

To: Czech National Bank (the “CNB” or “you”)

Re: Engagement letter - External Legal Advisor for Chinese FX Market Transaction (the “Project”)

29 -09- 2021

Date: _____

Dear Sir/Madam,

King & Wood Mallesons (“we” or “us”) is pleased to present this engagement letter to you for our legal services in respect of the Project.

According to the document provided by you, we understand that:

- CNB is currently considering making transactions in Chinese FX Market. As part of the transaction plan, the Industrial and Commercial Bank of China Limited (“ICBC”, a PRC bank) is going to act as the agent of CNB for transactions on the Chinese FX market;
- in order to set up the relationship with ICBC, CNB seeks an external legal advisor to provide legal service to the contract that should establish the intended legal relationship between CNB and ICBC (the “FX Agent Contract”). The FX Agent Contract is proposed to be governed by PRC law.

This engagement letter sets out the scope of legal services we will render, our legal fees and other terms and conditions pursuant to which we will render our legal services in relation to the Project.

1. Scope of Services

We will provide the following legal services:

- (1) to review the FX Agent Contract from the perspectives of PRC law; and
- (2) to advise on CNB’s questions and comments on the FX Agent Contract and to make appropriate revisions, amendments and comments accordingly.

2. Fees

金杜律师事务所国际联盟成员所

北京 | 成都 | 重庆 | 广州 | 海口 | 杭州 | 香港特别行政区 | 济南 | 青岛 | 三亚 | 上海 | 深圳 | 苏州 | 南京 | 布里斯班 | 堪培拉 | 墨尔本 | 珀斯 | 悉尼 | 迪拜 | 东京 | 新加坡 | 布鲁塞尔 | 法兰克福 | 伦敦 | 马德里 | 米兰 | 纽约 | 硅谷

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Our legal fees consist of our actual cost and expense, which is calculated based on the actual working hours and hourly rates. Our standard hourly rates and hourly rates applicable to the Project are as follows:

KWM Team	Standard Rate (RMB/hour)	Rate applicable to the Project (RMB/hour)
Senior Partner	4,000	3,600
Partner	3,600	3,200
Senior Associate	3,000	2,600
Associate	2,500	2,200

Our fees for the Project will be charged on the basis of our hourly charging rates. Based on the hourly rates applicable to the Project above, we also provide following capped fee (the “**Capped Fees**”) for the scope of work as set out in Article 1 (*Scope of Services*).

Subject to assumptions below, our Capped Fees is **USD 4,000.00 (inclusive of 6% PRC VAT)**:

- (1) we will not be required to draft the FX Agent Contract which will be prepared or provided in English;
- (2) we will not be required to provide more than 3 rounds of comments to the FX Agent Contract;
- (3) we will not be required to participate in negotiation with ICBC;
- (4) we will not be required to issue any PRC memorandum or legal opinions;
- (5) no out of Beijing travel will be required;
- (6) no translation will be required; and
- (7) we are not required to give any advice on any issues other than those involving PRC law.

Any work performed outside the scope of work set out in Article 1 (*Scope of Services*) will be charged at the hourly rates set out in the table above.

Disbursements such as governmental charges, registration, filing, notary or translation fees, photocopying, travel costs and accommodations will be excluded from the Capped Fees and will be charged on the basis of recovery of our actual costs.

If the Project is cancelled or terminated due to whatsoever reasons, CNB still needs to pay the legal fees for the service we have completed no later than 30 days after such cancellation or termination.

3. Payment Arrangement

Payments by CNB to us under this engagement letter shall be made to the following bank account and shall be made without reduction for any withholding or similar taxes within thirty (30) days after the date of invoice. We will send draft invoice to CNB for review first. The official invoice will be issued after confirmation from CNB.

For payment by Telegraphic Transfer in RMB or in US Dollar to :	
Bank Name	: China CITIC Bank H.O. General Banking, Beijing, China
Bank Address	: E Block, Fuhua Mansion, No.8, Chaoyangmenbeidajie, Dongcheng District, Beijing, China
A/C No	: 7110310182300024493
A/C Name	: KING&WOOD MALLESONS
SWIFT CODE	: CIBKCNBJ100
Correspondent Bank	: JP Morgan Chase Bank N.A. New York
SWIFT CODE	: CHASUS33
FED ABA NO.	: 021000021
CHIPS ABA NO.	: 0002

4. Conflict Check

We hereby confirm that our representation of CNB with respect to this Project will not give rise to any conflict of interest.

5. Duty of Confidentiality

Our duty of confidentiality is fundamental to our practice. However, you agree that we may disclose your confidential information:

- (1) on a confidential basis, to the extent we consider it appropriate for the purpose of conducting the Project, including to our associated entities or to third parties who provide services to us;
- (2) on a confidential basis to other member firms of the King and Wood Mallesons network and their associated entities, who may use it for any purpose for which we could use that information;
- (3) on a confidential basis to our professional advisers and insurers; and
- (4) if legally required or permitted by law (but subject to any claims of confidentiality or privilege you may lawfully instruct us to make) or if authorised by you.

We will not disclose to you any confidential information which we have obtained as a result of acting for any other client. Only the partners and staff working from time to time on your matters will have an obligation to give advice and disclose information to you. We have no obligation to act upon or disclose to you information which is not actually know to person working on your behalf, even if other persons in the firms are aware of that information.

6. Disclosure of this Letter

We understand CNB is a Czech public institution with a duty to make certain procurement related contracts public. This engagement letter will be available to the public via the CNB's website.

7. Default Liabilities

If any party hereto failed to perform its obligations under this engagement letter, it shall be responsible for the corresponding liabilities for breach of this engagement letter.

8. Governing Law and Jurisdiction

This engagement letter shall be governed and interpreted by the PRC laws.

Any dispute arising from or in connection with this engagement letter shall be submitted to China International Economic and Trade Arbitration Commission ("CIETAC") in Beijing for arbitration which shall be conducted in accordance with the CIETAC's arbitration rules in effect at the time of applying for arbitration. The arbitral award is final and binding upon both parties.

9. Effectiveness

This engagement letter shall take effect upon your execution.

If you agree to the terms and conditions of this engagement letter, please acknowledge your approval by signing the acceptance form at the end of this engagement letter and returning a copy of this engagement letter and acceptance form to us at your earliest convenience. If we do not receive a signed copy back and you continue to instruct us to undertake the work, the terms and conditions of this engagement letter will be deemed to have accepted by you.

Yours faithfully,

KING & WOOD MALLESONS

By 

Partner: Yinghao LV

Acknowledgement and Acceptance

The terms and conditions of this engagement letter are accepted by CNB as of the date set out on the first page of this engagement letter.

The Czech National Bank



Name: Jan Schmidt

Title: Executive Director



Name: Zdenek Vrius

Title: Executive Director