



ASIA INVESTMENT FINANCE GROUP LIMITED

亞投金融集團有限公司

(Formerly known as Harmonic Strait Financial Holdings Limited 和協海峽金融集團有限公司)

(the “Company”)

Terms of Reference

Of

Remuneration Committee

Adopted as amended by the Board on 27 March 2012.

Main purposes The Remuneration Committee serves to ensure that senior management are fairly rewarded for their individual contributions to the Company’s overall performance and demonstrate that the remuneration of senior management is set by a committee which has no bias in the making of and no personal interest in the outcome of its decision and which gives due regard to the interests of the public and the financial health of the Company.

Composition The Remuneration Committee will comprise no less than three members, the majority of whom shall be independent non-executive Directors. A quorum shall be two members. The Company Secretary shall be the secretary of the Remuneration Committee and in the absence of the Company Secretary, a member of the Remuneration Committee shall act as the secretary.

Chairman The chairman of the Remuneration Committee shall be appointed by the Board and must be an independent non-executive Director.

Meetings (a) Notice of any meetings has to be given at least 7 days prior to any such meeting being held provided that if a meeting is called by a shorter notice, it shall be deemed to have been duly called if it is so agreed by a majority of the Members. A Member who attends such a meeting shall deem to agree to the shorter notice. Notice of any adjourned meetings is not required if the adjournment is less than 14 days.

(b) Meetings could be held in person, by telephone or by video conference. Members may participate in a meeting by means

of a conference telephone or similar communications equipment provided that all persons participating in the meeting are capable of hearing each other.

- (c) Resolutions of the Remuneration Committee at any meetings shall be passed by a majority of votes of the Members present.
- (d) A resolution in writing signed by all the Members of the Remuneration Committee shall be as valid and effectual as if it had been passed at a meeting of the Remuneration Committee duly convened and held.
- (e) Minutes shall be kept by the secretary of the Remuneration Committee. Draft and final versions of minutes shall be circulated to all Members for their comment and records respectively, in both cases within a reasonable period of time after the meeting.

Primary duties

The primary duties of the Remuneration Committee shall be:-

- (a) to make recommendations to the Board on the issuer's policy and structure for all remuneration of directors and senior management and on the establishment of a formal and transparent procedure for developing policy on such remuneration;
- (b) to have the delegated responsibility to determine the specific remuneration packages of all executive directors and senior management, including benefits in kind, pension rights and compensation payments, including any compensation payable for loss or termination of their office or appointment, and make recommendations to the Board of the remuneration of non-executive directors. The remuneration committee should consider factors such as salaries paid by comparable companies, time commitment and responsibilities of the directors, employment conditions elsewhere in the group;
- (c) Either:
 - (i) to determine, with delegated responsibility, the remuneration packages of individual executive directors and senior management; or
 - (ii) to make recommendations to the Board on the remuneration packages of individual executive directors and senior management.

This should include benefits in kind, pension rights and compensation payments, including any compensation payable for loss or termination of their office or appointment.

- (d) to review and approve all executive directors and senior management remuneration by reference to corporate goals and objectives resolved by the board from time to time;
- (e) to review and approve the compensation payable to executive directors and senior management in connection with any loss or termination of their office or appointment to ensure that such compensation is determined in accordance with relevant contractual terms and that such compensation is otherwise fair and not excessive for the issuer;
- (f) to review and approve compensation arrangements relating to dismissal or removal of directors for misconduct to ensure that such arrangements are determined in accordance with relevant contractual terms and that any compensation payment is otherwise reasonable and appropriate;
- (g) to ensure that no director or any of his associates is involved in deciding his own remuneration; and
- (h) to consider other topics as defined by the Board.

Reporting

The Remuneration Committee shall report to the Board after each meeting.

Annual General Meeting

The Chairman of the Remuneration Committee or a Member of the Remuneration Committee shall attend the Company's Annual General Meeting and be prepared to respond to shareholders' questions on the Remuneration Committee's activities and its responsibilities.

Authority

The authority of the Remuneration Committee shall be:

- (a) The Remuneration Committee is authorized by the Board to investigate any activity within its terms of reference. It is authorised to seek any information it reasonably requires from any employee and all employees are directed to co-operate with any reasonable request made by the Remuneration Committee.

- (b) The Remuneration Committee should consult the Chairman and/or Chief Executive Officer about their proposals relating to the remuneration of other executive directors.
- (c) The Remuneration Committee is authorised by the Board to obtain, in connection with its duties, and at the Company's expense, any outside legal or other independent professional advice it considers to be necessary, including the advice of independent remuneration consultants, to secure the attendance of external advisers at its meetings if it considers this necessary, and to obtain reliable, up-to-date information about remuneration in other companies. The Remuneration Committee shall have full authority to commission any reports or surveys which it deems necessary to fulfill its obligations.

Frequency of meetings

The Remuneration Committee shall meet at least twice a year and at such other times as the Chairman of the Remuneration Committee shall require.