged or charged in the Mortgagee or its nominees or in any purchaser or for any of the purposes contemplated in Clause 7.1 hereof;

- (b) to give effectual discharges for payments, to take and institute on non-payment (if the Mortgagee in its sole discretion so decides) all steps and proceedings in the name of the Mortgagor or of the Mortgagee for the recovery of such moneys, property and assets hereby mortgaged or charged;
- (c) to agree accounts and make allowances and give time or other indulgence to any surety or other person liable;
- (d) so as to enable the Mortgagee to carry out in the name of the Mortgagor any obligation imposed on the Mortgagor by this Mortgage (including the execution and delivery of any deeds, charges, assignments or other security and any transfers of the Mortgaged Property and the exercise of all the Mortgagor's rights and discretions in relation to the Mortgaged Property);
- (e) so as to enable the Mortgagee and any receiver or other person to exercise, or delegate the exercise of, any of the rights, powers and authorities conferred on them by or pursuant to this Mortgage or by law (including the exercise of any right of a legal and beneficial owner of the Mortgaged Property); and
- (f) generally for it and in its name and on its behalf and as its act and deed or otherwise execute, seal and deliver and otherwise perfect and do any such legal assignments and other assurances, charges, authorities and documents over the moneys, property and assets hereby charged, and all such deeds, instruments, acts and things which may be required for the full exercise of all or any of the powers conferred or which may be deemed proper on or in connection with any of the purposes aforesaid.

12.2 Notwithstanding any other provision of Clause 12.1, such power shall not be exercisable by or on behalf of the Mortgagee as the case may be until:

- (a) an Event of Default has occurred; or
- (b) the Mortgagor has failed to comply with Clause 10.

12.3 The power hereby conferred shall be a general power of attorney and the Mortgagor hereby ratifies and confirms and agrees to ratify and confirm any instrument, act or thing which any attorney appointed pursuant hereto may execute or do. In relation to the power referred to herein, the exercise by the Mortgagee of such power shall be conclusive evidence of its right to exercise the same.

13. RELEASE

13.1 Subject to Clause 13.2, upon discharge and satisfaction in full of the Secured Obligations, the Mortgagee shall (at the request and cost of the Mortgagor) execute such documents and do all such reasonable acts as may be necessary to release the Mortgaged Property from the security constituted by this Mortgage. Such release shall not prejudice the rights of the Mortgagee under Clause 11.

13.2 If any amount received in payment or purported payment of the Secured Obligations is capable of being avoided or reduced by virtue of any insolvency or other similar laws:

- (a) the liability of the Mortgagor under this Mortgage and the security constituted by this Mortgage shall continue and such amount shall not be considered to have been irrevocably paid; and
- (b) the Mortgagee may keep any security held by it in respect of the Mortgagor's liability under the Share Purchase Agreement in order to protect the Secured Parties against any possible claim under insolvency law. If a claim is made against a Secured Party prior to the discharge of any such security, the Mortgagee may keep the security until that claim has finally been dealt with.

14. NOTICES

14.1 Any notice or other communication given or made under or in connection with the matters contemplated by this Mortgage shall be in writing, in the English language, and may be sent by a recognised courier service or fax to the address of the relevant party as set out below. Without prejudice to the foregoing, any notice shall be deemed to have been received:

- (a) if sent by a recognised courier service, 48 hours after the time when the letter containing the same is delivered to the courier service; and
- (b) if sent by fax it shall be deemed to have been received on the same day or if not a BVI Working Day, the next BVI Working Day.

14.2 The Mortgagor

Address: c/o P.O. Box 957, Offshore Incorporations Centre
Road Town, Tortola
British Virgin Islands

Fax: +86 10 5957 5252

Attention: Jianyu Yang

14.3 The Mortgagee

Address: c/o Carlyle Investment Advisors
Suite 2801, Two Pacific Place
88 Queensway
Hong Kong

Fax: +852 2878 7007

Attention: Jeffrey Lau

15. ASSIGNMENTS

15.1 This Mortgage shall be binding upon and shall enure to the benefit of the Mortgagor, the Mortgagee and each of their respective successors and (subject as hereinafter provided) assigns and references in this Mortgage to any of them shall be construed accordingly.

15.2 The Mortgagor may not assign or transfer all or any part of its rights and/or obligations under this Mortgage.

15.3 The Mortgagee may assign or transfer all or any part of its rights or obligations under this Mortgage to any assignee or transferee without the consent of the Mortgagor.

16. MORTGAGEE AS TRUSTEE

16.1 The Parties hereby acknowledge and agree that the Mortgagee holds the benefit of this Mortgage (and any other security created in its favour pursuant to this Mortgage) on trust for and on behalf of the Secured Parties in its capacity as security trustee.

17. SET-OFF

17.1 The Mortgagor authorises the Mortgagee (but the Mortgagee shall not be obliged to exercise such right), after the occurrence of an Event of Default to set-off against the Secured Obligations any amount or other obligation (contingent or otherwise) owing by the Mortgagee to the Mortgagor.

18. SUBSEQUENT SECURITY INTERESTS

18.1 If the Mortgagee at any time receives or is deemed to have received notice of any subsequent Security Interest affecting all or any part of the Mortgaged Property or any assignment or transfer of the Mortgaged Property which is prohibited by the terms of this Mortgage, all payments thereafter by or on behalf of the Mortgagor to the Mortgagee shall be treated as having been credited to a new account of the Mortgagor and not as having been applied in reduction of the Secured Obligations as at the time when the Mortgagee received such notice.

19. EXPENSES

19.1 The Mortgagor shall pay to the Mortgagee on demand all costs, fees and expenses (including, but not limited to, legal fees and expenses) and taxes thereon incurred by the Mortgagee or for which the Mortgagee may become liable in connection with:

- (a) the negotiation, preparation and execution of this Mortgage;
- (b) the preserving or enforcing of, or attempting to preserve or enforce, any of its rights under this Mortgage or the priority hereof;
- (c) any variation of, or amendment or supplement to, any of the terms of this Mortgage; or
- (d) any consent or waiver required from the Mortgagee in relation to this Mortgage,

and in the case referred to in Clauses 19.1(c) and 19.1(d) regardless of whether the same is actually implemented, completed or granted, as the case may be.

19.2 The Mortgagor shall pay promptly all registration, stamp, documentary and other like duties and taxes to which this Mortgage may be subject or give rise and shall indemnify the Mortgagee on demand against any and all liabilities with respect to or resulting from any delay or omission on the part of the Mortgagor to pay any such duties or taxes.

20. MISCELLANEOUS

20.1 The Mortgagee, at any time and from time to time, may delegate by power of attorney or in any other manner to any person or persons all or any of the powers, authorities and discretions which are for the time being exercisable by the Mortgagee under this Mortgage in relation to the Mortgaged Property or any part thereof. Any such delegation may be made upon such terms and be subject to such regulations as the Mortgagee may think fit. The Mortgagee shall not be in any way liable or responsible to the Mortgagor for any loss or damage arising from any act, default, omission or misconduct on the part of any such delegate provided the Mortgagee has acted reasonably in selecting such delegate.

20.2 If any of the clauses, conditions, covenants or restrictions (the "**Provision**") of this Mortgage or any deed or document emanating from it shall be found to be void but would be valid if some part thereof were deleted or modified, then the Provision shall apply with such deletion or modification as may be necessary to make it valid and effective.

- 20.3 This Mortgage (together with any documents referred to herein) constitutes the whole agreement between the Parties relating to its subject matter and no variations hereof shall be effective unless made in writing and signed by each of the Parties.
- 20.4 Each document, instrument, statement, report, notice or other communication delivered in connection with this Mortgage shall be in English or where not in English shall be accompanied by a certified English translation which translation shall with respect to all documents of a contractual nature and all certificates and notices to be delivered hereunder be the governing version and upon which in all cases the Mortgagee and the Secured Parties shall be entitled to rely.
- 20.5 This Mortgage may be executed in counterparts each of which when executed and delivered shall constitute an original but all such counterparts together shall constitute one and the same instrument.
- 20.6 The parties intend that this Mortgage takes effect as a deed notwithstanding the fact that the Mortgagee may only execute it under hand.
- 20.7 Nothing in this Mortgage shall constitute or be deemed to constitute a partnership between the Secured Parties.

21. LAW AND JURISDICTION

- 21.1 This Mortgage shall be governed by and construed in accordance with the laws of the Cayman Islands and the Parties hereby irrevocably submit to the non-exclusive jurisdiction of the courts of the Cayman Islands, provided that nothing in this clause shall affect the right of the Mortgagee to serve process in any manner permitted by law or limit the right of the Mortgagee to take proceedings with respect to this Mortgage against the Mortgagor in any jurisdiction nor shall the taking of proceedings with respect to this Mortgage in any jurisdiction preclude the Mortgagee from taking proceedings with respect to this Mortgage in any other jurisdiction, whether concurrently or not.

IN WITNESS whereof this Deed has been executed by the parties on the day and year first above written.

EXECUTED AS A DEED for and on behalf of
MORGANCREEK INVESTMENT HOLDINGS LIMITED:

)
) /s/ Jianyu Yang
) Duly Authorised Signatory
)
) Name: Jianyu Yang
)
) Title: Director

in the presence of:

/s/ Botao Shi
Signature of Witness

Name: Botao Shi

Address: 18/F, Tower A, Global Trade Center, 36 North Third Road East, Dongcheng District, Beijing, P.R.C.

EXECUTED AS A DEED by
CARLYLE ASIA GROWTH PARTNERS III, L.P.
by its general partner **CAGP General Partner, L.P.**
itself by its general partner **CAGP Limited:**

)
) /s/ Daniel A. D’Aniello
) Duly Authorised Signatory
)
) Name: Daniel A. D’Aniello
)
) Title: Director

in the presence of:

/s/ Kate Bollinger
Signature of Witness

Name: Kate Bollinger

Address: 1001 Pennsylvania Ave. NW, Washington DC, 20004 USA

SCHEDULE 1

CONCORD MEDICAL SERVICES HOLDINGS LIMITED

(THE "COMPANY")

SHARE TRANSFER CERTIFICATE

SHARE TRANSFER CERTIFICATE dated [Leave Undated] Morgancreek Investment Holdings Limited (the "Transferor") does hereby transfer to (the "Transferee") 3,925,905 ordinary shares of a par value of US\$0.0001 each in the Company.

SIGNED for and on behalf of the TRANSFEROR:

)
)
) _____
) Duly Authorised Signatory
)
) Name: _____
)
) Title: _____

And I/we do hereby agree to take the Shares

SIGNED for and on behalf of TRANSFEE:

)
)
) _____
) Duly Authorised Signatory
)
) Name: _____
)
) Title: _____

DATED 29 NOVEMBER 2013

(1) MORGANCREEK INVESTMENT HOLDINGS LIMITED
(2) CICC SUN COMPANY LIMITED

EQUITABLE SHARE MORTGAGE IN RESPECT OF SHARES OF
CONCORD MEDICAL SERVICES HOLDINGS LIMITED

THE TAKING OR SENDING BY ANY PERSON OF AN ORIGINAL OF THIS DOCUMENT
INTO THE CAYMAN ISLANDS MAY GIVE RISE TO THE IMPOSITION OF CAYMAN
ISLANDS STAMP DUTY

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BETWEEN

- (1) **MORGANCREEK INVESTMENT HOLDINGS LIMITED**, a BVI business company incorporated under the laws of the British Virgin Islands with company number 1796272 and having its registered office at P.O. Box 957, Offshore Incorporations Centre, Road Town, Tortola, British Virgin Islands (the “**Mortgagor**”); and
- (2) **CICC Sun Company Limited**, a corporation organized under the laws of the British Virgin Islands (the “**Mortgagee**”).

IT IS AGREED

1. DEFINITIONS AND INTERPRETATION

1.1 In this Mortgage, unless the context otherwise requires, words and expressions which are capitalised but not defined herein shall have the same meanings as are given to them in the Share Purchase Agreement. In addition, the following definitions shall apply:

“**BVI Act**” means the BVI Business Companies Act, 2004 (as amended) of the British Virgin Islands.

“**BVI Working Day**” means a day on which government offices are ordinarily open for business in the British Virgin Islands.

“**Companies Law**” means the Companies Law (as amended) of the Cayman Islands.

“**Company**” means Concord Medical Services Holdings Limited, an exempted company with registered office at Scotia Centre, 4th Floor, P.O. Box 2804, George Town, Grand Cayman, Cayman Islands KY1-1112.

“**Event of Default**” means the failure by the Mortgagor to observe or perform any covenant or agreement contained in this Mortgage or any default in the payment of any other Secured Obligation.

“**Insolvency Act**” means the Insolvency Act, 2003 (as amended) of the British Virgin Islands.

“**Mortgage**” means this share mortgage.

“**Mortgaged Property**” means the Mortgaged Shares and all rights, benefits and advantages now or at any time in the future deriving from or incidental to any of the Mortgaged Shares including:

- (a) with the exception of any Ordinary Dividend, all dividends or other distributions (whether in cash, securities or other property), interest and other income paid or payable in relation to any Mortgaged Shares;
- (b) all shares, securities, rights, monies or other property whether certificated or uncertificated accruing, offered or issued at any time by way of redemption, conversion, exchange, substitution, preference, option, bonus issue or otherwise in respect of any Mortgaged Shares (including but not limited to proceeds of sale); and
- (c) all certificates or other evidence of title to any of the Mortgaged Shares now and from time to time hereafter deposited with the Mortgagee.

“**Mortgaged Shares**” means:

- (a) 1,076,580 ordinary shares owned by the Mortgagor in the Company represented by certificate number 156; and
- (b) any shares acquired in respect of Mortgaged Shares by reason of a stock split, stock dividend, reclassification or otherwise.

“**Ordinary Dividend**” means cash dividends declared by the Company in any financial year in an amount consistent with, and no more than, dividends declared and paid in either of the previous two financial years.

“**Parties**” means the parties to this Mortgage.

“**Register of Mortgages and Charges**” means the register of charges of the Mortgagor maintained in accordance with section 162 of the BVI Act.

“**Register of Members**” means the register of members of the Company (including any applicable branch register and non-listed shares register) maintained by the Company in accordance with the Companies Law.

“**Registrar of Corporate Affairs**” means the Registrar of Corporate Affairs of the British Virgin Islands appointed under section 229 of the BVI Act.

“**Share Purchase Agreement**” means the share purchase agreement dated August 15, 2013 between Mr. Jianyu Yang and Dr. Zheng Cheng as individual purchasers and the Mortgagee as seller, to which the Mortgagor has by Deed of Joinder joined as Purchaser, as the same may be supplemented or amended from time to time.

“**Secured Obligations**” means any and all moneys, liabilities and obligations (whether actual or contingent, whether now existing or hereafter arising, whether or not for the payment of money and including any obligation or liability to pay damages) from time to time owing to the Mortgagee by the Mortgagor pursuant to clauses 2.3(ii) of the Share Purchase Agreement.

“**Security Interest**” means:

- (a) a mortgage, charge, pledge, lien, assignment by way of security or other encumbrance or security arrangement (including any hold back or “**flawed asset**” arrangement) securing any obligation of any person;
- (b) any arrangement under which money or claims to, or the benefit of, a bank or other account may be applied, set off or made subject to a combination of accounts so as to effect discharge of any sum owed or payable to any person;
- (c) any other type of arrangement having a similar effect; or
- (d) agreements to create the foregoing.

“**Security Period**” means the period commencing on the date of execution of this Mortgage and terminating upon discharge of the security created by this Mortgage by payment in full of the Secured Obligations.

1.2 In construing this Mortgage, unless otherwise specified:

- (a) references to any Party shall be construed so as to include that Party’s respective successors in title, permitted assigns and permitted transferees;
- (b) “**including**” and “**in particular**” shall not be construed restrictively but shall mean respectively “including, without prejudice to the generality of the foregoing” and “including without limitation”, and “in particular, but without prejudice to the generality of the foregoing”;

- (c) references to a “**person**” shall be construed so as to include any individual, firm, company or other body corporate, government, state or agency of a state, local or municipal authority or government body or any joint venture, association or partnership (whether or not having separate legal personality); and in each case, its successors and assigns and persons deriving title under or through it, in whole or in part, and any person which replaces any party to any document in its respective role thereunder, whether by assuming the rights and obligations of the party being replaced or whether by executing a document in or substantially in the form of the document it replaces;
- (d) “**variation**” includes any variation, amendment, accession, novation, restatement, modification, assignment, transfer, supplement, extension, deletion or replacement however effected and “**vary**” and “**varied**” shall be construed accordingly;
- (e) “**writing**” includes facsimile transmission legibly received except in relation to any certificate, notice or other document which is expressly required by this Mortgage to be signed and “**written**” has a corresponding meaning;
- (f) references to the “**consent**” of the Mortgagee shall be construed as the consent of the Mortgagee acting in its absolute discretion;
- (g) references to this Mortgage or to any other document include references to this Mortgage or such other document as varied from time to time, even if changes are made to:
 - (i) the composition of the parties to this Mortgage or such other document or to the nature or amount (including any increase) of any facilities made available or liability assumed under such other document; or
 - (ii) the nature or extent of any obligations under such other document;
- (h) references to uncertificated shares are to shares the title to which can be transferred by means of an electronic or other entry and references to certificated shares are to shares which are not uncertificated shares;
- (i) references to the singular shall include the plural and vice versa and references to the masculine shall include the feminine or neuter and vice versa;
- (j) references to clauses and schedules are to clauses of, and schedules to, this Mortgage;
- (k) references to any statute or statutory provision shall be construed as a reference to the same as it may have been, or may from time to time be amended, modified or re-enacted;
- (l) headings and titles are for convenience only and do not affect the interpretation of this Mortgage; and
- (m) an Event of Default is “**continuing**” if it has not been remedied or waived.

2. REPRESENTATION AND WARRANTIES

2.1 The Mortgagor hereby represents and warrants to the Mortgagee on the date of this Mortgage that:

- (a) it has been duly incorporated and registered as a BVI business company with limited liability under the BVI Act and is validly existing and in good standing under the laws of the British Virgin Islands;

- (b) it has the power to own its assets and carry on its business as it is being conducted;
- (c) it is the sole legal and beneficial owner of the Mortgaged Property free from any Security Interest (other than that created by this Mortgage) or other interest and any options or rights of pre-emption;
- (d) any Mortgaged Shares are, or will be when mortgaged and charged, duly authorised, validly issued, fully paid, non-assessable, freely transferable and constitute shares in the capital of a Cayman Islands exempted company. To the extent they are in existence there are no moneys or liabilities outstanding or payable in respect of any such shares nor will there be any and they have not been redeemed nor cancelled in any way nor will they be;
- (e) the Mortgaged Shares are freely transferable on the books of the Company and no consents or approvals are required in order to register a transfer of the Mortgaged Shares;
- (f) the Mortgaged Shares are not issued with any preferred, deferred or other special rights or restrictions whether in regard to dividends, voting, return of any amount paid on account of shares or otherwise which are not expressly set out in the memorandum and articles of association of the Company;
- (g) there are no covenants, agreements, conditions, interest, rights or other matters whatsoever which adversely affect the Mortgaged Property, other than those set forth in the Share Purchase Agreement;
- (h) it has not received any notice of an adverse claim by any person in respect of the ownership of the Mortgaged Property or any interest in the Mortgaged Property;
- (i) it has full power and authority to:
 - (i) execute and deliver this Mortgage;
 - (ii) be the legal and beneficial owner of the Mortgaged Property; and
 - (iii) comply with the provisions of, and perform all its obligations under this Mortgage;
- (j) it has duly executed and delivered this Mortgage;
- (k) this Mortgage constitutes its legal, valid and binding obligations enforceable against it in accordance with its terms;
- (l) the execution and performance of its obligations and liabilities under this Mortgage will not:
 - (i) contravene any law or regulation or any order of any governmental or other official authority, body or agency or any judgment, order or decree of any court having jurisdiction over it;
 - (ii) conflict with, or result in any breach of any of the terms of, or constitute a default under, any agreement or other instrument to which it is a party or any licence or other authorisation to which it is subject or by which it or any of its property is bound; or
 - (iii) contravene or conflict with any provision of its memorandum and articles of association;

- (m) it is solvent within the meaning of the Insolvency Act and it has not taken any action nor have any steps been taken or legal proceedings been started or threatened in writing against it for:
 - (i) winding up, dissolution or reorganisation;
 - (ii) the enforcement of any Security Interest over its assets; or
 - (iii) the appointment of a liquidator, receiver, administrative receiver, administrator, trustee or similar officer of it or of any or all of its assets;
 - (n) it is not in breach (nor would be in breach with the giving of notice, passing of time, or satisfaction of any other condition) or in default under any deed, instrument or any agreement to which it is a party or which is binding on it or any of its assets;
 - (o) no action, litigation, arbitration or administrative proceeding has been commenced or is pending or threatened in writing against it, nor is there subsisting any unsatisfied judgment or award given against it by any court, board of arbitration or other body;
 - (p) all licences, consents, exemptions, clearance filings, registration, payments of taxes, notarisation and authorisations as are or may be necessary or desirable for the proper conduct of its business, trade, and ordinary activities and for the performance and discharge of its obligations and liabilities under this Mortgage and which are required in connection with the execution, delivery, validity, enforceability or admissibility in evidence of this Mortgage and the creation of security over the Mortgaged Property have been obtained and are in full force and effect;
 - (q) it has not taken any action whereby the rights attaching to the Mortgaged Property are altered or diluted save to the extent such alteration or dilution is expressly permitted under this Mortgage;
 - (r) it has taken all corporate and other action required to approve its execution, delivery, performance and enforceability of this Mortgage; and
 - (s) this Mortgage is effective to create a valid and enforceable first equitable mortgage and first priority fixed charge upon the Mortgaged Property in favour of the Mortgagee ranking in priority to the interests of any of its creditors or any liquidator (or similar officer) appointed in respect of it.
- 2.2 The Mortgagor also represents and warrants to and undertakes with the Mortgagee that the foregoing representations and warranties will be true and accurate throughout the continuance of this Mortgage with reference to the facts and circumstances subsisting from time to time.

3. COVENANT TO PAY

- 3.1 The Mortgagor hereby covenants with the Mortgagee as primary obligor and not merely as surety that it will pay and discharge the Secured Obligations when due in accordance with the terms of the Share Purchase Agreement.

4. SECURITY

- 4.1 As a continuing security for the payment of the Secured Obligations, the Mortgagor as legal and beneficial owner hereby:
- (a) mortgages in favour of the Mortgagee by way of a first equitable mortgage the Mortgaged Shares; and

- (b) charges in favour of the Mortgagee, by way of a first fixed charge, all of its right, title and interest in and to the Mortgaged Property including all benefits, present and future, actual and contingent accruing in respect of the Mortgaged Property (to the extent not effectively mortgaged under Clause 4.1(a)).

4.2 The Mortgagor hereby agrees to deliver, or cause to be delivered, to the Mortgagee on the date hereof:

- (a) the corporate documents, resolutions and authorities of the Mortgagor required to authorise the execution of this Mortgage;
- (b) an executed but undated share transfer certificate in respect of the Mortgaged Shares in favour of the Mortgagee or its nominees (as the Mortgagee shall direct) in the form set out in Schedule 1 to this Mortgage and any other documents which from time to time may be requested by the Mortgagee in order to enable the Mortgagee or its nominees to be registered as the owner or otherwise obtain legal title to the Mortgaged Shares following the occurrence of an Event of Default;
- (c) share certificates representing the Mortgaged Shares;
- (d) an executed but undated irrevocable proxy and an executed but undated irrevocable power of attorney made in respect of the Mortgaged Shares in favour of the Mortgagee in respect of all general meetings and written resolutions of the Company following the occurrence of an Event of Default, respectively in the form set out in Schedule 2 to this Mortgage;

4.3 The Mortgagor shall, within three BVI Working Days after execution of this Mortgage:

- (a) create and maintain a Register of Mortgages and Charges for the Mortgagor to the extent this has not already been done in accordance with section 162 of the BVI Act;
- (b) enter particulars as required by the BVI Act of the security interests created pursuant to this Mortgage in the Register of Mortgages and Charges and immediately after entry of such particulars has been made, provide the Mortgagee with a certified true copy of the updated Register of Mortgages and Charges; and
- (c) effect registration, or assist the Mortgagee in effecting registration, of this Mortgage with the Registrar of Corporate Affairs pursuant to section 163 of the BVI Act by making the required filing, or assisting the Mortgagee in making the required filing, in the approved form with the Registrar of Corporate Affairs and (if applicable) provide confirmation in writing to the Mortgagee that such filing has been made.

4.4 The Mortgagor shall, promptly on receipt, deliver or procure to be delivered to the Mortgagee the certificate of registration of charge issued by the Registrar of Corporate Affairs evidencing that the requirements of Part VIII of the BVI Act as to registration have been complied with and the filed, stamped copy of the application concerning the relevant particulars of charge.

5. RIGHTS IN RESPECT OF MORTGAGED PROPERTY

5.1 Unless and until the occurrence of an Event of Default:

- (a) the Mortgagor shall be entitled to exercise all voting and consensual powers pertaining to the Mortgaged Property or any part thereof for all purposes not inconsistent with the terms of this Mortgage; and
- (b) the Mortgagor shall be entitled to receive and retain any Ordinary Dividend on or in respect of the Mortgaged Property or any part thereof.

- 5.2 The Mortgagor shall pay all calls, instalments or other payments and shall discharge all other obligations, which may become due in respect of any of the Mortgaged Property. The Mortgagee may at any time after an Event of Default, if it thinks fit make such payments or discharge such obligations on behalf of the Mortgagor. Any sums so paid by the Mortgagee in respect thereof shall be repayable on demand and pending such repayment shall constitute part of the Secured Obligations.
- 5.3 The Mortgagee shall not have any duty to ensure that any dividends, interest or other moneys and assets receivable in respect of the Mortgaged Property are duly and punctually paid, received or collected as and when the same become due and payable or to ensure that the correct amounts (if any) are paid or received on or in respect of the Mortgaged Property or to ensure the taking up of any (or any offer of any) stocks, shares, rights, moneys or other property paid, distributed, accruing or offered at any time by way of redemption, bonus, rights, preference, or otherwise on or in respect of, any of the Mortgaged Property.
- 5.4 The Mortgagor hereby authorises the Mortgagee to arrange at any time and from time to time prior to or after the occurrence of an Event of Default for the Mortgaged Property or any part thereof to be registered in the name of the Mortgagee (or its nominee) thereupon to be held, as so registered, subject to the terms of this Mortgage and at the request of the Mortgagee, the Mortgagor shall without delay procure that the foregoing shall be done.

6. PRESERVATION OF SECURITY

- 6.1 It is hereby agreed and declared that:
- (a) the security created by this Mortgage shall be held by the Mortgagee as a continuing security for the payment and discharge of the Secured Obligations and the security so created shall not be satisfied by any intermediate payment or satisfaction of any part of the Secured Obligations;
 - (b) the Mortgagee shall not be bound to enforce any other security before enforcing the security created by this Mortgage;
 - (c) no delay or omission on the part of the Mortgagee in exercising any right, power or remedy under this Mortgage shall impair such right, power or remedy or be construed as a waiver thereof nor shall any single or partial exercise of any such right, power or remedy preclude any further exercise thereof or the exercise of any other right, power or remedy. The rights, powers and remedies herein provided are cumulative and not exclusive of any rights, powers and remedies provided by law and may be exercised from time to time and as often as the Mortgagee may deem expedient; and
 - (d) any waiver by the Mortgagee of any terms of this Mortgage shall only be effective if given in writing and then only for the purpose and upon the terms for which it is given.
- 6.2 Any settlement or discharge under this Mortgage between the Mortgagee and the Mortgagor shall be conditional upon no security or payment to the Mortgagee by the Mortgagor or any other person being avoided or set aside or ordered to be refunded or reduced by virtue of any provision or enactment relating to bankruptcy, insolvency, administration or liquidation for the time being in force and, if such condition is not satisfied, the Mortgagee shall be entitled to recover from the Mortgagor on demand the value of such security or the amount of any such payment as if such settlement or discharge had not occurred the payment of which amounts shall, for the avoidance of doubt, form part of the Secured Obligations.
- 6.3 The rights of the Mortgagee under this Mortgage and the security hereby constituted shall not be affected by any act, omission, matter or thing which, but for this provision, might operate to impair, affect or discharge such rights and security, in whole or in part, including whether or not known to or discoverable by the Company, the Mortgagor, the Mortgagee or any other person:
- (a) any time or waiver granted to or composition with the Company, the Mortgagor or any other person;

- (b) the taking, variation, compromise, renewal or release of or refusal or neglect to perfect or enforce any rights, remedies or securities against the Company, the Mortgagor or any other person;
- (c) any legal limitation, disability, incapacity or other circumstances relating to the Company, the Mortgagor or any other person;
- (d) any amendment or supplement to the Share Purchase Agreement or any other document or security (including any amendment the effect of which is to change the nature or amount of any facilities made available thereunder or to change the nature or extent of any obligations thereunder);
- (e) the dissolution, liquidation, amalgamation, reconstruction or reorganisation of the Company, the Mortgagor or any other person; or
- (f) the unenforceability, invalidity or frustration of any obligations of the Company, the Mortgagor or any other person under the Share Purchase Agreement or any other document or security.

6.4 Until the Secured Obligations have been unconditionally and irrevocably satisfied and discharged in full to the satisfaction of the Mortgagee, the Mortgagor shall not by virtue of any payment made hereunder on account of the Secured Obligations or by virtue of any enforcement by the Mortgagee of its rights under, or the security constituted by, this Mortgage or the Share Purchase Agreement or by virtue of any relationship between or transaction involving the Mortgagor and/or the Company (whether such relationship or transaction shall constitute the Mortgagor a creditor of the Company, a guarantor of the obligations of the Company or in part subrogated to the rights of others against the Company or otherwise howsoever and whether or not such relationship or transaction shall be related to, or in connection with, the subject matter of this Mortgage):

- (a) exercise any rights of subrogation against the Company or any other person in relation to any rights, security or moneys held or received or receivable by the Mortgagee or any person;
- (b) exercise any right of contribution from any co-surety liable in respect of such moneys and liabilities under any other guarantee, security or agreement;
- (c) exercise any right of set-off or counterclaim against the Company or any such co-surety;
- (d) receive, claim or have the benefit of any payment, distribution, security or indemnity from the Company or any such co-surety; or
- (e) unless so directed by the Mortgagee (when the Mortgagor will prove in accordance with such directions), claim as a creditor of the Company or any such co-surety in competition with the Mortgagee.

The Mortgagor shall hold in trust for the Mortgagee and forthwith pay or transfer (as appropriate) to the Mortgagee any such payment (including an amount to any such set-off), distribution or benefit of such security, indemnity or claim in fact received by it.

6.5 Until the Secured Obligations have been unconditionally and irrevocably satisfied and discharged in full to the satisfaction of the Mortgagee, the Mortgagor shall not be entitled to retain any dividends or other distributions (whether in cash, securities or other property), interest, other moneys, assets or other income paid or payable or accruing on or in respect of the Mortgaged Property or any part thereof which does not constitute an Ordinary Dividend and if received by the Mortgagor or any nominee of the Mortgagor such dividends, distributions, interest, other moneys, assets or other income not constituting an Ordinary Dividend are to be held in trust by the Mortgagor for the Mortgagee as additional security mortgaged and charged under and subject to the terms of this Mortgage and any such dividends, distributions, interest, other moneys, assets or other income not constituting an Ordinary Dividend shall forthwith be paid or transferred to the Mortgagee;

- 6.6 Until the Secured Obligations have been unconditionally and irrevocably satisfied and discharged in full to the satisfaction of the Mortgagee, the Mortgagee may at any time keep in a separate account or accounts (without liability to pay interest thereon) in the name of the Mortgagee for as long as it may think fit, any moneys received recovered or realised under this Mortgage or under any other guarantee, security or agreement relating in whole or in part to the Secured Obligations without being under any intermediate obligation to apply the same or any part thereof in or towards the discharge of the Secured Obligations or any other amount owing or payable under the Share Purchase Agreement; provided that the Mortgagee shall be obliged to apply amounts standing to the credit of such account or accounts once the aggregate amount held by the Mortgagee in any such account or accounts opened pursuant hereto is sufficient to satisfy the outstanding amount of the Secured Obligations in full.
- 6.7 The Mortgagor shall not, without the prior written consent of the Mortgagee:
- (a) cause or permit any rights attaching to the Mortgaged Property to be varied or abrogated;
 - (b) cause or permit any of the Mortgaged Property to be consolidated, sub-divided or converted or the capital of the Company to be re-organised, exchanged or repaid; or
 - (c) cause or permit anything to be done which may depreciate, jeopardise or otherwise prejudice the value of the security hereby given.
- 6.8 The Mortgagor hereby covenants that during the Security Period it will remain the legal and beneficial owner of the Mortgaged Property (subject to the Security Interests hereby created) and that it will not:
- (a) create or suffer the creation of any Security Interests (other than those created by this Mortgage) or any other interest on or in respect of the whole or any part of the Mortgaged Property or any of its interest therein; or
 - (b) sell, assign, transfer or otherwise dispose of any of its interest in the Mortgaged Property without the prior consent in writing of the Mortgagee.
- 6.9 The Mortgagor shall remain liable to perform all the obligations assumed by it in relation to the Mortgaged Property and the Mortgagee shall be under no obligation of any kind whatsoever in respect thereof or be under any liability whatsoever in the event of any failure by the Mortgagor to perform its obligations in respect thereof.
- 6.10 The Mortgagor shall ensure that it shall not, without the prior written consent of the Mortgagee, use its voting rights to permit the Company to amend its memorandum or articles of association in a way which could be expected to adversely affect the interests of the Mortgagee.
- 6.11 The Mortgagor shall not, without the prior written consent of the Mortgagee, participate in any vote concerning a members' liquidation or compromise in respect of the Company pursuant to section 116 of the Companies Law.

7. ENFORCEMENT OF SECURITY

- 7.1 At any time after the occurrence of an Event of Default, the security hereby constituted shall become immediately enforceable and the rights of enforcement of the Mortgagee under this Mortgage shall be immediately exercisable upon and at any time thereafter and, without prejudice to the generality of the foregoing the Mortgagee without further notice to the Mortgagor may, whether acting on its own behalf or through a receiver or agent:

- (a) solely and exclusively exercise all voting and/or consensual powers pertaining to the Mortgaged Property or any part thereof and may exercise such powers in such manner as the Mortgagee may think fit;
 - (b) date and present to the Company or any other person any undated documents provided to it pursuant to Clause 4 or any other provision of this Mortgage;
 - (c) receive and retain all dividends, interest or other moneys or assets accruing on or in respect of the Mortgaged Property or any part thereof, such dividends, interest or other moneys or assets to be held by the Mortgagee, as additional security mortgaged and charged under and subject to the terms of this Mortgage and any such dividends, interest and other moneys or assets received by the Mortgagor after such time shall be held in trust by the Mortgagor for the Mortgagee and paid or transferred to the Mortgagee on demand;
 - (d) take possession of, get in, assign, exchange, sell, transfer, grant options over or otherwise dispose of the Mortgaged Property or any part thereof at such place and in such manner and at such price or prices as the Mortgagee may deem fit, and thereupon the Mortgagee shall have the right to deliver, assign and transfer in accordance therewith the Mortgaged Property so sold, transferred, granted options over or otherwise disposed of including by way of changing the ownership of the Mortgaged Shares as shown on the Register of Members;
 - (e) borrow or raise money either unsecured or on the security of the Mortgaged Property (either in priority to the Mortgage or otherwise);
 - (f) settle, adjust, refer to arbitration, compromise and arrange any claims, accounts, disputes, questions and demands with or by any person who is or claims to be a creditor of the Mortgagor or relating to the Mortgaged Property;
 - (g) bring, prosecute, enforce, defend and abandon actions, suits and proceedings in relation to the Mortgaged Property or any business of the Mortgagor;
 - (h) redeem any security (whether or not having priority to the Mortgage) over the Mortgaged Property and to settle the accounts of any person with an interest in the Mortgaged Property;
 - (i) exercise and do (or permit the Mortgagor or any nominee of the Mortgagor to exercise and do) all such rights and things as the Mortgagee would be capable of exercising or doing if it were the absolute beneficial owner of the Mortgaged Property;
 - (j) do anything else it may think fit for the realisation of the Mortgaged Property or incidental to the exercise of any of the rights conferred on the Mortgagee under or by virtue of any document to which the Mortgagor is party; and
 - (k) exercise all rights and remedies afforded to it under this Mortgage and applicable law.
- 7.2 The Mortgagee shall not be obliged to make any enquiry as to the nature or sufficiency of any payment received by it under this Mortgage or to make any claim or to take any action to collect any moneys assigned by this Mortgage or to enforce any rights or benefits assigned to the Mortgagee by this Mortgage or to which the Mortgagee may at any time be entitled hereunder.
- 7.3 Upon any sale of the Mortgaged Property or any part thereof by the Mortgagee, the purchaser shall not be bound to see or enquire whether the Mortgagee's power of sale has become exercisable in the manner provided in this Mortgage and the sale shall be deemed to be within the power of the Mortgagee, and the receipt of the Mortgagee for the purchase money shall effectively discharge the purchaser who shall not be concerned with the manner of application of the proceeds of sale or be in any way answerable therefor.

- 7.4 Any money received or realised under the powers conferred by this Mortgage shall be paid or applied in the following order of priority, subject to the discharge of any prior-ranking claims:
- (a) **FIRST:** in or towards the payment of all costs, expenses, fees and remuneration of the Mortgagee or any receiver incurred pursuant to or in connection with the Share Purchase Agreement;
 - (b) **SECOND:** in or towards satisfaction of the Secured Obligations; and
 - (c) **THIRD:** as to the surplus (if any), to the person or persons entitled to it.
- 7.5 Until all Secured Obligations have been unconditionally and irrevocably paid and discharged in full, the Mortgagee may refrain from applying or enforcing any other moneys, security or rights held by it in respect of the Secured Obligations or may apply and enforce such moneys, security or rights in such manner and in such order as it shall decide in its unfettered discretion.
- 7.6 Neither the Mortgagee nor its agents, managers, officers, employees, delegates and advisers shall be liable for any claim, demand, liability, loss, damage, cost or expense incurred or arising in connection with the exercise or purported exercise of any rights, powers and discretions hereunder in the absence of dishonesty or wilful default.
- 7.7 The Mortgagee shall not by reason of the taking of possession of the whole or any part of the Mortgaged Property or any part thereof be liable to account as mortgagee-in-possession or for anything except actual receipts or be liable for any loss upon realisation or for any default or omission for which a mortgagee-in-possession might be liable.

8. APPOINTMENT OF A RECEIVER

- 8.1 At any time after:
- (a) the occurrence of an Event of Default; or
 - (b) a request has been made by the Mortgagor to the Mortgagee for the appointment of a receiver over its assets or in respect of the Mortgagor,
- then notwithstanding the terms of any other agreement between the Mortgagor and any person, the Mortgagee may (unless precluded by law) appoint in writing any person or persons to be a receiver or receiver and manager of all or any part of the Mortgaged Property as the Mortgagee may choose in its entire discretion.
- 8.2 Where more than one receiver is appointed, the appointees shall have power to act jointly or separately unless the Mortgagee shall specify to the contrary.
- 8.3 The Mortgagee may from time to time determine the remuneration of a receiver.
- 8.4 The Mortgagee may remove a receiver from all or any of the Mortgaged Property of which he is the receiver and after the receiver has vacated office or ceased to act in respect of any of the Mortgaged Property, appoint a further receiver over all or any of the Mortgaged Property in respect of which he shall have ceased to act.
- 8.5 Such an appointment of a receiver shall not preclude:
- (a) the Mortgagee from making any subsequent appointment of a receiver over all or any Mortgaged Property over which a receiver has not previously been appointed or has ceased to act; or
 - (b) the appointment of an additional receiver to act while the first receiver continues to act.

8.6 The receiver shall be the agent of the Mortgagor (which shall be solely liable for his acts, defaults and remuneration). The receiver shall not at any time become the agent of the Mortgagee.

9. POWERS OF A RECEIVER

9.1 In addition to those powers conferred by law, a receiver shall have and be entitled to exercise in relation to the Mortgagor all the powers set out below:

- (a) to exercise all rights of the Mortgagee under or pursuant to this Mortgage including all voting and other rights attaching to the Mortgaged Property;
- (b) to make any arrangement or compromise with others as he shall think fit;
- (c) to appoint managers, officers and agents for the above purposes at such remuneration as the receiver may determine;
- (d) to redeem any prior encumbrance and settle and pass the accounts of the encumbrancer and any accounts so settled and passed shall (subject to any manifest error) be conclusive and binding on the Mortgagor and the money so paid shall be deemed an expense properly incurred by the receiver;
- (e) to pay the proper administrative charges in respect of time spent by his agents and employees in dealing with matters raised by the receiver or relating to the receivership of the Mortgagor; and
- (f) to do all such other acts and things as may be considered by the receiver to be incidental or conducive to any of the above matters or powers or otherwise incidental or conducive to the preservation, improvement or realisation of the Mortgaged Property or the value thereof.

10. FURTHER ASSURANCES

10.1 The Mortgagor shall at its own expense promptly do all such acts or execute all such documents (including assignments, transfers, mortgages, charges, notices and instructions) as the Mortgagee may specify and in such form as the Mortgagee may reasonably require in order to:

- (a) perfect or protect the security created or intended to be created under or evidenced by this Mortgage or for the exercise of any rights, powers and remedies of the Mortgagee provided by or pursuant to this Mortgage, the Share Purchase Agreement or by law;
- (b) confer on the Mortgagee security over any Mortgaged Property Mortgagor located in any jurisdiction which is (to the extent permitted by local law) equivalent or similar to the security intended to be conferred by or pursuant to this Mortgage; or
- (c) following an Event of Default, facilitate the realisation of the assets which are, or are intended to be, the subject of this Mortgage.

10.2 Without limiting the other provisions of this Mortgage, the Mortgagor shall at its own expense take all such action as is available to it (including making all filings and registrations) as may be necessary for the purpose of the creation, perfection, protection or maintenance of any security conferred or intended to be conferred on the Mortgagee by or pursuant to this Mortgage.

11. INDEMNITIES

11.1 The Mortgagor will indemnify and save harmless the Mortgagee, any receiver and each agent or attorney appointed under or pursuant to this Mortgage from and against any and all reasonable expenses, claims, liabilities, losses, taxes, costs, duties, fees and charges suffered, incurred or made by the Mortgagee or such agent or attorney:

- (a) in the exercise or purported exercise of any rights, powers or discretions vested in them pursuant to this Mortgage;
- (b) in the preservation or enforcement of the Mortgagee's rights under this Mortgage or the priority thereof;
- (c) on the release of any part of the Mortgaged Property from the security created by this Mortgage; or
- (d) arising out of any breach by the Mortgagor of any term of this Mortgage,

and the Mortgagee or such receiver, agent or attorney may retain and pay all sums in respect of the same out of money received under the powers conferred by this Mortgage. All amounts suffered, incurred or paid by the Mortgagee or such receiver, agent or attorney or any of them shall be recoverable on a full indemnity basis provided that nothing in this Clause 11.1 shall require the Mortgagor to indemnify and save harmless the Mortgagee from and against any expenses, claims, liabilities, losses, taxes, costs, duties, fees and charges suffered, incurred or made by the Mortgagee as a result of the Mortgagee's dishonesty or wilful default.

11.2 If, under any applicable law or regulation, and whether pursuant to a judgment being made or registered against the Mortgagor or the bankruptcy or liquidation of the Mortgagor or for any other reason any payment under or in connection with this Mortgage is made or fails to be satisfied in a currency (the "**Payment Currency**") other than the currency in which such payment is due under or in connection with this Mortgage (the "**Contractual Currency**"), then to the extent that the amount of such payment actually received by the Mortgagee when converted into the Contractual Currency at the rate of exchange, falls short of the amount due under or in connection with this Mortgage, the Mortgagor, as a separate and independent obligation, shall indemnify and hold harmless the Mortgagee against the amount of such shortfall. For the purposes of this Clause 11.2, "**rate of exchange**" means the rate at which the Mortgagee is able on or about the date of such payment to purchase the Contractual Currency with the Payment Currency and shall take into account any premium and other costs of exchange with respect thereto.

11.3 All payments to be made to the Mortgagee under this Mortgage shall be made free and clear of and without deduction for or on account of tax unless the Mortgagor is required to make such payment subject to the deduction or withholding of tax, in which case the sum payable by the Mortgagor in respect of which such deduction or withholding is required to be made shall be increased to the extent necessary to ensure that, after the making of such deduction or withholding, the person on account of whose liability to tax such deduction or withholding has been made receives and retains (free from any liability in respect of any such deduction or withholding) a net sum equal to the sum which it would have received and so retained had no such deduction or withholding been made or required to be made.

12. POWER OF ATTORNEY

12.1 The Mortgagor, by way of security and in order more fully to secure the performance of its obligations hereunder, hereby irrevocably appoints the Mortgagee and the persons deriving title under it (including, but without any limitation, any receiver) jointly and also severally (with full power of substitution and delegation) to be its attorney-in-fact:

- (a) to execute and complete in favour of the Mortgagee or its nominees or of any purchaser any documents which the Mortgagee may from time to time require for perfecting the Mortgagee's title to, for vesting any of the assets and property hereby mortgaged or charged in the Mortgagee or its nominees or in any purchaser or for any of the purposes contemplated in Clause 7.1 hereof;

- (b) to give effectual discharges for payments, to take and institute on non-payment (if the Mortgagee in its sole discretion so decides) all steps and proceedings in the name of the Mortgagor or of the Mortgagee for the recovery of such moneys, property and assets hereby mortgaged or charged;
- (c) to agree accounts and make allowances and give time or other indulgence to any surety or other person liable;
- (d) so as to enable the Mortgagee to carry out in the name of the Mortgagor any obligation imposed on the Mortgagor by this Mortgage (including the execution and delivery of any deeds, charges, assignments or other security and any transfers of the Mortgaged Property and the exercise of all the Mortgagor's rights and discretions in relation to the Mortgaged Property);
- (e) so as to enable the Mortgagee and any receiver or other person to exercise, or delegate the exercise of, any of the rights, powers and authorities conferred on them by or pursuant to this Mortgage or by law (including the exercise of any right of a legal and beneficial owner of the Mortgaged Property); and
- (f) generally for it and in its name and on its behalf and as its act and deed or otherwise execute, seal and deliver and otherwise perfect and do any such legal assignments and other assurances, charges, authorities and documents over the moneys, property and assets hereby charged, and all such deeds, instruments, acts and things which may be required for the full exercise of all or any of the powers conferred or which may be deemed proper on or in connection with any of the purposes aforesaid.

12.2 Notwithstanding any other provision of Clause 12.1, such power shall not be exercisable by or on behalf of the Mortgagee as the case may be until an Event of Default has occurred.

12.3 The power hereby conferred shall be a general power of attorney and the Mortgagor hereby ratifies and confirms and agrees to ratify and confirm any instrument, act or thing which any attorney appointed pursuant hereto may execute or do. In relation to the power referred to herein, the exercise by the Mortgagee of such power shall be conclusive evidence of its right to exercise the same.

13. RELEASE

13.1 Subject to Clause _____, upon discharge and satisfaction in full of the Secured Obligations, the Mortgagee shall (at the request and cost of the Mortgagor) execute such documents and do all such reasonable acts as may be necessary to release the Mortgaged Property from the security constituted by this Mortgage. Such release shall not prejudice the rights of the Mortgagee under Clause 11.

14. NOTICES

14.1 Any notice or other communication given or made under or in connection with the matters contemplated by this Mortgage shall be in writing, in the English language, and may be sent by a recognised courier service or fax to the address of the relevant party as set out below. Without prejudice to the foregoing, any notice shall be deemed to have been received:

- (a) if sent by a recognised courier service, 48 hours after the time when the letter containing the same is delivered to the courier service; and
- (b) if sent by fax it shall be deemed to have been received on the same day or if not a BVI Working Day, the next BVI Working Day.

14.2 The Mortgagor

Morgancreek Investment Holdings Limited
c/o P.O. Box 957, Offshore Incorporations Centre
Road Town, Tortola
British Virgin Islands
Attention: Jianyu Yang
Facsimile: (+86) 10 5957 5252

14.3 The Mortgagee

c/o China International Capital Corporation (Hong Kong) Limited
29th Floor, One International Finance Centre
1 Harbour View Street, Central, Hong Kong
Attention: Johnson Leung
Fax: (+852) 2872-2100

With a copy to

c/o Zhongjin Jiacheng Investment Management Co., Ltd
07-09, 36th Floor, Tower Two, China World Trade Centre
No. 1 Jianguomenwai Avenue, Chaoyang District
Beijing, China 100004
Attention: Johnson Leung
Fax: (+8610) 65053796

15. ASSIGNMENTS

- 15.1 This Mortgage shall be binding upon and shall enure to the benefit of the Mortgagor, the Mortgagee and each of their respective successors and (subject as hereinafter provided) assigns and references in this Mortgage to any of them shall be construed accordingly.
- 15.2 The Mortgagor may not assign or transfer all or any part of its rights and/or obligations under this Mortgage.
- 15.3 The Mortgagee may assign or transfer all or any part of its rights or obligations under this Mortgage to any assignee or transferee without the consent of the Mortgagor.

16. SET-OFF

- 16.1 The Mortgagor authorises the Mortgagee (but the Mortgagee shall not be obliged to exercise such right), after the occurrence of an Event of Default to set-off against the Secured Obligations any amount or other obligation (contingent or otherwise) owing by the Mortgagee to the Mortgagor.

17. SUBSEQUENT SECURITY INTERESTS

- 17.1 If the Mortgagee at any time receives or is deemed to have received notice of any subsequent Security Interest affecting all or any part of the Mortgaged Property or any assignment or transfer of the Mortgaged Property which is prohibited by the terms of this Mortgage, all payments thereafter by or on behalf of the Mortgagor to the Mortgagee shall be treated as having been credited to a new account of the Mortgagor and not as having been applied in reduction of the Secured Obligations as at the time when the Mortgagee received such notice.

18. EXPENSES

18.1 The Mortgagor shall pay to the Mortgagee on demand all costs, fees and expenses (including, but not limited to, legal fees and expenses) and taxes thereon incurred by the Mortgagee or for which the Mortgagee may become liable in connection with:

- (a) the negotiation, preparation and execution of this Mortgage;
- (b) the preserving or enforcing of, or attempting to preserve or enforce, any of its rights under this Mortgage or the priority hereof;
- (c) any variation of, or amendment or supplement to, any of the terms of this Mortgage; or
- (d) any consent or waiver required from the Mortgagee in relation to this Mortgage,

and in the case referred to in Clauses 18.1(c) and 18.1(d) regardless of whether the same is actually implemented, completed or granted, as the case may be.

18.2 The Mortgagor shall pay promptly all registration, stamp, documentary and other like duties and taxes to which this Mortgage may be subject or give rise and shall indemnify the Mortgagee on demand against any and all liabilities with respect to or resulting from any delay or omission on the part of the Mortgagor to pay any such duties or taxes.

19. MISCELLANEOUS

19.1 The Mortgagee, at any time and from time to time, may delegate by power of attorney or in any other manner to any person or persons all or any of the powers, authorities and discretions which are for the time being exercisable by the Mortgagee under this Mortgage in relation to the Mortgaged Property or any part thereof. Any such delegation may be made upon such terms and be subject to such regulations as the Mortgagee may think fit. The Mortgagee shall not be in any way liable or responsible to the Mortgagor for any loss or damage arising from any act, default, omission or misconduct on the part of any such delegate provided the Mortgagee has acted reasonably in selecting such delegate.

19.2 If any of the clauses, conditions, covenants or restrictions (the "**Provision**") of this Mortgage or any deed or document emanating from it shall be found to be void but would be valid if some part thereof were deleted or modified, then the Provision shall apply with such deletion or modification as may be necessary to make it valid and effective.

19.3 This Mortgage (together with any documents referred to herein) constitutes the whole agreement between the Parties relating to its subject matter and no variations hereof shall be effective unless made in writing and signed by each of the Parties.

19.4 Each document, instrument, statement, report, notice or other communication delivered in connection with this Mortgage shall be in English or where not in English shall be accompanied by a certified English translation which translation shall with respect to all documents of a contractual nature and all certificates and notices to be delivered hereunder be the governing version and upon which in all cases the Mortgagee shall be entitled to rely.

19.5 This Mortgage may be executed in counterparts each of which when executed and delivered shall constitute an original but all such counterparts together shall constitute one and the same instrument.

19.6 The parties intend that this Mortgage takes effect as a deed notwithstanding the fact that the Mortgagee may only execute it under hand.

20. LAW AND JURISDICTION

20.1 This Mortgage shall be governed by and construed in accordance with the laws of the Cayman Islands. Any dispute, controversy or claim arising out of or relating to this Mortgage, including the existence, validity, interpretation, performance, breach or termination thereof or any dispute regarding non-contractual obligations arising out of or relating to it shall be referred to and finally resolved by arbitration administered by the Hong Kong International Arbitration Centre under the Hong Kong International Arbitration Centre Administered Arbitration rules in force when the Notice of Arbitration is submitted. The arbitration tribunal shall consist of three arbitrators. The seat of arbitration shall be Hong Kong. The language of the arbitration shall be English.

IN WITNESS whereof this Deed has been executed by the parties on the day and year first above written.

EXECUTED AS A DEED for and on behalf of

MORGANCREEK INVESTMENT HOLDINGS LIMITED:

)
) /s/ Jianyu Yang
) _____
) Duly Authorised Signatory
)
) Name: Jianyu Yang
)
) Title: Director

in the presence of:

/s/ Botao Shi

Signature of Witness

Name: Botao Shi

Address: 18/F, Tower A, Global Trade Center, 36 North Third Road East, Dongcheng District, Beijing, P.R.C.

EXECUTED AS A DEED by

CICC Sun Company Limited

)
) /s/ Shirley Shiyou Chen
) _____
) Duly Authorised Signatory
)
) Name: Shirley Shiyou Chen
)
) Title: Director

in the presence of:

/s/ Lei Wang

Signature of Witness

Name: Lei Wang

Address: 36F, China World Office 2, 1 Jianguomenwai Avenue, Beijing 10004, China

SCHEDULE 1

CONCORD MEDICAL SERVICES HOLDINGS LIMITED

(THE "COMPANY")

SHARE TRANSFER CERTIFICATE

SHARE TRANSFER CERTIFICATE dated *[Leave Undated]* Morgancreek Investment Holdings Limited (the "Transferor") does hereby transfer to (the "Transferee") 1,076,580 ordinary shares of a par value of US\$0.0001 each in the Company.

SIGNED for and on behalf of the TRANSFEROR:

)
)
) _____
) Duly Authorised Signatory
)
) Name: _____
) _____
)
) Title: _____
) _____

And I/we do hereby agree to take the Shares

SIGNED for and on behalf of TRANSFEEE:

)
)
) _____
) Duly Authorised Signatory
)
) Name: _____
) _____
)
) Title: _____
) _____

SCHEDULE 2

CONCORD MEDICAL SERVICES HOLDINGS LIMITED

IRREVOCABLE APPOINTMENT OF PROXY AND POWER OF ATTORNEY

We, Morgancreek Investment Holdings Limited, hereby irrevocably appoint CICC Sun Company Limited as our:

1. proxy to vote at meetings of the Shareholders of Concord Medical Services Holdings Limited (the "**Company**") in respect of 1,076,580 ordinary shares (the "**Shares**") of a par value of US\$0.0001 each in the Company registered in our name; and
2. duly authorised representative and duly appointed attorney-in-fact to sign resolutions in writing of the Company in respect of the Shares.

This proxy and this power of attorney are irrevocable by reason of being coupled with the interest of CICC Sun Company Limited as mortgagee of the aforesaid shares.

IN WITNESS whereof this Deed has been executed on _____ .

EXECUTED AS A DEED for and on behalf of
MORGANCREEK INVESTMENT HOLDINGS LIMITED:

)
) _____
) Duly Authorised Signatory
)
) Name: _____
) _____
)
) Title: _____
) _____

in the presence of:

Signature of Witness

Name: _____

Address: _____

DATED 29 NOVEMBER 2013

(1) MORGANCREEK INVESTMENT HOLDINGS LIMITED
(2) PERFECT KEY HOLDINGS LIMITED

EQUITABLE SHARE MORTGAGE IN RESPECT OF SHARES OF
CONCORD MEDICAL SERVICES HOLDINGS LIMITED

THE TAKING OR SENDING BY ANY PERSON OF AN ORIGINAL OF THIS DOCUMENT
INTO THE CAYMAN ISLANDS MAY GIVE RISE TO THE IMPOSITION OF CAYMAN
ISLANDS STAMP DUTY

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BETWEEN

- (1) **MORGANCREEK INVESTMENT HOLDINGS LIMITED**, a BVI business company incorporated under the laws of the British Virgin Islands with company number 1796272 and having its registered office at P.O. Box 957, Offshore Incorporations Centre, Road Town, Tortola, British Virgin Islands (the “**Mortgagor**”); and
- (2) **Perfect Key Holdings Limited**, a corporation organized under the laws of the British Virgin Islands (the “**Mortgagee**”).

IT IS AGREED

1. DEFINITIONS AND INTERPRETATION

1.1 In this Mortgage, unless the context otherwise requires, words and expressions which are capitalised but not defined herein shall have the same meanings as are given to them in the Share Purchase Agreement. In addition, the following definitions shall apply:

“**BVI Act**” means the BVI Business Companies Act, 2004 (as amended) of the British Virgin Islands.

“**BVI Working Day**” means a day on which government offices are ordinarily open for business in the British Virgin Islands.

“**Companies Law**” means the Companies Law (as amended) of the Cayman Islands.

“**Company**” means Concord Medical Services Holdings Limited, an exempted company with registered office at Scotia Centre, 4th Floor, P.O. Box 2804, George Town, Grand Cayman, Cayman Islands KY1-1112.

“**Event of Default**” means the failure by the Mortgagor to observe or perform any covenant or agreement contained in this Mortgage or any default in the payment of any other Secured Obligation.

“**Insolvency Act**” means the Insolvency Act, 2003 (as amended) of the British Virgin Islands.

“**Mortgage**” means this share mortgage.

“**Mortgaged Property**” means the Mortgaged Shares and all rights, benefits and advantages now or at any time in the future deriving from or incidental to any of the Mortgaged Shares including:

- (a) with the exception of any Ordinary Dividend, all dividends or other distributions (whether in cash, securities or other property), interest and other income paid or payable in relation to any Mortgaged Shares;
- (b) all shares, securities, rights, monies or other property whether certificated or uncertificated accruing, offered or issued at any time by way of redemption, conversion, exchange, substitution, preference, option, bonus issue or otherwise in respect of any Mortgaged Shares (including but not limited to proceeds of sale); and
- (c) all certificates or other evidence of title to any of the Mortgaged Shares now and from time to time hereafter deposited with the Mortgagee.

“**Mortgaged Shares**” means:

- (a) 112,875 ordinary shares owned by the Mortgagor in the Company represented by certificate number 157; and
- (b) any shares acquired in respect of Mortgaged Shares by reason of a stock split, stock dividend, reclassification or otherwise.

“**Ordinary Dividend**” means cash dividends declared by the Company in any financial year in an amount consistent with, and no more than, dividends declared and paid in either of the previous two financial years.

“**Parties**” means the parties to this Mortgage.

“**Register of Mortgages and Charges**” means the register of charges of the Mortgagor maintained in accordance with section 162 of the BVI Act.

“**Register of Members**” means the register of members of the Company (including any applicable branch register and non-listed shares register) maintained by the Company in accordance with the Companies Law.

“**Registrar of Corporate Affairs**” means the Registrar of Corporate Affairs of the British Virgin Islands appointed under section 229 of the BVI Act.

“**Share Purchase Agreement**” means the share purchase agreement August 15, 2013 hereof between Mr. Jianyu Yang and Dr. Zheng Cheng as individual purchasers and the Mortgagee as seller, to which the Mortgagor has by Deed of Joinder joined as Purchaser, as the same may be supplemented or amended from time to time.

“**Secured Obligations**” means any and all moneys, liabilities and obligations (whether actual or contingent, whether now existing or hereafter arising, whether or not for the payment of money and including any obligation or liability to pay damages) from time to time owing to the Mortgagee by the Mortgagor pursuant to clauses 2.3(ii) of the Share Purchase Agreement.

“**Security Interest**” means:

- (a) a mortgage, charge, pledge, lien, assignment by way of security or other encumbrance or security arrangement (including any hold back or “**flawed asset**” arrangement) securing any obligation of any person;
- (b) any arrangement under which money or claims to, or the benefit of, a bank or other account may be applied, set off or made subject to a combination of accounts so as to effect discharge of any sum owed or payable to any person;
- (c) any other type of arrangement having a similar effect; or
- (d) agreements to create the foregoing.

“**Security Period**” means the period commencing on the date of execution of this Mortgage and terminating upon discharge of the security created by this Mortgage by payment in full of the Secured Obligations.

1.2 In construing this Mortgage, unless otherwise specified:

- (a) references to any Party shall be construed so as to include that Party’s respective successors in title, permitted assigns and permitted transferees;
- (b) “**including**” and “**in particular**” shall not be construed restrictively but shall mean respectively “including, without prejudice to the generality of the foregoing” and “including without limitation”, and “in particular, but without prejudice to the generality of the foregoing”;

- (c) references to a “**person**” shall be construed so as to include any individual, firm, company or other body corporate, government, state or agency of a state, local or municipal authority or government body or any joint venture, association or partnership (whether or not having separate legal personality); and in each case, its successors and assigns and persons deriving title under or through it, in whole or in part, and any person which replaces any party to any document in its respective role thereunder, whether by assuming the rights and obligations of the party being replaced or whether by executing a document in or substantially in the form of the document it replaces;
- (d) “**variation**” includes any variation, amendment, accession, novation, restatement, modification, assignment, transfer, supplement, extension, deletion or replacement however effected and “**vary**” and “**varied**” shall be construed accordingly;
- (e) “**writing**” includes facsimile transmission legibly received except in relation to any certificate, notice or other document which is expressly required by this Mortgage to be signed and “**written**” has a corresponding meaning;
- (f) references to the “**consent**” of the Mortgagee shall be construed as the consent of the Mortgagee acting in its absolute discretion;
- (g) references to this Mortgage or to any other document include references to this Mortgage or such other document as varied from time to time, even if changes are made to:
 - (i) the composition of the parties to this Mortgage or such other document or to the nature or amount (including any increase) of any facilities made available or liability assumed under such other document; or
 - (ii) the nature or extent of any obligations under such other document;
- (h) references to uncertificated shares are to shares the title to which can be transferred by means of an electronic or other entry and references to certificated shares are to shares which are not uncertificated shares;
- (i) references to the singular shall include the plural and vice versa and references to the masculine shall include the feminine or neuter and vice versa;
- (j) references to clauses and schedules are to clauses of, and schedules to, this Mortgage;
- (k) references to any statute or statutory provision shall be construed as a reference to the same as it may have been, or may from time to time be amended, modified or re-enacted;
- (l) headings and titles are for convenience only and do not affect the interpretation of this Mortgage; and
- (m) an Event of Default is “**continuing**” if it has not been remedied or waived.

2. REPRESENTATION AND WARRANTIES

2.1 The Mortgagor hereby represents and warrants to the Mortgagee on the date of this Mortgage that:

- (a) it has been duly incorporated and registered as a BVI business company with limited liability under the BVI Act and is validly existing and in good standing under the laws of the British Virgin Islands;

- (b) it has the power to own its assets and carry on its business as it is being conducted;
- (c) it is the sole legal and beneficial owner of the Mortgaged Property free from any Security Interest (other than that created by this Mortgage) or other interest and any options or rights of pre-emption;
- (d) any Mortgaged Shares are, or will be when mortgaged and charged, duly authorised, validly issued, fully paid, non-assessable, freely transferable and constitute shares in the capital of a Cayman Islands exempted company. To the extent they are in existence there are no moneys or liabilities outstanding or payable in respect of any such shares nor will there be any and they have not been redeemed nor cancelled in any way nor will they be;
- (e) the Mortgaged Shares are freely transferable on the books of the Company and no consents or approvals are required in order to register a transfer of the Mortgaged Shares;
- (f) the Mortgaged Shares are not issued with any preferred, deferred or other special rights or restrictions whether in regard to dividends, voting, return of any amount paid on account of shares or otherwise which are not expressly set out in the memorandum and articles of association of the Company;
- (g) there are no covenants, agreements, conditions, interest, rights or other matters whatsoever which adversely affect the Mortgaged Property, other than those set forth in the Share Purchase Agreement;
- (h) it has not received any notice of an adverse claim by any person in respect of the ownership of the Mortgaged Property or any interest in the Mortgaged Property;
- (i) it has full power and authority to:
 - (i) execute and deliver this Mortgage;
 - (ii) be the legal and beneficial owner of the Mortgaged Property; and
 - (iii) comply with the provisions of, and perform all its obligations under this Mortgage;
- (j) it has duly executed and delivered this Mortgage;
- (k) this Mortgage constitutes its legal, valid and binding obligations enforceable against it in accordance with its terms;
- (l) the execution and performance of its obligations and liabilities under this Mortgage will not:
 - (i) contravene any law or regulation or any order of any governmental or other official authority, body or agency or any judgment, order or decree of any court having jurisdiction over it;
 - (ii) conflict with, or result in any breach of any of the terms of, or constitute a default under, any agreement or other instrument to which it is a party or any licence or other authorisation to which it is subject or by which it or any of its property is bound; or
 - (iii) contravene or conflict with any provision of its memorandum and articles of association;

- (m) it is solvent within the meaning of the Insolvency Act and it has not taken any action nor have any steps been taken or legal proceedings been started or threatened in writing against it for:
 - (i) winding up, dissolution or reorganisation;
 - (ii) the enforcement of any Security Interest over its assets; or
 - (iii) the appointment of a liquidator, receiver, administrative receiver, administrator, trustee or similar officer of it or of any or all of its assets;
 - (n) it is not in breach (nor would be in breach with the giving of notice, passing of time, or satisfaction of any other condition) or in default under any deed, instrument or any agreement to which it is a party or which is binding on it or any of its assets;
 - (o) no action, litigation, arbitration or administrative proceeding has been commenced or is pending or threatened in writing against it, nor is there subsisting any unsatisfied judgment or award given against it by any court, board of arbitration or other body;
 - (p) all licences, consents, exemptions, clearance filings, registration, payments of taxes, notarisation and authorisations as are or may be necessary or desirable for the proper conduct of its business, trade, and ordinary activities and for the performance and discharge of its obligations and liabilities under this Mortgage and which are required in connection with the execution, delivery, validity, enforceability or admissibility in evidence of this Mortgage and the creation of security over the Mortgaged Property have been obtained and are in full force and effect;
 - (q) it has not taken any action whereby the rights attaching to the Mortgaged Property are altered or diluted save to the extent such alteration or dilution is expressly permitted under this Mortgage;
 - (r) it has taken all corporate and other action required to approve its execution, delivery, performance and enforceability of this Mortgage; and
 - (s) this Mortgage is effective to create a valid and enforceable first equitable mortgage and first priority fixed charge upon the Mortgaged Property in favour of the Mortgagee ranking in priority to the interests of any of its creditors or any liquidator (or similar officer) appointed in respect of it.
- 2.2 The Mortgagor also represents and warrants to and undertakes with the Mortgagee that the foregoing representations and warranties will be true and accurate throughout the continuance of this Mortgage with reference to the facts and circumstances subsisting from time to time.

3. COVENANT TO PAY

- 3.1 The Mortgagor hereby covenants with the Mortgagee as primary obligor and not merely as surety that it will pay and discharge the Secured Obligations when due in accordance with the terms of the Share Purchase Agreement.

4. SECURITY

- 4.1 As a continuing security for the payment of the Secured Obligations, the Mortgagor as legal and beneficial owner hereby:
- (a) mortgages in favour of the Mortgagee by way of a first equitable mortgage the Mortgaged Shares; and

- (b) charges in favour of the Mortgagee, by way of a first fixed charge, all of its right, title and interest in and to the Mortgaged Property including all benefits, present and future, actual and contingent accruing in respect of the Mortgaged Property (to the extent not effectively mortgaged under Clause 4.1(a)).

4.2 The Mortgagor hereby agrees to deliver, or cause to be delivered, to the Mortgagee on the date hereof:

- (a) the corporate documents, resolutions and authorities of the Mortgagor required to authorise the execution of this Mortgage;
- (b) an executed but undated share transfer certificate in respect of the Mortgaged Shares in favour of the Mortgagee or its nominees (as the Mortgagee shall direct) in the form set out in Schedule 1 to this Mortgage and any other documents which from time to time may be requested by the Mortgagee in order to enable the Mortgagee or its nominees to be registered as the owner or otherwise obtain legal title to the Mortgaged Shares following the occurrence of an Event of Default;
- (c) share certificates representing the Mortgaged Shares;
- (d) an executed but undated irrevocable proxy and an executed but undated irrevocable power of attorney made in respect of the Mortgaged Shares in favour of the Mortgagee in respect of all general meetings and written resolutions of the Company following the occurrence of an Event of Default, respectively in the form set out in Schedule 2 to this Mortgage;

4.3 The Mortgagor shall, within three BVI Working Days after execution of this Mortgage:

- (a) create and maintain a Register of Mortgages and Charges for the Mortgagor to the extent this has not already been done in accordance with section 162 of the BVI Act;
- (b) enter particulars as required by the BVI Act of the security interests created pursuant to this Mortgage in the Register of Mortgages and Charges and immediately after entry of such particulars has been made, provide the Mortgagee with a certified true copy of the updated Register of Mortgages and Charges; and
- (c) effect registration, or assist the Mortgagee in effecting registration, of this Mortgage with the Registrar of Corporate Affairs pursuant to section 163 of the BVI Act by making the required filing, or assisting the Mortgagee in making the required filing, in the approved form with the Registrar of Corporate Affairs and (if applicable) provide confirmation in writing to the Mortgagee that such filing has been made.

4.4 The Mortgagor shall, promptly on receipt, deliver or procure to be delivered to the Mortgagee the certificate of registration of charge issued by the Registrar of Corporate Affairs evidencing that the requirements of Part VIII of the BVI Act as to registration have been complied with and the filed, stamped copy of the application concerning the relevant particulars of charge.

5. RIGHTS IN RESPECT OF MORTGAGED PROPERTY

5.1 Unless and until the occurrence of an Event of Default:

- (a) the Mortgagor shall be entitled to exercise all voting and consensual powers pertaining to the Mortgaged Property or any part thereof for all purposes not inconsistent with the terms of this Mortgage; and
- (b) the Mortgagor shall be entitled to receive and retain any Ordinary Dividend on or in respect of the Mortgaged Property or any part thereof.

- 5.2 The Mortgagor shall pay all calls, instalments or other payments and shall discharge all other obligations, which may become due in respect of any of the Mortgaged Property. The Mortgagee may at any time after an Event of Default, if it thinks fit make such payments or discharge such obligations on behalf of the Mortgagor. Any sums so paid by the Mortgagee in respect thereof shall be repayable on demand and pending such repayment shall constitute part of the Secured Obligations.
- 5.3 The Mortgagee shall not have any duty to ensure that any dividends, interest or other moneys and assets receivable in respect of the Mortgaged Property are duly and punctually paid, received or collected as and when the same become due and payable or to ensure that the correct amounts (if any) are paid or received on or in respect of the Mortgaged Property or to ensure the taking up of any (or any offer of any) stocks, shares, rights, moneys or other property paid, distributed, accruing or offered at any time by way of redemption, bonus, rights, preference, or otherwise on or in respect of, any of the Mortgaged Property.
- 5.4 The Mortgagor hereby authorises the Mortgagee to arrange at any time and from time to time prior to or after the occurrence of an Event of Default for the Mortgaged Property or any part thereof to be registered in the name of the Mortgagee (or its nominee) thereupon to be held, as so registered, subject to the terms of this Mortgage and at the request of the Mortgagee, the Mortgagor shall without delay procure that the foregoing shall be done.

6. PRESERVATION OF SECURITY

- 6.1 It is hereby agreed and declared that:
- (a) the security created by this Mortgage shall be held by the Mortgagee as a continuing security for the payment and discharge of the Secured Obligations and the security so created shall not be satisfied by any intermediate payment or satisfaction of any part of the Secured Obligations;
 - (b) the Mortgagee shall not be bound to enforce any other security before enforcing the security created by this Mortgage;
 - (c) no delay or omission on the part of the Mortgagee in exercising any right, power or remedy under this Mortgage shall impair such right, power or remedy or be construed as a waiver thereof nor shall any single or partial exercise of any such right, power or remedy preclude any further exercise thereof or the exercise of any other right, power or remedy. The rights, powers and remedies herein provided are cumulative and not exclusive of any rights, powers and remedies provided by law and may be exercised from time to time and as often as the Mortgagee may deem expedient; and
 - (d) any waiver by the Mortgagee of any terms of this Mortgage shall only be effective if given in writing and then only for the purpose and upon the terms for which it is given.
- 6.2 Any settlement or discharge under this Mortgage between the Mortgagee and the Mortgagor shall be conditional upon no security or payment to the Mortgagee by the Mortgagor or any other person being avoided or set aside or ordered to be refunded or reduced by virtue of any provision or enactment relating to bankruptcy, insolvency, administration or liquidation for the time being in force and, if such condition is not satisfied, the Mortgagee shall be entitled to recover from the Mortgagor on demand the value of such security or the amount of any such payment as if such settlement or discharge had not occurred the payment of which amounts shall, for the avoidance of doubt, form part of the Secured Obligations.
- 6.3 The rights of the Mortgagee under this Mortgage and the security hereby constituted shall not be affected by any act, omission, matter or thing which, but for this provision, might operate to impair, affect or discharge such rights and security, in whole or in part, including whether or not known to or discoverable by the Company, the Mortgagor, the Mortgagee or any other person:
- (a) any time or waiver granted to or composition with the Company, the Mortgagor or any other person;

- (b) the taking, variation, compromise, renewal or release of or refusal or neglect to perfect or enforce any rights, remedies or securities against the Company, the Mortgagor or any other person;
- (c) any legal limitation, disability, incapacity or other circumstances relating to the Company, the Mortgagor or any other person;
- (d) any amendment or supplement to the Share Purchase Agreement or any other document or security (including any amendment the effect of which is to change the nature or amount of any facilities made available thereunder or to change the nature or extent of any obligations thereunder);
- (e) the dissolution, liquidation, amalgamation, reconstruction or reorganisation of the Company, the Mortgagor or any other person; or
- (f) the unenforceability, invalidity or frustration of any obligations of the Company, the Mortgagor or any other person under the Share Purchase Agreement or any other document or security.

6.4 Until the Secured Obligations have been unconditionally and irrevocably satisfied and discharged in full to the satisfaction of the Mortgagee, the Mortgagor shall not by virtue of any payment made hereunder on account of the Secured Obligations or by virtue of any enforcement by the Mortgagee of its rights under, or the security constituted by, this Mortgage or the Share Purchase Agreement or by virtue of any relationship between or transaction involving the Mortgagor and/or the Company (whether such relationship or transaction shall constitute the Mortgagor a creditor of the Company, a guarantor of the obligations of the Company or in part subrogated to the rights of others against the Company or otherwise howsoever and whether or not such relationship or transaction shall be related to, or in connection with, the subject matter of this Mortgage):

- (a) exercise any rights of subrogation against the Company or any other person in relation to any rights, security or moneys held or received or receivable by the Mortgagee or any person;
- (b) exercise any right of contribution from any co-surety liable in respect of such moneys and liabilities under any other guarantee, security or agreement;
- (c) exercise any right of set-off or counterclaim against the Company or any such co-surety;
- (d) receive, claim or have the benefit of any payment, distribution, security or indemnity from the Company or any such co-surety; or
- (e) unless so directed by the Mortgagee (when the Mortgagor will prove in accordance with such directions), claim as a creditor of the Company or any such co-surety in competition with the Mortgagee.

The Mortgagor shall hold in trust for the Mortgagee and forthwith pay or transfer (as appropriate) to the Mortgagee any such payment (including an amount to any such set-off), distribution or benefit of such security, indemnity or claim in fact received by it.

6.5 Until the Secured Obligations have been unconditionally and irrevocably satisfied and discharged in full to the satisfaction of the Mortgagee, the Mortgagor shall not be entitled to retain any dividends or other distributions (whether in cash, securities or other property), interest, other moneys, assets or other income paid or payable or accruing on or in respect of the Mortgaged Property or any part thereof which does not constitute an Ordinary Dividend and if received by the Mortgagor or any nominee of the Mortgagor such dividends, distributions, interest, other moneys, assets or other income not constituting an Ordinary Dividend are to be held in trust by the Mortgagor for the Mortgagee as additional security mortgaged and charged under and subject to the terms of this Mortgage and any such dividends, distributions, interest, other moneys, assets or other income not constituting an Ordinary Dividend shall forthwith be paid or transferred to the Mortgagee;

- 6.6 Until the Secured Obligations have been unconditionally and irrevocably satisfied and discharged in full to the satisfaction of the Mortgagee, the Mortgagee may at any time keep in a separate account or accounts (without liability to pay interest thereon) in the name of the Mortgagee for as long as it may think fit, any moneys received recovered or realised under this Mortgage or under any other guarantee, security or agreement relating in whole or in part to the Secured Obligations without being under any intermediate obligation to apply the same or any part thereof in or towards the discharge of the Secured Obligations or any other amount owing or payable under the Share Purchase Agreement; provided that the Mortgagee shall be obliged to apply amounts standing to the credit of such account or accounts once the aggregate amount held by the Mortgagee in any such account or accounts opened pursuant hereto is sufficient to satisfy the outstanding amount of the Secured Obligations in full.
- 6.7 The Mortgagor shall not, without the prior written consent of the Mortgagee:
- (a) cause or permit any rights attaching to the Mortgaged Property to be varied or abrogated;
 - (b) cause or permit any of the Mortgaged Property to be consolidated, sub-divided or converted or the capital of the Company to be re-organised, exchanged or repaid; or
 - (c) cause or permit anything to be done which may depreciate, jeopardise or otherwise prejudice the value of the security hereby given.
- 6.8 The Mortgagor hereby covenants that during the Security Period it will remain the legal and beneficial owner of the Mortgaged Property (subject to the Security Interests hereby created) and that it will not:
- (a) create or suffer the creation of any Security Interests (other than those created by this Mortgage) or any other interest on or in respect of the whole or any part of the Mortgaged Property or any of its interest therein; or
 - (b) sell, assign, transfer or otherwise dispose of any of its interest in the Mortgaged Property without the prior consent in writing of the Mortgagee.
- 6.9 The Mortgagor shall remain liable to perform all the obligations assumed by it in relation to the Mortgaged Property and the Mortgagee shall be under no obligation of any kind whatsoever in respect thereof or be under any liability whatsoever in the event of any failure by the Mortgagor to perform its obligations in respect thereof.
- 6.10 The Mortgagor shall ensure that it shall not, without the prior written consent of the Mortgagee, use its voting rights to permit the Company to amend its memorandum or articles of association in a way which could be expected to adversely affect the interests of the Mortgagee.
- 6.11 The Mortgagor shall not, without the prior written consent of the Mortgagee, participate in any vote concerning a members' liquidation or compromise in respect of the Company pursuant to section 116 of the Companies Law.

7. ENFORCEMENT OF SECURITY

- 7.1 At any time after the occurrence of an Event of Default, the security hereby constituted shall become immediately enforceable and the rights of enforcement of the Mortgagee under this Mortgage shall be immediately exercisable upon and at any time thereafter and, without prejudice to the generality of the foregoing the Mortgagee without further notice to the Mortgagor may, whether acting on its own behalf or through a receiver or agent:

- (a) solely and exclusively exercise all voting and/or consensual powers pertaining to the Mortgaged Property or any part thereof and may exercise such powers in such manner as the Mortgagee may think fit;
 - (b) date and present to the Company or any other person any undated documents provided to it pursuant to Clause 4 or any other provision of this Mortgage;
 - (c) receive and retain all dividends, interest or other moneys or assets accruing on or in respect of the Mortgaged Property or any part thereof, such dividends, interest or other moneys or assets to be held by the Mortgagee, as additional security mortgaged and charged under and subject to the terms of this Mortgage and any such dividends, interest and other moneys or assets received by the Mortgagor after such time shall be held in trust by the Mortgagor for the Mortgagee and paid or transferred to the Mortgagee on demand;
 - (d) take possession of, get in, assign, exchange, sell, transfer, grant options over or otherwise dispose of the Mortgaged Property or any part thereof at such place and in such manner and at such price or prices as the Mortgagee may deem fit, and thereupon the Mortgagee shall have the right to deliver, assign and transfer in accordance therewith the Mortgaged Property so sold, transferred, granted options over or otherwise disposed of including by way of changing the ownership of the Mortgaged Shares as shown on the Register of Members;
 - (e) borrow or raise money either unsecured or on the security of the Mortgaged Property (either in priority to the Mortgage or otherwise);
 - (f) settle, adjust, refer to arbitration, compromise and arrange any claims, accounts, disputes, questions and demands with or by any person who is or claims to be a creditor of the Mortgagor or relating to the Mortgaged Property;
 - (g) bring, prosecute, enforce, defend and abandon actions, suits and proceedings in relation to the Mortgaged Property or any business of the Mortgagor;
 - (h) redeem any security (whether or not having priority to the Mortgage) over the Mortgaged Property and to settle the accounts of any person with an interest in the Mortgaged Property;
 - (i) exercise and do (or permit the Mortgagor or any nominee of the Mortgagor to exercise and do) all such rights and things as the Mortgagee would be capable of exercising or doing if it were the absolute beneficial owner of the Mortgaged Property;
 - (j) do anything else it may think fit for the realisation of the Mortgaged Property or incidental to the exercise of any of the rights conferred on the Mortgagee under or by virtue of any document to which the Mortgagor is party; and
 - (k) exercise all rights and remedies afforded to it under this Mortgage and applicable law.
- 7.2 The Mortgagee shall not be obliged to make any enquiry as to the nature or sufficiency of any payment received by it under this Mortgage or to make any claim or to take any action to collect any moneys assigned by this Mortgage or to enforce any rights or benefits assigned to the Mortgagee by this Mortgage or to which the Mortgagee may at any time be entitled hereunder.
- 7.3 Upon any sale of the Mortgaged Property or any part thereof by the Mortgagee, the purchaser shall not be bound to see or enquire whether the Mortgagee's power of sale has become exercisable in the manner provided in this Mortgage and the sale shall be deemed to be within the power of the Mortgagee, and the receipt of the Mortgagee for the purchase money shall effectively discharge the purchaser who shall not be concerned with the manner of application of the proceeds of sale or be in any way answerable therefor.

- 7.4 Any money received or realised under the powers conferred by this Mortgage shall be paid or applied in the following order of priority, subject to the discharge of any prior-ranking claims:
- (a) **FIRST:** in or towards the payment of all costs, expenses, fees and remuneration of the Mortgagee or any receiver incurred pursuant to or in connection with the Share Purchase Agreement;
 - (b) **SECOND:** in or towards satisfaction of the Secured Obligations; and
 - (c) **THIRD:** as to the surplus (if any), to the person or persons entitled to it.
- 7.5 Until all Secured Obligations have been unconditionally and irrevocably paid and discharged in full, the Mortgagee may refrain from applying or enforcing any other moneys, security or rights held by it in respect of the Secured Obligations or may apply and enforce such moneys, security or rights in such manner and in such order as it shall decide in its unfettered discretion.
- 7.6 Neither the Mortgagee nor its agents, managers, officers, employees, delegates and advisers shall be liable for any claim, demand, liability, loss, damage, cost or expense incurred or arising in connection with the exercise or purported exercise of any rights, powers and discretions hereunder in the absence of dishonesty or wilful default.
- 7.7 The Mortgagee shall not by reason of the taking of possession of the whole or any part of the Mortgaged Property or any part thereof be liable to account as mortgagee-in-possession or for anything except actual receipts or be liable for any loss upon realisation or for any default or omission for which a mortgagee-in-possession might be liable.

8. APPOINTMENT OF A RECEIVER

- 8.1 At any time after:
- (a) the occurrence of an Event of Default; or
 - (b) a request has been made by the Mortgagor to the Mortgagee for the appointment of a receiver over its assets or in respect of the Mortgagor,
- then notwithstanding the terms of any other agreement between the Mortgagor and any person, the Mortgagee may (unless precluded by law) appoint in writing any person or persons to be a receiver or receiver and manager of all or any part of the Mortgaged Property as the Mortgagee may choose in its entire discretion.
- 8.2 Where more than one receiver is appointed, the appointees shall have power to act jointly or separately unless the Mortgagee shall specify to the contrary.
- 8.3 The Mortgagee may from time to time determine the remuneration of a receiver.
- 8.4 The Mortgagee may remove a receiver from all or any of the Mortgaged Property of which he is the receiver and after the receiver has vacated office or ceased to act in respect of any of the Mortgaged Property, appoint a further receiver over all or any of the Mortgaged Property in respect of which he shall have ceased to act.
- 8.5 Such an appointment of a receiver shall not preclude:
- (a) the Mortgagee from making any subsequent appointment of a receiver over all or any Mortgaged Property over which a receiver has not previously been appointed or has ceased to act; or
 - (b) the appointment of an additional receiver to act while the first receiver continues to act.

8.6 The receiver shall be the agent of the Mortgagor (which shall be solely liable for his acts, defaults and remuneration). The receiver shall not at any time become the agent of the Mortgagee.

9. POWERS OF A RECEIVER

9.1 In addition to those powers conferred by law, a receiver shall have and be entitled to exercise in relation to the Mortgagor all the powers set out below:

- (a) to exercise all rights of the Mortgagee under or pursuant to this Mortgage including all voting and other rights attaching to the Mortgaged Property;
- (b) to make any arrangement or compromise with others as he shall think fit;
- (c) to appoint managers, officers and agents for the above purposes at such remuneration as the receiver may determine;
- (d) to redeem any prior encumbrance and settle and pass the accounts of the encumbrancer and any accounts so settled and passed shall (subject to any manifest error) be conclusive and binding on the Mortgagor and the money so paid shall be deemed an expense properly incurred by the receiver;
- (e) to pay the proper administrative charges in respect of time spent by his agents and employees in dealing with matters raised by the receiver or relating to the receivership of the Mortgagor; and
- (f) to do all such other acts and things as may be considered by the receiver to be incidental or conducive to any of the above matters or powers or otherwise incidental or conducive to the preservation, improvement or realisation of the Mortgaged Property or the value thereof.

10. FURTHER ASSURANCES

10.1 The Mortgagor shall at its own expense promptly do all such acts or execute all such documents (including assignments, transfers, mortgages, charges, notices and instructions) as the Mortgagee may specify and in such form as the Mortgagee may reasonably require in order to:

- (a) perfect or protect the security created or intended to be created under or evidenced by this Mortgage or for the exercise of any rights, powers and remedies of the Mortgagee provided by or pursuant to this Mortgage, the Share Purchase Agreement or by law;
- (b) confer on the Mortgagee security over any Mortgaged Property Mortgagor located in any jurisdiction which is (to the extent permitted by local law) equivalent or similar to the security intended to be conferred by or pursuant to this Mortgage; or
- (c) following an Event of Default, facilitate the realisation of the assets which are, or are intended to be, the subject of this Mortgage.

10.2 Without limiting the other provisions of this Mortgage, the Mortgagor shall at its own expense take all such action as is available to it (including making all filings and registrations) as may be necessary for the purpose of the creation, perfection, protection or maintenance of any security conferred or intended to be conferred on the Mortgagee by or pursuant to this Mortgage.

11. INDEMNITIES

11.1 The Mortgagor will indemnify and save harmless the Mortgagee, any receiver and each agent or attorney appointed under or pursuant to this Mortgage from and against any and all reasonable expenses, claims, liabilities, losses, taxes, costs, duties, fees and charges suffered, incurred or made by the Mortgagee or such agent or attorney:

- (a) in the exercise or purported exercise of any rights, powers or discretions vested in them pursuant to this Mortgage;
- (b) in the preservation or enforcement of the Mortgagee's rights under this Mortgage or the priority thereof;
- (c) on the release of any part of the Mortgaged Property from the security created by this Mortgage; or
- (d) arising out of any breach by the Mortgagor of any term of this Mortgage,

and the Mortgagee or such receiver, agent or attorney may retain and pay all sums in respect of the same out of money received under the powers conferred by this Mortgage. All amounts suffered, incurred or paid by the Mortgagee or such receiver, agent or attorney or any of them shall be recoverable on a full indemnity basis provided that nothing in this Clause 11.1 shall require the Mortgagor to indemnify and save harmless the Mortgagee from and against any expenses, claims, liabilities, losses, taxes, costs, duties, fees and charges suffered, incurred or made by the Mortgagee as a result of the Mortgagee's dishonesty or wilful default.

11.2 If, under any applicable law or regulation, and whether pursuant to a judgment being made or registered against the Mortgagor or the bankruptcy or liquidation of the Mortgagor or for any other reason any payment under or in connection with this Mortgage is made or fails to be satisfied in a currency (the "**Payment Currency**") other than the currency in which such payment is due under or in connection with this Mortgage (the "**Contractual Currency**"), then to the extent that the amount of such payment actually received by the Mortgagee when converted into the Contractual Currency at the rate of exchange, falls short of the amount due under or in connection with this Mortgage, the Mortgagor, as a separate and independent obligation, shall indemnify and hold harmless the Mortgagee against the amount of such shortfall. For the purposes of this Clause 11.2, "**rate of exchange**" means the rate at which the Mortgagee is able on or about the date of such payment to purchase the Contractual Currency with the Payment Currency and shall take into account any premium and other costs of exchange with respect thereto.

11.3 All payments to be made to the Mortgagee under this Mortgage shall be made free and clear of and without deduction for or on account of tax unless the Mortgagor is required to make such payment subject to the deduction or withholding of tax, in which case the sum payable by the Mortgagor in respect of which such deduction or withholding is required to be made shall be increased to the extent necessary to ensure that, after the making of such deduction or withholding, the person on account of whose liability to tax such deduction or withholding has been made receives and retains (free from any liability in respect of any such deduction or withholding) a net sum equal to the sum which it would have received and so retained had no such deduction or withholding been made or required to be made.

12. POWER OF ATTORNEY

12.1 The Mortgagor, by way of security and in order more fully to secure the performance of its obligations hereunder, hereby irrevocably appoints the Mortgagee and the persons deriving title under it (including, but without any limitation, any receiver) jointly and also severally (with full power of substitution and delegation) to be its attorney-in-fact:

- (a) to execute and complete in favour of the Mortgagee or its nominees or of any purchaser any documents which the Mortgagee may from time to time require for perfecting the Mortgagee's title to, for vesting any of the assets and property hereby mortgaged or charged in the Mortgagee or its nominees or in any purchaser or for any of the purposes contemplated in Clause 7.1 hereof;
- (b) to give effectual discharges for payments, to take and institute on non-payment (if the Mortgagee in its sole discretion so decides) all steps and proceedings in the name of the Mortgagor or of the Mortgagee for the recovery of such moneys, property and assets hereby mortgaged or charged;
- (c) to agree accounts and make allowances and give time or other indulgence to any surety or other person liable;
- (d) so as to enable the Mortgagee to carry out in the name of the Mortgagor any obligation imposed on the Mortgagor by this Mortgage (including the execution and delivery of any deeds, charges, assignments or other security and any transfers of the Mortgaged Property and the exercise of all the Mortgagor's rights and discretions in relation to the Mortgaged Property);
- (e) so as to enable the Mortgagee and any receiver or other person to exercise, or delegate the exercise of, any of the rights, powers and authorities conferred on them by or pursuant to this Mortgage or by law (including the exercise of any right of a legal and beneficial owner of the Mortgaged Property); and
- (f) generally for it and in its name and on its behalf and as its act and deed or otherwise execute, seal and deliver and otherwise perfect and do any such legal assignments and other assurances, charges, authorities and documents over the moneys, property and assets hereby charged, and all such deeds, instruments, acts and things which may be required for the full exercise of all or any of the powers conferred or which may be deemed proper on or in connection with any of the purposes aforesaid.

12.2 Notwithstanding any other provision of Clause 12.1, such power shall not be exercisable by or on behalf of the Mortgagee as the case may be until an Event of Default has occurred.

12.3 The power hereby conferred shall be a general power of attorney and the Mortgagor hereby ratifies and confirms and agrees to ratify and confirm any instrument, act or thing which any attorney appointed pursuant hereto may execute or do. In relation to the power referred to herein, the exercise by the Mortgagee of such power shall be conclusive evidence of its right to exercise the same.

13. RELEASE

13.1 Subject to Clause _____, upon discharge and satisfaction in full of the Secured Obligations, the Mortgagee shall (at the request and cost of the Mortgagor) execute such documents and do all such reasonable acts as may be necessary to release the Mortgaged Property from the security constituted by this Mortgage. Such release shall not prejudice the rights of the Mortgagee under Clause 11.

14. NOTICES

14.1 Any notice or other communication given or made under or in connection with the matters contemplated by this Mortgage shall be in writing, in the English language, and may be sent by a recognised courier service or fax to the address of the relevant party as set out below. Without prejudice to the foregoing, any notice shall be deemed to have been received:

- (a) if sent by a recognised courier service, 48 hours after the time when the letter containing the same is delivered to the courier service; and
- (b) if sent by fax it shall be deemed to have been received on the same day or if not a BVI Working Day, the next BVI Working Day.

14.2 The Mortgagor

Morgancreek Investment Holdings Limited
c/o P.O. Box 957, Offshore Incorporations Centre
Road Town, Tortola
British Virgin Islands
Attention: Jianyu Yang
Facsimile: (+86) 10 5957 5252

14.3 The Mortgagee

c/o China International Capital Corporation (Hong Kong) Limited
29th Floor, One International Finance Centre
1 Harbour View Street, Central, Hong Kong
Attention: Johnson Leung
Fax: (+852) 2872-2100

With a copy to

c/o Zhongjin Jiacheng Investment Management Co., Ltd
07-09, 36th Floor, Tower Two, China World Trade Centre
No. 1 Jianguomenwai Avenue, Chaoyang District
Beijing, China 100004
Attention: Johnson Leung
Fax: (+8610) 65053796

15. ASSIGNMENTS

- 15.1 This Mortgage shall be binding upon and shall enure to the benefit of the Mortgagor, the Mortgagee and each of their respective successors and (subject as hereinafter provided) assigns and references in this Mortgage to any of them shall be construed accordingly.
- 15.2 The Mortgagor may not assign or transfer all or any part of its rights and/or obligations under this Mortgage.
- 15.3 The Mortgagee may assign or transfer all or any part of its rights or obligations under this Mortgage to any assignee or transferee without the consent of the Mortgagor.

16. SET-OFF

- 16.1 The Mortgagor authorises the Mortgagee (but the Mortgagee shall not be obliged to exercise such right), after the occurrence of an Event of Default to set-off against the Secured Obligations any amount or other obligation (contingent or otherwise) owing by the Mortgagee to the Mortgagor.

17. SUBSEQUENT SECURITY INTERESTS

- 17.1 If the Mortgagee at any time receives or is deemed to have received notice of any subsequent Security Interest affecting all or any part of the Mortgaged Property or any assignment or transfer of the Mortgaged Property which is prohibited by the terms of this Mortgage, all payments thereafter by or on behalf of the Mortgagor to the Mortgagee shall be treated as having been credited to a new account of the Mortgagor and not as having been applied in reduction of the Secured Obligations as at the time when the Mortgagee received such notice.

18. EXPENSES

- 18.1 The Mortgagor shall pay to the Mortgagee on demand all costs, fees and expenses (including, but not limited to, legal fees and expenses) and taxes thereon incurred by the Mortgagee or for which the Mortgagee may become liable in connection with:

- (a) the negotiation, preparation and execution of this Mortgage;
- (b) the preserving or enforcing of, or attempting to preserve or enforce, any of its rights under this Mortgage or the priority hereof;
- (c) any variation of, or amendment or supplement to, any of the terms of this Mortgage; or
- (d) any consent or waiver required from the Mortgagee in relation to this Mortgage,

and in the case referred to in Clauses 18.1(c) and 18.1(d) regardless of whether the same is actually implemented, completed or granted, as the case may be.

- 18.2 The Mortgagor shall pay promptly all registration, stamp, documentary and other like duties and taxes to which this Mortgage may be subject or give rise and shall indemnify the Mortgagee on demand against any and all liabilities with respect to or resulting from any delay or omission on the part of the Mortgagor to pay any such duties or taxes.

19. MISCELLANEOUS

- 19.1 The Mortgagee, at any time and from time to time, may delegate by power of attorney or in any other manner to any person or persons all or any of the powers, authorities and discretions which are for the time being exercisable by the Mortgagee under this Mortgage in relation to the Mortgaged Property or any part thereof. Any such delegation may be made upon such terms and be subject to such regulations as the Mortgagee may think fit. The Mortgagee shall not be in any way liable or responsible to the Mortgagor for any loss or damage arising from any act, default, omission or misconduct on the part of any such delegate provided the Mortgagee has acted reasonably in selecting such delegate.
- 19.2 If any of the clauses, conditions, covenants or restrictions (the “**Provision**”) of this Mortgage or any deed or document emanating from it shall be found to be void but would be valid if some part thereof were deleted or modified, then the Provision shall apply with such deletion or modification as may be necessary to make it valid and effective.
- 19.3 This Mortgage (together with any documents referred to herein) constitutes the whole agreement between the Parties relating to its subject matter and no variations hereof shall be effective unless made in writing and signed by each of the Parties.
- 19.4 Each document, instrument, statement, report, notice or other communication delivered in connection with this Mortgage shall be in English or where not in English shall be accompanied by a certified English translation which translation shall with respect to all documents of a contractual nature and all certificates and notices to be delivered hereunder be the governing version and upon which in all cases the Mortgagee shall be entitled to rely.
- 19.5 This Mortgage may be executed in counterparts each of which when executed and delivered shall constitute an original but all such counterparts together shall constitute one and the same instrument.
- 19.6 The parties intend that this Mortgage takes effect as a deed notwithstanding the fact that the Mortgagee may only execute it under hand.

20. LAW AND JURISDICTION

- 20.1 This Mortgage shall be governed by and construed in accordance with the laws of the Cayman Islands. Any dispute, controversy or claim arising out of or relating to this Mortgage, including the existence, validity, interpretation, performance, breach or termination thereof or any dispute regarding non-contractual obligations arising out of or relating to it shall be referred to and finally resolved by arbitration administered by the Hong Kong International Arbitration Centre under the Hong Kong International Arbitration Centre Administered Arbitration rules in force when the Notice of Arbitration is submitted. The arbitration tribunal shall consist of three arbitrators. The seat of arbitration shall be Hong Kong. The language of the arbitration shall be English.

IN WITNESS whereof this Deed has been executed by the parties on the day and year first above written.

EXECUTED AS A DEED for and on behalf of

MORGANCREEK INVESTMENT HOLDINGS LIMITED:

)
)
)
)
)
)
)

/s/ Jianyu Yang

Duly Authorised Signatory

Name: Jianyu Yang

Title: Director

in the presence of:

/s/ Botao Shi

Signature of Witness

Name: Botao Shi

Address: 18/F, Tower A, Global Trade Center, 36 North Third Road East, Dongcheng District, Beijing, P.R.C.

EXECUTED AS A DEED by

Perfect Key Holdings Limited

)
)
)
)
)
)
)

/s/ Shirley Shiyou Chen

Duly Authorised Signatory

Name: Shirley Shiyou Chen

Title: Director

in the presence of:

/s/ Lei Wang

Signature of Witness

Name: Lei Wang

Address: 36F, China World Office 2, No. 1 Jianguomenwai Avenue, Beijing 10004, China

SCHEDULE 1

CONCORD MEDICAL SERVICES HOLDINGS LIMITED

(THE "COMPANY")

SHARE TRANSFER CERTIFICATE

SHARE TRANSFER CERTIFICATE dated [Leave Undated] Morgancreek Investment Holdings Limited (the "Transferor") does hereby transfer to (the "Transferee") 112,875 ordinary shares of a par value of US\$0.0001 each in the Company.

SIGNED for and on behalf of the TRANSFEROR:

)
)
) _____
) Duly Authorised Signatory
)
) Name: _____
) _____
)
) Title: _____
) _____

And I/we do hereby agree to take the Shares

SIGNED for and on behalf of TRANSFEREE:

)
)
) _____
) Duly Authorised Signatory
)
) Name: _____
) _____
)
) Title: _____
) _____

SCHEDULE 2

CONCORD MEDICAL SERVICES HOLDINGS LIMITED

IRREVOCABLE APPOINTMENT OF PROXY AND POWER OF ATTORNEY

We, Morgancreek Investment Holdings Limited, hereby irrevocably appoint Perfect Key Holdings Limited as our:

1. proxy to vote at meetings of the Shareholders of Concord Medical Services Holdings Limited (the “**Company**”) in respect of 112,875 ordinary shares (the “**Shares**”) of a par value of US\$0.0001 each in the Company registered in our name; and
2. duly authorised representative and duly appointed attorney-in-fact to sign resolutions in writing of the Company in respect of the Shares.

This proxy and this power of attorney are irrevocable by reason of being coupled with the interest of Perfect Key Holdings Limited as mortgagee of the aforesaid shares.

IN WITNESS whereof this Deed has been executed on _____ .

EXECUTED AS A DEED for and on behalf of
MORGANCREEK INVESTMENT HOLDINGS LIMITED:

)
) _____
) Duly Authorised Signatory
)
) Name: _____
) _____
)
) Title: _____
) _____

in the presence of:

Signature of Witness

Name: _____

Address: _____

SHARE CHARGE

THIS SHARE CHARGE is made as of November 29, 2013

By and Among:

- (1) Morgancreek Investment Holdings Limited, a company organized under the laws of the British Virgin Islands (the “**Chargor**”); and
- (2) Starr Investments Cayman II, Inc., a corporation organized under the laws of the Cayman Islands (the “**Chargee**”).

Each of the Chargor and the Chargee is hereinafter referred to as a “**Party**” and collectively the “**Parties**.” Capitalized terms used herein and not otherwise defined herein shall have the meanings set forth in the Share Purchase Agreement (as defined below).

WHEREAS:

- A. The Parties and certain other parties thereto entered into a Share Purchase Agreement (the “**Share Purchase Agreement**”) dated as of August 15, 2013, pursuant to which the Chargee has agreed to sell to the Chargor and the Chargor has agreed to purchase from the Seller, (i) 3,472,666 American Depository Shares, each representing three Ordinary Shares (“**ADSs**”), and (ii) two Ordinary Shares (collectively, the “**Shares**”); and
- B. It is a condition to the Closing of the sale and purchase of the Shares that the Purchaser executes and delivers this Share Charge.

NOW THIS SHARE CHARGE WITNESSETH as follows:

1. INTERPRETATION**1.1 In this Share Charge:**

“**Company**” means Concord Medical Services Holdings Limited, a company organized under the laws of the Cayman Islands;

“**Dispose**” means any sale, assignment, exchange, transfer, concession, loan, lease, surrender of lease, tenancy, licence, direct or indirect reservation, waiver, compromise, release, dealing with or in or granting of any option, right of first refusal or other right or interest whatsoever or any agreement for any of the same and “**Disposal**” shall be construed accordingly;

“**Encumbrance**” means (a) any mortgage, charge (whether fixed or floating), pledge, lien (other than lien created by operation of law), hypothecation, assignment, deed of trust, title retention, security interest or other encumbrance of any kind securing, or conferring any priority of payment in respect of, any obligation of any Person, including any right granted by a transaction which, in legal terms, is not the granting of security but which has an economic or financial effect similar to the granting of security under applicable law, (b) any lease, sub-lease, occupancy agreement, easement or covenant granting a right of use or occupancy to any Person, (c) any proxy, power of attorney, voting trust agreement, interest, option, right of first offer, negotiation or refusal or transfer restriction in favor of any Person and (d) any adverse claim as to title, possession or use;

“**Instrument of Transfer**” means the undated blank instrument of transfer of the Charged Shares in the form appearing in Schedule I;

“**Hong Kong**” means the Hong Kong Special Administrative Region of the People’s Republic of China;

“**Ordinary Shares**” means ordinary shares, par value US\$0.0001 per share, of the Company;

“**Person**” means any natural person, firm, company, governmental authority, joint venture, partnership, association or other entity (whether or not having separate legal personality);

“**Receiver**” means a receiver or a receiver and manager and includes any permitted delegate or sub-delegate of the same;

“**Secured Indebtedness**” means the Purchaser’s obligation to make the payments in accordance with Sections 2.3(ii) of the Share Purchase Agreement.

1.2 All references to Schedules are to schedules to this Share Charge.

2. **THE CHARGE**

The Chargor as legal and beneficial owner and to the intent that the security hereby created shall constitute a continuing security for the payment of the Secured Indebtedness hereby charges 3,125,400 Ordinary Shares (the “**Charged Shares**”) to the Chargee by way of first fixed charge.

3. **DEPOSIT OF INSTRUMENTS OF TRANSFER**

In furtherance of this security, the Chargor hereby deposit with the Chargee the Instrument of Transfer duly signed by the Chargor.

4. **REPRESENTATIONS AND WARRANTIES**

The Chargor hereby represents and warrants to the Chargee that:

- (a) the Charged Shares are beneficially owned by the Chargor and are fully paid up and free and clear from any Encumbrance;
- (b) the Charged Shares have been fully paid and is not liable to any future call, assessment or demand of any kind; and
- (c) the representations and warranties in this Clause 4 will be correct and complied with in all respects so long as the Secured Indebtedness remains outstanding.

5. **COVENANTS**

The Chargor hereby covenants with the Chargee that it will:

- (a) reimburse to the Chargee all reasonable costs, charges and expenses which may be incurred by it under or in connection with any matter arising out of or in consequence of this Share Charge or in connection with the Charged Shares including, without limitation, all reasonable charges, costs and expenses incurred in connection with the preservation, enforcement or exercise or intended or attempted exercise of any power or remedy under this Share Charge; and

- (b) not, save as provided herein or as required by the Chargee, create or permit to subsist any Encumbrance over or in any way Dispose in any manner of the Charged Shares or any of its rights or interest in respect thereof against the Company or the equity of redemption in relation to the same.

6. SECURITY ENFORCEABLE

The Chargee shall be entitled to declare all or any part of this security immediately enforceable on or at any time or times upon breach by the Chargor of Sections 2.3(ii) of the Share Purchase Agreement.

7. RIGHTS WHEN ENFORCEABLE

7.1 Upon or at any time after the security created by this Share Charge has become enforceable, the Chargee may:

- (a) (1) Dispose of all or any of the Chargee's rights under this Share Charge in relation to the Charged Shares;
- (2) Dispose of the Charged Shares in such manner and for such consideration (whether payable or deliverable immediately or by installment) but without being liable for any loss as the Chargee may think fit and in any such Disposal, the Chargee may complete the Instruments of Transfer and register the Charged Shares in the name of the person to whom the Charged Shares are Disposed of; and
- (b) exercise any voting or other rights which may be exercised by the person or persons in whose name or names the Charged Shares are registered.

7.2 Without prejudice to the rights and obligations hereby created, any dividends, interest or other moneys hereby charged which may be received by the Chargor after this security shall have become enforceable shall be held in trust for the Chargee and paid over to the Chargee on demand and shall be treated as though they were proceeds of sale hereunder.

8. APPLICATION OF MONEYS RECEIVED

The Chargee shall apply the proceeds or deemed proceeds of the Disposal subject to the payment of any claims having priority to this Share Charge, as follows:

- (a) in payment of all proper costs, charges and expenses of and incidental to the exercise of all or any of its power including all outgoings properly paid by it and liabilities incurred by it as a result of such exercise; and
- (b) in or towards payment to the Chargee of the Secured Indebtedness in such priority and in such manner as the Chargee shall in its absolute discretion think fit until the whole of the Secured Indebtedness shall have been certified by the Chargee as having been discharged;

and the surplus (if any) shall be paid to the Chargor or such other person or persons as shall be entitled to it.

9. FURTHER ASSURANCE

The Chargor shall execute and do all such assurances, acts, deeds and things as the Chargee may require, and procure other interested persons so to do, for protecting or perfecting the security over the Charged Shares or for facilitating the realization of the Charged Shares and the exercise of all powers, authorities and discretion vested in the Chargee and shall in particular execute all transfers, assurances, and registrations of the Charged Shares, whether to the Chargee or to their nominees or purchasers or sub-purchasers, and give all notices, orders and discretion which the Chargee may think expedient.

10. POWER OF ATTORNEY

- 10.1 The Chargor by way of security hereby irrevocably appoints the Chargee, and the director, managers and officers for the time being of the Chargee authorised in that behalf, each with full power of substitution and each with full power to act alone, to be its attorney and in its name or in the name of its attorney and on its behalf to do and execute and as its act and deed or otherwise to do all assurances, acts or things which the Chargor ought to do under the covenants and provisions contained in this Share Charge and generally in its name or in the name of its attorney and on its behalf to exercise all or any of the powers, authorities and discretion conferred by or pursuant to this Share Charge on the Chargee and (without prejudice to the generality of the foregoing) to execute, seal and deliver and otherwise perfect any deed, assignment, transfer, assurance, agreement, instrument or act which may in the opinion of such attorney be required or deemed proper, necessary or desirable in or for any of the purposes of this Share Charge.
- 10.2 The Chargor hereby ratifies and confirms and agrees to ratify and confirm whatever any such attorney as is mentioned in Clause 10.1 shall do or purport to do in the exercise or purported exercise of all or any of the powers, authorities and discretion referred to therein.
- 10.3 Notwithstanding anything in the preceding sub-clauses contained the power of attorney granted by this Clause 10 shall not become exercisable until the Chargee shall have certified in writing that any breach shall have occurred under this Share Charge.

11. THIRD PARTIES DEALING WITH THE CHARGE

The Chargor agrees that, upon any Disposal of the Charged Shares which the Chargee shall make or purport to make under the provisions hereof, a statement in writing signed by an officer of the Chargee authorised in that behalf to the effect that the security created by this Share Charge has become enforceable and that the power of sale has become exercisable shall be conclusive evidence of the fact in favour of any purchaser or other person to whom the Charged Shares may be transferred and such purchaser or other person will take the same free of any rights of the Chargor.

12. RELEASE

On the date that the Secured Indebtedness have been paid, (i) this Share Charge and the security interests created hereunder shall terminate and be of no force and effect, (ii) the security with respect to the Charged Shares constituted by this Charge shall be automatically released and discharged, and (iii) the Chargee shall immediately return the Instrument of Transfer to the Chargor.

13. SECURITY ADDITIONAL

The security conferred by this Share Charge is in addition to and shall not affect or be affected by any other security or guarantee which the Chargee may now or at any time hold or take from the Chargor or from any other person in respect of the Secured Indebtedness.

14. CONTINUING SECURITY

The security conferred by this Share Charge shall not be considered satisfied or discharged by any intermediate payment or satisfaction of the whole or part of the Secured Indebtedness but shall be a continuing security and shall extend to cover any sum which shall for the time being constitute the balance due or expressed to be due to the Chargee in respect of the Secured Indebtedness.

15. PARTIAL INVALIDITY

The illegality, invalidity or unenforceability of any provision of this Share Charge, under the law of any jurisdiction shall not affect its legality, validity or enforceability under the law of any other jurisdiction nor the legality, validity or enforceability of any other provision.

16. ASSIGNS

This Share Charge is binding on and enures to the benefit of the parties hereto and their respective successors and disposees.

17. GOVERNING LAW; ARBITRATION

This Share Charge shall be governed in all respects by the laws of the Hong Kong as such laws are applied to agreements between Hong Kong residents entered into and to be performed entirely within Hong Kong. In the event the parties are unable to settle a dispute between them regarding this Share Charge through negotiation, such dispute shall be referred to and finally settled by arbitration at the Hong Kong International Arbitration Centre Administered Arbitration rules in force when the Notice of Arbitration is submitted, which rules are deemed to be incorporated by reference into this Clause 17. The arbitration tribunal shall consist of three arbitrators. Each Party to the dispute shall choose one arbitrator. The Secretary General of HKIAC shall select the third arbitrator, who shall be qualified to practice law in Hong Kong. If any of the members of the arbitral tribunal has not been appointed within thirty (30) days after the arbitration notice is given, the relevant appointment shall be made by the Secretary General of HKIAC. The language of the arbitration shall be English.

IN WITNESS whereof each of the Chargor and the Chargee has duly executed this Share Charge the day and year first above written.

SIGNED SEALED AND DELIVERED by)
the Chargor in the presence of:)
) /s/ Jianyu Yang
/s/ Botao Shi)
Witness's name and address:)
18/F, Tower A, Global Trade Center, 36 North Third Road East, Dongcheng District, Beijing, P.R.C.

SIGNED SEALED AND DELIVERED by)
Starr Investments Cayman II, Inc.)
in the presence of:)
) /s/ Dorothy Dong
/s/ James Jin)
Witness's name and address:)
4610-12, Tower 2, Plaza 66, 1266 Nanjing West Road, Jinan District, Shanghai, P.R.C

Schedule I

INSTRUMENT OF TRANSFER

Concord Medical Services Holdings Limited

We, Morgancreek Investment Holdings Limited (hereinafter "the Transferor") in consideration of the sum of US\$5.00 paid to us by Starr Investments Cayman II, Inc (hereinafter "the Transferee") do hereby transfer to the said Transferee 3,125,400 Ordinary Shares, standing in our name in the register of:

Concord Medical Services Holdings Limited

to hold unto the Transferee, its executors, administrators or assigns, subject to the several conditions upon which we hold the same at the time of execution hereof. And we, the Transferee do hereby agree to take the said shares subject to the same conditions.

Witness our hands the

Witness to the signature of the Transferor

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Witness's name and address:

Transferor

Witness to the signature of the Transferee

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STARR INVESTMENTS CAYMAN II, INC.

Witness's name and address:

By: Dorothy Dong, Director

Transferee