

FX Creations International Holdings Limited

**Letter of Appointment –Executive Director, Authorised Representative,
Company Secretary and Qualified Accountant**

1 February 2006

Mr. Chan Francis Ping Kuen
Flat D, 3/F., Block 5,
Metro City, Phase 2,
Tseung Kwan O, New Territories
Hong Kong

We, FX Creations International Holdings Limited, a company incorporated under the laws of Cayman Islands whose registered office is at Century Yard, Cricket Square, Hutchins Drive, P.O. Box 2681GT, George Town, Grand Cayman, Cayman Islands, British West Indies (the "Company") and having a principal place of business in Hong Kong at Workshop A6, 12th Floor, Block A, Hong Kong Industrial Centre, 489-491 Castle Peak Road, Kowloon, Hong Kong HEREBY APPOINTS Mr. Chan Francis Ping Kuen (holder of Hong Kong ID number: G568842(5)) (the "Appointee") as an executive director, authorised representative, company secretary and qualified accountant of the Company on and subject to the terms and conditions specified herein.

1. APPOINTMENT AND TERM

1.01 The said appointment shall commence on 1 February 2006 and shall continue subject as hereinafter mentioned for a period of one year from such date unless previously terminated in accordance with the terms and conditions specified herein.

2. SCOPE OF THE APPOINTMENT

2.01 For the purpose of the said appointment, the Appointee shall:

- (a) faithfully and diligently and on a full-time basis serve as an executive director, authorised representative, company secretary and qualified accountant of the Company and, in such capacity, supervise and manage the Group and perform the duties and exercise the powers from time to time assigned to or vested in him by the board (the "Board") of directors (the "Directors") of the Company;
- (b) undertake with the Company that during the term of this Letter of Appointment he shall use his best endeavours to carry out his duties hereunder and to protect, promote and act in the best interests of the Company;
- (c) devote such of his time and his attention and skill as may reasonably be required to discharge the duties of his office; and
- (d) comply with all applicable rules of The Stock Exchange of Hong Kong Limited (the

"Stock Exchange") and the Company's rules, regulations, policies and procedures from time to time in force.

For the purpose of this letter, the "Group" means the Company and its subsidiaries (as such term is defined in the Rules Governing the Listing of Securities on the Growth Enterprise Market of the Stock Exchange ("GEM Listing Rules")).

2.02 The Appointee shall at all times keep the Board promptly and fully informed (in writing if so requested) of any of his business or other activities which would or is likely to cause the Appointee to be in conflict with the interest of the Company.

3. RESTRICTIONS ON OTHER ACTIVITIES BY THE APPOINTEE

3.01 During the term of this Letter of Appointment:-

- (a) the Appointee shall not engage in any activity in competition with the business of the Company, or otherwise engage in any activity which could prevent the Appointee from acting as an executive director, authorised representative, company secretary and qualified accountant of the Company in accordance with the applicable rules of the Stock Exchange; and
- (b) the Appointee shall comply with (i) every applicable rule of law, (ii) the GEM Listing Rules and (iii) every regulation of the Company for the time being in force in relation to dealings in shares or other securities of the Company or any other members of the Group.

4. REMUNERATION

4.01 During the term of this Letter of Appointment, the remuneration of the Appointee shall be a fixed salary at a rate of Hong Kong Dollars Ten Thousand (HK\$10,000) per month payable in arrears. This salary will be reviewed by the Board in each year at the time of the annual review for senior executives.

4.02 In addition to the salary set out in Clause 4.01, the Appointee shall be entitled to a year-end discretionary bonus in such amount (if any) and payable at such time as the Board may in its absolute discretion determine.

4.03 During the term of this Letter of Appointment, the Company shall reimburse the Appointee (against receipts) all reasonable out-of-pocket expenses properly incurred by the Appointee in the performance of his duties hereunder or otherwise in connection with the business of the Company.

5. LEAVE

5.01 The Appointee shall be entitled after completion of each year of service with the Company to ten (10) working days leave (excluding public holidays) with full pay, which leave shall be taken at such time or times as may be approved by the Board having regard to the requirements of the Group provided that:

- (a) if the employment of the Appointee hereunder is to cease on the completion of any year of service, the Appointee shall be entitled to take his said leave immediately prior to the end of such year of service notwithstanding that at that

time such year of service shall not have been completed;

- (b) if the employment of the Appointee hereunder is to cease (for any reason other than termination pursuant to Clause 6.01) during any year of service, the Appointee shall be entitled to an amount of leave proportionate to the part of the year during which he has been employed by the Company, such leave to be taken immediately prior to the termination of his employment; and
- (c) if for any reason the Appointee shall not have taken his full entitlement of leave in any one year, any such unused leave entitlement may be accumulated up to twenty (20) working days but is liable to be forfeited if not taken by the end of the term of this Letter of Appointment and the Appointee shall not have any claim against the Company in respect thereof, nor, unless the reason is the exigencies of the Company's business (of which the Company shall be the sole judge), shall the Appointee be entitled to additional leave in any year in respect of leave not taken in previous years.

6. TERMINATION

- 6.01 The appointment of the Appointee hereunder shall be subject to termination by the Company at any time by summary notice in writing if the Appointee commits any breach of any of his material obligations and/or undertakings hereunder or commits an act of bankruptcy or commits any act which would, under any applicable laws and regulations, permit the Company to terminate his appointment hereunder or becomes prohibited by, whether directly or indirectly, the GEM Listing Rules or any applicable laws, rules or regulations from being a director of the Company.
- 6.02 Either party to this Letter of Appointment shall be entitled to terminate the Appointee's appointment hereunder at any time by giving the other party at least one (1) month's notice in writing.
- 6.03 On the termination of his appointment hereunder howsoever arising the Appointee shall at the request of the Company resign from office as a director and (if appropriate) as a director of any other members of the Group.
- 6.04 Termination of the Appointee's appointment hereunder shall be without prejudice to any rights which have accrued to the parties hereto prior to such termination or to the provisions of Clause 7.

7. CONFIDENTIAL INFORMATION AND COMPANY DOCUMENTS

- 7.01 The Appointee shall neither during his appointment hereunder (except in the proper performance of his duties) nor at any time (without limit) after the termination of his appointment hereunder:
 - (a) divulge or communicate to any person, company, business entity or other organisation;
 - (b) use for his own purposes or for any purposes other than those of the Company or any company in the Group; or
 - (c) through any failure to exercise due care and diligence,

cause any unauthorised disclosure of any trade secrets or Confidential Information (as defined in Clause 7.02 hereof) relating to the Company or any other company in the Group, but so that these restrictions shall cease to apply to any information which shall become generally available to the public otherwise than as a result of a breach of this Clause by the Appointee.

7.02 "Confidential Information" means all confidential information relating to, or belonging to, any members of the Group including without limitation information relating to the business, customers, suppliers, employees, finances, investments, plans, strategies, know-how, researches, investigations, undertakings, intellectual properties or production process of any member of the Group.

7.03 All notes, memoranda, records, lists of tenants and employees, correspondence, documents, computers and other discs and tapes, data listings, codes, designs and drawings and other documents and materials whatsoever relating to the business of the Company or any other company in the Group (and any copies of the same):

- (a) shall be and remain the property of the Company or the relevant company in the Group; and
- (b) shall be handed over by the Appointee to the Company or to the relevant company in the Group on demand on the termination of the Appointee's appointment hereunder.

8. NOTICES

8.01 Any notice required to be given hereunder shall be in writing and delivered or sent to the relevant party personally or by post or by fax at its address or fax number set out below (or to such other address as such party hereto may from time to time designate to the others of them in writing):

To the Company: Name: FX Creations International Holdings Limited
 Address: Workshop A6, 12th Floor, Block A,
 Hong Kong Industrial Centre,
 489-491 Castle Peak Road,
 Kowloon, Hong Kong
 Attention: The Board of Directors
 Fax number: 2781 4246

To the Appointee: Name: Mr. Chan Francis Ping Kuen
 Address: Flat D, 3/F., Block 5,
 Metro City, Phase 2,
 Tseung Kwan O, New Territories
 Hong Kong

Any such notice shall be deemed to have been validly given (a) if delivered personally, at the time of such delivery; (b) if given or despatched by post, 7 days after the time of posting; and (c) if given or made by fax, at the time of despatch.

9. LAW AND JURISDICTION

9.01 This Letter of Appointment shall be governed by and construed in accordance with the laws

of Hong Kong Special Administrative Region (“**Hong Kong**”) and the parties hereto submit to the non-exclusive jurisdiction of the Hong Kong Courts in the determination of any dispute arising hereunder.

For and on behalf of
FX Creations International Holdings Limited



Name:
Title: Director

I, Mr. Chan Francis Ping Kuen (holder of Hong Kong ID number: G568842(5)), the Appointee, HEREBY AGREE TO ACT as an executive director, authorised representative, company secretary and qualified accountant of the Company on and subject to the terms and conditions as hereinbefore mentioned.



Chan Francis Ping Kuen
Date: