

THIS **NOVATION AGREEMENT** is entered into on

BETWEEN

- (1) whose principal place of business is at (the "**Transferor**")
- (2) whose principal place of business is at (the "**Transferee**")
- (3) whose principal place of business is at (the "**Counterparty**")

WHEREAS

(A) Transferor and Counterparty entered into an agreement dated (the **Agreement**).

(B) Transferor has agreed to transfer the Agreement to Transferee for the consideration of the parties incurring obligations and giving rights under this Novation Agreement and the Agreement and for other valuable consideration.

(C) Except as specified otherwise in this Novation Agreement, Transferor wishes to be released and discharged from the Agreement and the parties have agreed to the novation of the Agreement and to the addition of Transferee as a party to the Agreement, and its assumption of certain rights and obligations in place of Transferor.

It is agreed

1. Novation

In consideration of the mutual undertakings contained in this Novation Agreement, and with effect from the date of this Novation Agreement (the **Novation Date**):

- (a) Transferee shall become a party to the Agreement on the terms of this Novation Agreement;
- (b) Transferee undertakes with Counterparty to accept, observe, perform and discharge all the Transferring Obligations in place of Transferor;
- (c) Counterparty agrees that Transferee may exercise and enjoy the Transferring Rights in place of Transferor;
- (d) Counterparty hereby releases and discharges Transferor from:
 - i. the Transferring Obligations, including without limitation all claims and demands in relation to them, and accepts the like liabilities and obligations to it of Transferee in place of Transferor; and
 - ii. each of its accrued liabilities and obligations already in existence under the Agreement as at the Novation Date, including without limitation all claims and demands in relation to them; and
- (e) Transferor hereby releases and discharges Counterparty from each of its accrued liabilities and obligations already in existence under the Agreement as at the Novation Date, including

without limitation all claims and demands in relation to them.

(d) Counterparty hereby releases and discharges Transferor from the Transferring Obligations, including without limitation all claims and demands in relation to them, and accepts the like liabilities and obligations to it of Transferee in place of Transferor.

2. Interpretation

In this Novation Agreement:

Excluded Obligations means all the liabilities and obligations of Transferor arising under the Agreement to the extent that they:

- (a) are already accrued and in existence as at the Novation Date; and/or
- (b) do not relate to the Business;

Excluded Rights means all the rights of Transferor arising under the Agreement to the extent that they:

- (d) are already accrued and in existence as at the Novation Date; and/or
- (e) do not relate to the Business;

Transferring Obligations means all the liabilities and obligations of Transferor under the Agreement (howsoever arising and whether arising on, before or after the Novation Date), save for the Excluded Obligations; and

Transferring Rights means all the rights of Transferor under the Agreement (howsoever arising and whether arising on, before or after the Novation Date), save for the Excluded Rights.

3. Further assurance

Each of the parties agrees to perform (or procure the performance of) all further acts and things, and execute and deliver (or procure the execution and delivery of) such further documents, as may be required by law or as may be necessary or reasonably desirable to implement and/or give effect to this Novation Agreement.

4. Counterparts

This Novation Agreement may be executed in any number of counterparts and by the parties to it on separate counterparts, each of which is an original but all of which together constitute one and the same instrument.

5. Indemnities

5.1 Transferee indemnifies Transferor on demand against any claim, liability or loss arising from, and any costs and expenses arising out of, any act or omission by Transferee in connection with the Agreement which occurs on or after the Novation Date (including all legal costs and expenses).

5.2 Transferor indemnifies Transferee on demand against any claim, liability or loss arising from, and any costs and expenses arising out of, any act or omission by Transferor in connection with the Agreement which occurs before the Novation Date (including all legal costs and expenses).

5.3 The indemnities in this agreement are continuing obligations.

5. No rights under Contract (Rights of Third Parties) Ordinance

A person who is not a party to the Contract shall have no right under the Contract (Rights of Third Parties) Ordinance to enforce any of its terms.

6. Governing Law

This Assignment and the relationship between the parties shall be governed by and interpreted in accordance with the laws of Hong Kong.

As witness this Novation Agreement has been signed by the duly authorised representatives of the parties the day and year above written.