**Asset Management Agreement**

**Featured Management Services Agreements**

Asset Management Agreement

between

China Life Insurance (Group) Company

and

China Life Asset Management

Company Limited

<PAGE>

Table of Contents

1. APPOINTMENT...............................................................3

2. INVESTMENT MANAGEMENT SERVICES............................................3

3. METHODS OF INVESTMENT MANAGEMENT SERVICES.................................4

4. CONFLICTS OF INTEREST.....................................................8

5. INVESTMENT MANAGEMENT SERVICES FEES AND PERFORMANCE-

BASED BONUSES AND REBATES.................................................9

6. THIRD PARTY COSTS AND EXPENSES...........................................18

7. TAXES....................................................................18

8. REPRESENTATIONS, WARRANTIES AND COMMITMENTS..............................19

9. TERM.....................................................................21

10. INDEMNIFICATION..........................................................21

11. LIABILITIES FOR BREACH OF THE AGREEMENT..................................21

12. TERMINATION..............................................................22

13. FORCE MAJEURE............................................................23

14. CONFIDENTIALITY..........................................................23

15. ASSIGNMENT...............................................................24

16. NON-WAIVER...............................................................24

17. NOTICES..................................................................24

18. PERFORMANCE..............................................................25

19. FURTHER ACTIONS..........................................................25

20. GOVERNING LAW AND DISPUTE RESOLUTION.....................................26

21. EFFECTIVENESS, COPIES AND MODIFICATIONS..................................26

2

<PAGE>

This Asset Management Agreement ("Agreement") is signed by the following parties

in Beijing, People's Republic of China ("PRC") on November 27, 2003:

. China Life Insurance (Group) Company ("Party A")

Address: 5 Guan Ying Yuan Xi Qu, Xicheng District, Beijing

Legal Representative: Wang Xian Zhang

. China Life Asset Management Company Limited ("Party B")

Address: 9/F Block A, Tongtai Building, No. 33 Financial Street, Xicheng

District, Beijing

Legal Representative: Wang Xian Zhang

WHEREAS,

(1) Party A is legally established and duly organized as a wholly state-owned

insurance company.

(2) Party B is a legally established and duly organized company, which is

qualified to carry out the investment management of insurance funds as

approved by the China Insurance Regulatory Commission.

(3) Party A intends to entrust Party B with the investment management of its

insurance assets.

(4) Party A and Party B wish to make appropriate arrangements on matters

relating to Party A entrusting Party B with the investment management of

insurance funds.

THEREFORE, based upon the principle of mutual benefit, both parties agree,

through friendly negotiation, on the following terms:

1. Appointment

Subject to the terms and conditions provided in this Agreement, Party A

hereby appoints Party B, and Party B hereby accepts such appointment and

agrees, to perform investment management services with respect to the

Entrusted Assets described in Section 2.1.

2. Investment Management Services

2.1. The Entrusted Assets are the insurance funds entrusted by Party A to

Party B for the purpose of investment management under the

Agreement, which include such assets entrusted by Party A to Party B

as of the effective date of this agreement (within thirty (30)

business days after the date of this Agreement, Party A shall

provide Party B in writing a checklist of the Entrusted Assets as of

the date of this Agreement), the funds remitted to the Settlement

Account (as defined

3

<PAGE>

below) by Party A under this Agreement from time to time during the

term of this Agreement, and the profits arising from the investment

management of such funds, but which exclude the funds remitted by

Party B to the designated account of Party A upon Party A's

instructions according to this Agreement.

2.2. The Investment Management Services are the professional services to

be provided by Party B, and in the name of Party A, in accordance

with the Agreement with respect to the investment of the Entrusted

Assets, and the Investment Guidelines (as defined below) provided in

writing, revised from time to time, by Party A, and subject to any

limitation on the investment scope of insurance funds provided in

the PRC Insurance Law, other PRC laws and regulations, and relevant

provisions promulgated by insurance regulatory authorities.

3. Methods of Investment Management Services

3.1. Authorization

3.1.1. The Investment Management Services shall not involve the

transfer or delivery of the Entrusted Assets. For the

duration of the Agreement, Party A shall retain the

ownership of the Entrusted Assets and shall be entitled to

investment gains of, and be responsible for the investment

losses of, the Entrusted Assets.

3.1.2. Party A shall, within 30 business days following the

execution of this Agreement or at any other time mutually

agreed by the parties, carry out such authorization

procedures necessary to enable Party B to conduct investment

management for the bank accounts and shareholders' accounts

relating to Entrusted Assets (the "Special Accounts"). The

Special Accounts shall be used only for the investment

management of the Entrusted Assets and shall be segregated

from all other accounts in the name of Party A covering all

assets other than the Entrusted Assets.

3.1.3. Upon Party A's approval or acknowledgement and after

carrying out necessary authorization procedures, Party B may

employ auditors, actuaries, attorneys and other

professionals in the name of Party A or in its own name for

the purpose of carrying the objects of this Agreement.

3.1.4. Party A shall, within 30 business days following the date of

this Agreement or at any other time mutually agreed by the

parties, carry out all other necessary authorization

procedures to enable Party B to represent Party A and, in

the name of Party A,

4

<PAGE>

coordinate, negotiate and sign documents with third parties

for the purposes of the Agreement.

3.1.5. During the term of the Agreement, Party A shall take all

actions necessary to assist Party B in performing its

obligations under Section 2.2, including but not limited to

execution of necessary documents.

3.2. Funds Transfer-in

3.2.1. Party A shall, within 30 business days following the date of

this Agreement or at any other time mutually agreed by the

parties, designate an account or open an account for the

purpose of transferring funds in Party A's name (such

designated account or newly opened account, a "Settlement

Account") at a bank mutually agreed upon by Party A and

Party B and take necessary steps to grant Part B appropriate

authorization to give, from time to time, instructions to

the bank where the Settlement Account is opened. Party A

shall inform Party B of the account information in writing

on the date the account is opened.

3.2.2. During the term of this Agreement, Party A may remit funds

to the Settlement Account from time to time. Party A shall

confirm with Party B in writing any remittance it makes to

the account of Party B on the date of such remittance. Such

funds shall become part of the Entrusted Assets on the date

of remittance unless Party B raises objections within 3

business days of the receipt of such confirmation.

3.2.3. The Settlement Account shall only be used for purposes of

this Agreement and shall be segregated from all other

accounts of Party A.

3.3. Funds Transfer-out

3.3.1. Party A's authorized representatives may give Party B

written instructions on fund transfers ("Fund Transfer

Instructions") and Party B shall carry out such instructions

with no obligation to check if such representatives have

appropriate authorization to issue such instructions on

behalf of Party A. Such instructions shall state the amount

and the date of transfer, but shall not dictate the specific

assets to be disposed of. For any transfer of funds in an

amount less than 500 million yuan, the Fund Transfer

Instructions shall be given one business day before such

transfer is made. For any transfer of funds in an amount of

more than 500 million yuan but less than 1 billion yuan, the

Fund Transfer Instructions shall be given two

5

<PAGE>

business days before such transfer is made. For any transfer

of funds in an amount of more than 1 billion yuan, the Fund

Transfer Instructions shall be given three business days

before such transfer is made. If for any special reason the

Fund Transfer Instructions cannot be given in accordance

with the above requirements, both parities shall agree upon

another time in advance. Party B, after receiving such Fund

Transfer Instructions, shall remit funds to the designated

account of Party A in accordance with the instructions.

Party B shall confirm with Party A in writing such

remittance on the date such remittance is made to the

designated account of Party A. Such funds shall no longer

constitute part of the Entrusted Assets once Party B issues

the written confirmation that the funds have been

transferred into the Transfer-out Account, unless Party A,

within 3 business days after receiving such written

confirmation, raises an objection.

3.4. Scope of Authority

3.4.1. Party A shall, before the Agreement is signed, formulate and

submit to Party B in writing Investment Guidelines

("Investment Guidelines"), pursuant to Section 8.2.2 of this

Agreement.

3.4.2. The Investment Guidelines may provide, among other things:

3.4.2.1. the principles governing the investment of the

Entrusted Assets;

3.4.2.2. the liquidity requirements for the Entrusted Assets

for a particular period;

3.4.2.3. the limitations on investment types and portfolios

for a particular period;

3.4.2.4. the requirements on asset/liability matching and

risk control for a particular period; and

3.4.2.5. the asset addition and liquidation plan for a

particular period.

3.4.3. During the term of this Agreement, Party A may revise the

Investment Guidelines for the next investment year before

such investment year starts, and submit the revised

Investment Guidelines to Party B, pursuant to Section 8.2.2

of this Agreement. Where no revision is made to the

Investment

6

<PAGE>

Guidelines for the next investment year, the Investment

Guidelines of the current year shall remain in effect.

3.4.4. During the term of this Agreement, Party A may revise the

Investment Guidelines from time to time as it deems

necessary and shall notify Party B of any revision to the

Investment Guidelines in writing.

3.4.5. Party A may consult with Party B for its professional

opinion in formulating and/or revising the Investment

Guidelines in accordance with Section 3.4.1 and Section

3.4.3 of the Agreement.

3.4.6. Party B's implementation of the investment management of

Entrusted Assets shall comply with laws, regulations,

provisions and requirements of the applicable insurance

regulatory authorities, as well as the Investment Guidelines

formulated and/or revised by Party A in accordance with this

Agreement. Party B shall owe a fiduciary obligation to Party

A. Party shall conduct the investment management of

Entrusted Assets with due care and with the same degree of

experience, skills, judgment and care as those used for its

own funds. Notwithstanding the above provisions, Party B

shall have discretion over the decision-making and

operations of the Entrusted Assets.

3.4.7. During the term of this Agreement, except for giving Fund

Transfer Instructions to Party B and formulating and/or

revising and delivering the Investment Guidelines to Party B

pursuant to the terms of the Agreement, Party A shall not

directly engage in the investment management of the

Entrusted Assets.

3.5. Reports and Monitoring

3.5.1. Party B shall, within 90 days following the end of each

calendar year, make and submit to Party A an annual report

with regard to the Investment Management Services ("Annual

Report"). The Annual Report shall include information on

profits of the various investments of Entrusted Assets and

the average investment rate of return for the Entrusted

Assets for that year.

3.5.2. Party B shall, within 15 days following the end of each

calendar quarter, make and submit to Party A a written

report setting forth the investment management results and

asset structure for such quarter.

7

<PAGE>

3.5.3. Party B shall, according to Party A's requirements, provide

to Party A such other statements and information as required

by Party A about the Investment Management Services.

3.5.4. Party B shall ensure the truthfulness, completeness, and

accuracy of the reports, statements and information provided

pursuant to the above Sections 3.5.1 and 3.5.3.

3.5.5. Party A shall have the right to monitor the investment

management of Party B.

3.6. Examination of books

3.6.1. Party A and Party B shall, within 10 business days following

each calendar month, cross-check the statements of the

Special Accounts and the Settlement Account.

3.6.2. Party B shall maintain complete files of all records,

accounting certificates, books, statements and other

materials relating to the Investment Management Services for

at least 15 years.

4. Conflicts of Interest

4.1. Party A hereby recognizes that, when Party B conducts investment

management services in regard to Entrusted Assets and, at the same

time, in regard to its own assets or the assets of any third party,

conflicts of interest may arise in respect of (but not limited to)

the distribution of resources, provision of services and

distribution of investment opportunities.

4.2. When Party B determines in its professional judgment that there is

an existing or possible conflict of interest, Party B shall inform

Party A of such conflict of interest.

4.3. Party B shall have full discretion in taking any such action or

measure as it deems in its professional judgment to be fair,

reasonable and necessary to deal with such conflicts of interest.

4.4. Party B shall not take any of the following actions:

4.4.1. trading the Entrusted Assets with itself, or with the assets

entrusted by other parties, without Party A's advance

written approval; or

4.4.2. using Entrusted Assets to pursue its own interests or the

interests of any third party at the expense of Party A's

interests.

8

<PAGE>

4.5. Party B shall formulate, establish and enhance relevant rules and

systems (including but not limited to business operation procedures,

staff conduct codes, accounting and financial systems, internal

controls and inspection rules), so as to ensure the effective

implementation of the provisions of Article 4 of the Agreement.

Party B shall establish necessary internal control systems in regard

to (but not limited to) personnel, finances and accounts so as to

ensure the fairness, equity and independence of the investment

management operations associated with the Entrusted Assets and the

assets owned by Party B or entrusted by other parties. Party B

shall, upon Party A's request, appoint special account managers for

the Entrusted Assets.

4.6. Party B's obligations under Section 4.5 shall not affect its full

discretion under the foregoing Section 4.3 and the actions and

measures taken in accordance with Section 4.3.

5. Investment Management Services Fees and Performance-based Bonuses and

Rebates

5.1. Party A shall pay to Party B, and Party B is entitled to receive,

such investment management service fees and performance bonus fees

as provided under this Agreement. Party B shall rebate a portion of

its fees according to its performance, and Party A is entitled to

receive such rebate, pursuant to the provisions of the Agreement.

5.2. The Investment Management Service Fees shall be determined according

to the following provisions:

5.2.1. Each calendar month shall be a Billing Period.

5.2.2. The Investment Management Service Fees for each Billing

Period shall be the aggregate of the monthly investment

management service fees for each category of assets under

management, plus additional service fees for investment

management services for that particular month, pursuant to

Section 5.2.6 of the Agreement.

5.2.3. The monthly investment management service fee for each

category of the assets under management shall be the average

of the net value of such category at the end of the relevant

month and the previous month, multiplied by the applicable

annual rate for the relevant month, and then divided by

twelve.

5.2.3.1. The applicable annual rate for each category of the

assets under management for a particular month

shall be calculated according to the following:

9

<PAGE>

(1) The annual rate applicable to each category of assets

under management for the relevant month is:

(i) when the total amount of Entrusted Assets is

equal to or below RMB 10 billion at the end of

the relevant month:

Bank balances and cash...................... 0%

Existing term deposits...................... 0.00400%

Securities purchased under

agreement to resell......................... 0.01500%

Fixed maturity securities, financial

instruments issued by the central bank...... 0.11240%

Equity investments.......................... 0.38500%

(ii) when the total amount of Entrusted Assets is more

than RMB 10 billion but less than or equal to RMB

30 billion at the end of the relevant month:

Bank balances and cash...................... 0%

Existing term deposits...................... 0.00400%

Securities purchased under

agreement to resell......................... 0.01425%

Fixed maturity securities, financial

instruments issued by the central bank...... 0.10390%

Equity investments.......................... 0.35575%

(iii) when the total amount of Entrusted Assets is more

than RMB 30 billion but less than or equal to RMB

50 billion at the end of the relevant month:

Bank balances and cash...................... 0%

Existing term deposits...................... 0.00400%

Securities purchased under

agreement to resell......................... 0.01350%

Fixed maturity securities, financial

instruments issued by the central bank...... 0.09540%

Equity investment........................... 0.32650%

10

<PAGE>

(iv) when the total amount of Entrusted Assets is more

than RMB 50 billion but less than or equal to RMB

100 billion at the end of the relevant month:

Bank balances and cash...................... 0%

Existing term deposits...................... 0.00400%

Securities purchased under

agreement to resell......................... 0.01275%

Fixed maturity securities, financial

instruments issued by the central bank...... 0.08690%

Equity investments.......................... 0.29725%

(v) when the total amount of Entrusted Assets is more

than RMB 100 billion at the end of the relevant

month:

Bank balances and cash...................... 0%

Existing term deposits...................... 0.00400%

Securities purchased under

agreement to resell......................... 0.01200%

Fixed maturity securities, financial

instruments issued by the central bank...... 0.07840%

Equity investments.......................... 0.26800%

(2) The total amount of Entrusted Assets at the end of

the relevant month shall be the aggregate of the net

value of each category of the assets under management

at the end of the relevant month.

(3) During the term of this Agreement, within one month

following the end of each year, Party A and Party B

may, in accordance with the principle of fair market

dealings, negotiate to modify, and confirm in

writing, the monthly applicable annual rate of each

category of assets under management for each Billing

Period of that year. If no such agreement is reached,

the monthly applicable annual rate of each category

of assets under management for the last Billing

Period of the preceding year shall remain in force.

11

<PAGE>

5.2.3.2. The net value of each category of assets under

management at the end of the relevant month shall

be calculated according to the following methods:

(1) For any bond listed on the stock exchange, the

closing price (full price) on the stock exchange on

the last trading day of the relevant month or, if

there is no trading during such month, the closing

price (full price) on the nearest trading day of such

month, multiplied by the amount of the security;

(2) For any bond traded on the inter-bank bonds market,

the fair price of such security on the last trading

day of the relevant month multiplied by the amount of

such security. The aforementioned fair price shall be

determined in accordance with the following method:

(i) if there is a transaction price for such security

during the relevant month, the fair price shall

be the weighted average price of such security as

announced by the inter-bank bonds market on the

last trading day of the relevant month;

(ii) if there is no trade for such security during the

relevant month, the fair price shall be the

average price of the offering prices from the

two-side bid for such security on the last

trading day of the relevant month;

(iii) if there is neither a weighted average price nor

offering prices for such security during the

relevant month, the fair price shall be the

corresponding price of such security as quoted in

the yield curve of the "alpha" system as of the

end of such month;

(3) For any closed-end fund listed on a stock exchange,

the closing price on the stock exchange on the last

trading day of the relevant month or, if there is no

trading during such month, the closing price on the

latest trading day preceding such month, multiplied

by the number of units of the closed-end fund;

(4) For any open-end fund, the net value of such fund as

publicized on the last day of repurchasing in the

12

<PAGE>

relevant month multiplied by the number of units of

such fund.

(5) For any bank deposits, the principal of the deposit

plus the interest payable as of the last day of the

relevant month;

(6) For any security purchased under agreement to resell,

the principal plus the interest payable as of the

last day of the relevant month;

(7) For any repurchase arrangement, the amount of total

assets minus the sum of the principal and interest

payable as of the last day of the relevant month,

with the deduction to be performed in the following

order: security sold under agreement to repurchase

and then current account deposits;

(8) For any unlisted bond or unlisted security investment

fund, the cost of such security plus dividends or

interest payable as of the last day of the relevant

month;

(9) For any interest receivable on bonds or dividends on

security investment funds, if the interest or the

dividend has not been actually distributed, it shall

be included in the net asset value of the relevant

bond or security investment fund pursuant to Section

5.2.3.2 of the Agreement; and once such bond interest

or dividend has been actually distributed, it shall

be counted as cash.

(10) For any kind of financial instruments issued by the

central bank, the calculation method for bonds shall

equally apply.

5.2.3.3. For any category of investment that is not

currently provided under section 5.2.3 of the

Agreement but may be permitted by laws, regulations

and the insurance regulatory authority and thus may

become available from time to time in the future,

Party A and Party B shall, through timely

negotiations, and in accordance with the principles

of fairness and reasonableness, determine the

calculation methods for the applicable annual rate

and net value. Where conditions for calculation of

net asset value on a daily basis become

13

<PAGE>

available, the parties shall mutually discuss and

agree upon in writing a calculation method.

5.2.4. When the effective date of this Agreement is not the first

day of the relevant month, the monthly service fee for each

category of the assets under management of the first Billing

Period after the Agreement comes into effect shall be the

net value of the assets under management at the end of the

month, multiplied by the annual rate applicable to that

month, divided by 12 and then divided by the total number of

days of the relevant month and then multiplied by the number

of days left in the relevant month after the effective date

(including the effective date).

5.2.5. When the Agreement is terminated under Article 12, and the

date of termination is not the last day of the month, the

monthly service fee for each category of assets under

management shall be the net value of assets under management

at the end of the relevant month, multiplied by the annual

rate applicable to the relevant month, divided by 12 and

then divided by the total number of days of the relevant

month, and then multiplied by the number of days in the

relevant month prior to the date of termination (including

the effective date).

5.2.6. Monthly additional fees for Investment Management Services

comprise the service fees for additional term deposits and

additional securities purchased in primary markets during

the relevant month, in which:

5.2.6.1. Service fees for monthly additional term deposits

shall be calculated by multiplying the net value

of additional term deposits made during the

relevant month by the rate set forth in Section

5.2.6.3.

5.2.6.2. Service fees for monthly securities purchased in

primary markets shall be calculated by multiplying

the net total value of securities purchased in

primary markets during the relevant month by the

rate set forth in Section 5.2.6.3.

5.2.6.3. The applicable rate is:

(i) when the total amount of Entrusted Assets is

equal to or below RMB 10 billion at the end of

the relevant month:

Additional term deposits.................... 0.01100%

Securities purchased in primary markets..... 0.02600%

14

<PAGE>

(ii) when the total amount of Entrusted Assets is more

than RMB 10 billion but less than or equal to RMB

30 billion at the end of the relevant month:

Additional term deposits.................... 0.01025%

Securities purchased in primary markets..... 0.02350%

(iii) when the total amount of Entrusted Assets is more

than RMB 30 billion but less than or equal to RMB

50 billion at the end of the relevant month:

Additional term deposits.................... 0.00950%

Securities purchased in primary markets..... 0.02100%

(iv) when the total amount of Entrusted Assets is more

than RMB 150 billion but less than or equal to

RMB 100 billion at the end of the relevant month:

Additional term deposits.................... 0.00875%

Securities purchased in primary markets..... 0.01850%

(v) when the total amount of Entrusted Assets is more

than RMB 100 billion at the end of the relevant

month:

Additional term deposits.................... 0.00800%

Securities purchased in primary markets..... 0.01600%

5.3. Payment of Investment Management Services fees:

5.3.1. Party B shall, within 7 business days following the end of

each Billing Period, provide Party A with a report on the

net asset value and Investment Management Services fees for

such Billing Period, together with all relevant bills and

particulars.

5.3.2. Unless Party A produces, within 10 business days following

receipt of the aforementioned report, bills and particulars,

sufficient evidence showing that the amount of Investment

Management Services Fees for such period are unreasonable,

Party B has the right, upon written confirmation by Party

A,to

15

<PAGE>

transfer from the cash portion of the Entrusted Assets the

amount of the Investment Management Service Fees as stated

in such report, bills and particulars directly to Party B's

account within 15 business days after the end of each

billing period. Party B shall deliver a written notice to

Party A on the date such transfer is made. On the date such

written notice is delivered to Party A from Party B, the

funds so transferred shall no longer be a part of the

Entrusted Assets.

5.4. Performance-based bonus and rebate:

5.4.1. During the term of this Agreement, Party A shall not be

obligated to pay Party B any performance-based bonus if the

average investment rate of return for Entrusted Assets for a

particular year, as stated in the Annual Report for that

year, does not exceed the ceiling of the floating range of a

benchmark agreed upon by both parties in accordance with

section 5.4.6 for the purpose of determining any reward or

penalties (the "Benchmark"). The ceiling of the floating

range of the Benchmark equals to the sum of the Benchmark

and 0.10% for any given year.

5.4.2. During the term of this Agreement, Party B shall not be

obligated to pay any performance-based penalty if the

average investment rate of return of Entrusted Assets for a

particular year, as stated in the Annual Report for that

year, does not fall below the Benchmark by at least 0.10%,

being the floor of the Benchmark range.

5.4.3. During the term of this Agreement, if the average investment

rate of return of Entrusted Assets for a particular year, as

stated in the Annual Report for that year, exceeds the cap

of the Benchmark range for that same year, Party A shall be

obligated to pay Party B an appropriate performance-based

bonus, the specific amount of which shall be determined by

Party A and Party B through negotiations. Notwithstanding

the foregoing provision, Party A and Party B agree that the

amount of performance-based bonus shall be capped at 50% of

the annual Investment Management Services fees for that

particular year, which means that under no circumstances

shall the amount of performance-based bonus agreed upon by

both parties exceed 50% of the annual Investment Management

Services Fees for such year.

5.4.4. During the term of this Agreement, if the average investment

rate of return of Entrusted Assets for a particular year, as

stated in the Annual Report for that year, falls below the

floor of the

16

<PAGE>

Benchmark range for that same year, Party B shall be

obligated to rebate an appropriate amount of its fees paid

by Party A, the specific amount of which shall be determined

by Party A and Party B through negotiations. Notwithstanding

the foregoing provision, Party A and Party B agree that such

rebate amount shall be capped at 25% of the annual

Investment Management Service Fees, which means that under

no circumstance shall the rebated amount agreed upon by both

parties exceed 25% of the annual investment management

service fees for such year.

5.4.5. The annual Investment Management Service fees for the

relevant year shall be the aggregate of the Investment

Management Services Fees paid by Party A to Party B

according to the calculation method set forth in Article 5.2

hereof for all of the Billing Periods of such relevant year.

5.4.6. During the term of this Agreement, Party A and Party B shall

determine, through negotiations, the Benchmark for a

particular year within 5 business days after Party B submits

to Party A the Annual Report for that year in accordance

with Section 3.5.1. In determining the Benchmark, Party A

and Party B may refer to the average investment rate of

return of Chinese insurance industry for that year, as

announced by the insurance regulatory authority of PRC, to

the extent it is available.

5.5. Payment of performance-based bonus or rebate:

5.5.1. During the term of this Agreement, Party A and Party B shall

determine and confirm in writing, in addition to the

Benchmark for a particular year pursuant to Section 5.4.6,

the amount of the performance-based rebate or bonus pursuant

to Section 5.4 of the Agreement.

5.5.2. Within 10 business days following the date Party A and Party

B determine and confirm in writing the amount of the

performance-based bonus pursuant to Section 5.5.1, and upon

written confirmation by Party A, Party B has the right to

transfer from the cash portion of the Entrusted Assets, the

amount of such performance-based bonus as determined above

directly to Party B's account. Party B shall deliver a

written notice to Party A on the date such transfer is made.

On the date such written notice is delivered to Party A from

Party B, the fund so transferred shall no longer be a part

of the Entrusted Assets.

5.5.3. Party B shall, within 10 business days following the date

Party A and Party B determine and confirm in writing the

amount of

17

<PAGE>

the performance-based rebate pursuant to Section 5.5.1,

remit the aforementioned rebated amount to an account

designated by Party A in writing.

5.6. Provided that this Agreement is renewed pursuant to Section 9.2,

Party A and Party B may, before the renewed term commences, redefine

the calculation method of the Investment Management Services Fees

and the stipulations on performance-based bonuses and rebates during

the renewal term in accordance with the principle of fair market

dealings, and enter into written agreement pursuant to Section 21.3.

If no such agreement is reached, the Investment Management Services

Fees and performance-based bonuses and rebates during the renewal

term shall be calculated based on the calculation method used before

the renewal.

6. Third Party Costs and Expenses

6.1. Third Party Costs and Expenses shall mean the costs and expenses

charged by a third party and incurred by Party B in performing the

Investment Management Services pursuant to the Agreement, and

approved or verified by Party A, except for the Investment

Management Services Fees and performance-based bonus to be paid by

Party A pursuant to Article 5 and the taxes and other expenses under

section 7. Third Party Costs and Expenses shall include, but not be

limited to, any expense arising from the engagement by Party B (in

its own name or in the name of Party A), and approved or verified by

Party A, of any outside auditors, actuaries, lawyers or other

professionals for the purpose of the Agreement, and any transaction

fees or bank expenses incurred in connection with the Agreement.

6.2. Third Party Costs and Expenses shall be borne by Party A to the

extent of the actual amounts incurred. Party B shall under no

circumstances be obligated to pay Third Party Costs and Expenses

with its own funds unless it volunteers to do so. Subject to

different situations, the payments of Third Party Costs and Expenses

may, in accordance with the written instructions of Party B, be made

by Party A or withdrawn directly by the third party.

6.3. Party A shall not be obligated to bear any costs and expenses

relating to the Investment Management Services other than those

stipulated in the Agreement.

7. Taxes

7.1. Business taxes and surcharges, if any, relating to the investment

yields arising from the entrusted investment assets shall be

calculated and borne by Party A, while Party B shall provide the

details of the transactions. Income taxes, if any, relating to

Entrusted Assets shall be

18

<PAGE>

borne by Party A and calculated by it alone in accordance with tax

laws and regulations. Stamp duties relating to investment

transactions shall be directly deducted by relevant authorities, and

accounted for as deductions from investment yields.

7.2. Party A shall bear all statutory tax obligations arising from its

status as a tax obligor under relevant tax laws and regulations.

Party A shall be responsible for any expenses arising from

performing such duties.

7.3. Party B shall give necessary reasonable assistance to Party A in

performing the duties as provided in Section 7.1 and Section 7.2.

7.4. Party B shall bear all statutory tax obligations arising from its

status as a tax obligor under relevant tax laws and regulations.

8. Representations, Warranties and Commitments

8.1. Each Party to this Agreement makes the following representations,

warranties and commitments to the other Party:

8.1.1. It has full rights and authorization, including but not

limited to approvals, consents or licenses from relevant

governmental departments, as well as the internal

authorizations of the company, to enter into this Agreement;

8.1.2. This Agreement shall become binding and enforceable upon it

after it comes into effect by the means stipulated in the

Agreement; and

8.1.3. No terms of the Agreement are in violation of its bylaws or

PRC laws and regulations.

8.2. Party A makes the following additional representations, warranties

and commitments to Party B:

8.2.1. The Entrusted Assets are legally obtained and can be legally

invested according to laws, regulations and relevant

requirements of the insurance regulatory authorities and

other regulatory authorities;

8.2.2. The Investment Guidelines and Fund Transfer Instructions to

be submitted to Party B in accordance with the Agreement

comply with laws, regulations and provisions and with the

requirements of the insurance regulatory authorities and

other authorities; and

8.2.3. It shall bear any losses in regard to the Entrusted Assets

or other funds of Party A arising from the credit risks,

including

19

<PAGE>

but not limited to liquidation risk, of the relevant banks

where it opens any account, including Special Accounts and

the Settlement Account.

8.3. Party B makes the following additional representations, warranties

and commitments that during the term of this Agreement, it will not:

8.3.1. misappropriate or seize the Entrusted Assets or the

investment yields; or

8.3.2. conduct investment services in violation of the Investment

Guidelines or the scope regarding the use of insurance funds

as permitted by laws, regulations and the insurance

regulatory authority.

20

<PAGE>

9. Term

9.1. The term of the Agreement shall end on December 31, 2005.

9.2. Both parties hereby agree that unless either party gives a written

notice to the other party of its intent not to renew the Agreement

at least 90 days prior to the expiration of the current term of the

Agreement or the renewal term, the Agreement shall be automatically

renewed for successive three-year terms, provided that such renewal

does not violate the listing rules where Party B is listed.

10. Indemnification

10.1. Party A shall indemnify and hold harmless Party B, its affiliates,

their directors, management, employees, agents and representatives

(collectively "Indemnified Parties") from and against any claims,

litigation losses, judgment, damages, penalties or expenses

(collectively "Losses") and /or liabilities arising out of or in

connection with the performance of any duty by the Indemnified

Parties hereunder, other than Losses and/or liabilities that are

caused by the fault of the Indemnified Parties, as determined by a

final judicial judgment.

10.2. Notwithstanding other provisions of the Agreement, the Indemnified

Parties shall not be responsible for any Losses incurred by Party A

or any third party as result of the acts or failures to act or any

errors of judgment in performing their obligations under the

Agreement, unless the losses are caused by the fault of Party B.

10.3. This indemnification clause shall remain in effect regardless of the

manner in which the Agreement is terminated.

11. Liabilities for Breach of the Agreement

11.1. If Party A fails to pay Party B when it becomes due under the

Agreement, any Investment Management Services fee, performance-based

bonus or Third Party Cost and Expense incurred by Party B while

engaging a third party in Party B's own name in accordance with

Section 6.1, Party A shall pay to Party B a sum equal to 0.05% of

such amount due for each day that such amount is outstanding until

it is paid in full.

11.2. Without prejudice to the validity and enforceability of the above

sections, if the Entrusted Assets are not sufficient to cover the

Investment Management Services fees, performance-based bonus and

Third Party Costs and Expenses, Party B is entitled to give Party A

a notice in writing to terminate this Agreement. This Agreement

shall be

21

<PAGE>

terminated on the thirtieth day following the receipt of such

written notice by Party A, unless otherwise waived by Party B.

11.3. Party A's violation of its representations, warranties or

undertakings, or of any term of the Agreement, unless caused by

events described in Section 13, shall constitute Party A's breach of

the Agreement. Party A shall compensate Party B for losses sustained

by Party B as a result of such breach. Party B is entitled to give

Party A written notice to terminate this Agreement in the case of

substantial losses caused by Party A's breach. The Agreement shall

be terminated on the thirtieth day following the receipt of such

written notice by Party A, unless otherwise waived by Party B.

11.4. Party B's violation of its representations, warranties or

undertakings, or of any other term of the Agreement, or of the

written requirements and written instructions made by Party A

pursuant to the Agreement, shall constitute Party B's breach of the

Agreement pursuant to Section 10.2 of the Agreement, unless caused

by events described in Section 13. Party B shall compensate Party A

for losses sustained by Party A as a result of such breach pursuant

to Section 10.2 of the Agreement to the extent of the total amount

of the Investment Management Services fees and performance-based

bonus collected by Party B under the Agreement as of the day when

Party B's default is established. Party A is entitled to give Party

B a written notice to terminate this Agreement in the case of

substantial losses caused by Party B's breach. The Agreement shall

be terminated on the thirtieth day following the receipt of such

written notice by Party B, unless otherwise waived by Party A.

12. Termination

The Agreement shall be terminated upon occurrence of any of the following

events:

22

<PAGE>

12.1. The term of the Agreement expires or a renewal term expires without

further renewal;

12.2. Party B terminates the Agreement according to Section 11.2 or

Section 11.3, and such termination comes into effect;

12.3. Party A terminates the Agreement according to Section 11.4 and such

termination comes into effect; or

12.4. Any party becomes insolvent or becomes subject to bankruptcy,

liquidation, compulsory dissolution or receivership.

13. Force Majeure

13.1. If either party fails to perform in whole or in part its duties

under this Agreement due to an event of force majeure, the

performance of such duties shall be suspended during the period of

such event of force majeure.

13.2. A party that claims that it has been affected by an event of force

majeure shall notify the other party of such event of force majeure

in writing in the shortest period possible, and shall provide

appropriate evidence of the existence and period of the event of

force majeure to the other party within fifteen (15) days after its

occurrence. A party that claims that the performance of this

Agreement is objectively impossible and impractical due to such

event of force majeure shall take any reasonable measures to lessen

the losses caused by such event of force majeure.

13.3. When the event of force majeure occurs, the parties shall consult

with each other regarding the performance of this Agreement. Once

the event of force majeure or its effects ceases, both parties shall

immediately resume the performance of their respective obligations

herein.

13.4. An event of force majeure refers to any circumstances that cannot be

reasonably controlled, predicted, avoided or overcome, and occurs

after the execution of this Agreement, which make the performance of

this Agreement in whole or in part impossible or impracticable as a

matter of fact, including but not limited to any situation where

performance is impossible without unreasonable expenditure. Such

circumstances include but are not limited to floods, fires,

droughts, typhoons, earthquakes, and other acts of God, traffic

accidents, strikes, riots, turmoil and wars (declared or not) and

any act or omission of a governmental authority.

14. Confidentiality

23

<PAGE>

In the absence of the advance written consent by the other party, neither

party may provide or disclose to other companies, enterprises, institutes

or persons any materials or information relating to the business of the

other party unless the laws or relevant regulatory authorities otherwise

provide, or unless such disclosure is necessary to satisfy the legal

requirements in regard to information disclosure by listed companies.

15. Assignment

Unless otherwise provided by the Agreement, without the written consent of

the other party, a party may assign any of its rights or obligations under

the Agreement.

16. Non-waiver

Unless otherwise provided by law, no failure to exercise and no delay in

exercising any right, power, or privilege hereunder shall constitute a

waiver of such right, power or privilege; nor shall any single or partial

exercise of any right, power, or privilege preclude the exercise of any

other rights, powers or privileges.

17. Notices

All notices relating to the Agreement shall be in writing and shall be

delivered by overnight courier, fax or mail. Notices delivered by overnight

courier shall take effect upon delivery. Notices sent by fax shall take

effect upon successful transmission, provided that a fax confirmation

report produced by the fax machine showing the successful transmission of

the notice is provided by the sending party. Notices sent by mail shall

take effect on the third (3/rd/) day after having been posted (if the last

day is a Sunday, or statutory holiday, such day shall be the next working

day).

The addresses of the parties for the delivery of notices are as follows:

China Life Insurance (Group) China Life Asset Management

Company Company Limited

Address: No.5 Guan Ying Yuan Xi Address: 9/F Block A, Tongtai Building,

Qu, Xicheng District, Beijing No. 33 Financial Street,

Xicheng District, Beijing

Telephone: 010-6611 4433 Telephone: 010-88088866

Fax: 010-6611 1567 Fax: 010-88087798

24

<PAGE>

18. Performance

18.1. After Party B has listed on the Hong Kong Stock Exchange (the

"HKSE"), the transactions under this Agreement shall constitute

connected transactions as described by the Listing Rules. According

to the Listing Rules, such transactions shall be conducted only

after obtaining an exemption from the HKSE or upon the approval by

independent shareholders, or on the condition of conforming with any

other provisions concerning connected transactions in the Listing

Rules. Therefore, the performance of this Agreement related to such

connected transactions shall be subject to the obtaining of the

approval of the HKSE or conformance with any other stipulations

concerning connected transactions in the Listing Rules. Both Party A

and Party B agree to observe the relevant stipulations of the

Listing Rules.

18.2. If the exemption from the HKSE contains additional conditions, this

Agreement shall be performed in accordance with such additional

conditions. Both Party A and Party B agree to strictly observe such

conditions.

19. Further Actions

Both parties shall take such further actions and measures as to fully and

effectively enforce this Agreement, including but not limited to

determining the implementation plan or detailed measures based on the

principles provided herein and on the condition of not violating the

provisions agreed upon herein.

25

<PAGE>

20. Governing Law and Dispute Resolution

20.1. This agreement shall be governed by, and interpreted and construed

in accordance with the laws of PRC.

20.2. Any disputes arising from and related to this Agreement shall be

settled by both parties through friendly negotiations. If a dispute

cannot be resolved through friendly negotiations within ninety (90)

days, either party may submit such dispute to the China

International Economic and Trade Arbitration Commission for

arbitration in accordance with arbitration rules then in effect. The

arbitration award shall be final and binding on both parties.

21. Effectiveness, Copies and Modifications

21.1. This Agreement shall come into effect when it is signed and sealed

by the authorized representatives of both parties on November 30,

2003.

21.2. This Agreement is executed in four (4) originals, with two for each

party. Each of these four originals has the same legal effect.

21.3. The modification of this Agreement can only be made pursuant to a

written agreement duly executed by the authorized representatives of

both parties and upon the approval of both parties after the

appropriate actions of their legal representatives. If such

modification constitutes a material and significant change to this

Agreement, it shall become effective only upon the notification of

and procurement of approval from the HKSE, subject to the relevant

provisions of the Listing Rules of the HKSE as in effect from time

to time and the requirements of HKSE, and/or a general shareholders'

meeting of Party B, if applicable.

26

<PAGE>

Party A: Party B:

China Life Insurance (Group) Company China Life Asset Management Company

Limited

(Seal) (Seal)

Legal Representative/ Legal Representative/

Authorized Representative (Signature) Authorized Representative (Signature)