

Supplemental Agreement
to
The Scheme of Control Agreement
entered into by the
Government of the Hong Kong
Special Administrative Region
and the following companies:

CLP Power Hong Kong Limited
ExxonMobil Energy Limited
and
Castle Peak Power Company Limited

**SUPPLEMENTAL AGREEMENT TO THE
SCHEME OF CONTROL AGREEMENT**

THIS SUPPLEMENTAL AGREEMENT (the "Supplemental Agreement") is executed as a Deed on the 23rd day of April 2014.

BETWEEN:-

- (1) THE GOVERNMENT OF THE HONG KONG SPECIAL ADMINISTRATIVE REGION OF THE PEOPLE'S REPUBLIC OF CHINA (the "Government")
- (2) CLP POWER HONG KONG LIMITED, a company incorporated and existing under the laws of Hong Kong ("CLP Power")
- (3) EXXONMOBIL ENERGY LIMITED, a company incorporated and existing under the laws of Hong Kong ("EMEL")
- (4) CASTLE PEAK POWER COMPANY LIMITED, a company incorporated and existing under the laws of Hong Kong ("CAPCO")

WHEREAS:-

- (A) The parties hereto are parties to a Scheme Of Control Agreement dated 7 January 2008 ("2008 Scheme of Control").
- (B) CLP Power and EMEL, amongst other parties, have entered into a sale and purchase agreement dated 19 November 2013 ("CAPCO SPA") in relation to the sale and purchase of EMEL's entire shareholding in CAPCO, representing 60% of the issued share capital of CAPCO. Subject to, and with effect from, completion of such sale and purchase under and in accordance with the terms and conditions of the CAPCO SPA ("SPA Completion"), EMEL will no longer hold any shares in CAPCO and CLP Power will become the majority controlling shareholder in CAPCO with a shareholding of 70% of the issued share capital of CAPCO.
- (C) In recognition of the above, the parties hereto have agreed that provided that SPA Completion will be effected on or before 19 September 2014 in accordance with the CAPCO SPA, EMEL

should cease to be a party to the 2008 Scheme of Control and that the 2008 Scheme of Control should be amended on the terms and conditions set out below to remove EMEL as a party thereto, in each case, with effect on and from the Effective Date (as defined below).

NOW IT IS HEREBY AGREED as follows:-

1. DEFINITIONS AND INTERPRETATION

- (1) In this Supplemental Agreement, except as defined herein or where the context otherwise requires, the words and expressions used herein that are defined in the 2008 Scheme of Control shall have the respective meanings thereby assigned to them.
- (2) In this Supplemental Agreement, unless the context requires otherwise, words importing the singular include the plural and vice versa; references to the Supplemental Agreement and the 2008 Scheme of Control shall be construed as references to such documents as the same may be amended or supplemented from time to time unless stated otherwise; references to clauses and paragraphs mean the clauses and paragraphs of this Supplemental Agreement unless otherwise stated; and clause headings are inserted for convenience only and shall be ignored in construing this Supplemental Agreement.

2. EFFECTIVE DATE

- (1) CLP Power and EMEL shall as soon as practicable jointly notify the Government in writing of the date on which the SPA Completion has taken effect in accordance with the CAPCO SPA (“Effective Date Notification”) by delivering to the Government a letter in the form as set out in Schedule 1 hereto and such date shall be the “Effective Date” for the purposes of this Supplemental Agreement. All amendments to the 2008 Scheme of Control as set out in clause 3 of this Supplemental Agreement shall take effect on the Effective Date. If the Effective Date Notification has not been delivered to the Government on or before 19 September 2014, (or such later date as the parties hereto may agree in writing), this Supplemental Agreement shall become void and be of no effect ab initio.

- (2) It is hereby agreed between the parties to this Supplemental Agreement that with effect on and from the Effective Date:
- (a) the 2008 Scheme of Control shall be amended as set out in clause 3;
 - (b) reference to “Scheme of Control (as amended)” shall mean the 2008 Scheme of Control incorporating the amendments as set out in clause 3; furthermore, the actual date of the Effective Date shall be inserted in place of “Effective Date” as set out in the Scheme of Control (as amended);
 - (c) EMEL shall cease to be a party to the 2008 Scheme of Control, as reflected by the Scheme of Control (as amended);
 - (d) CLP Power, CAPCO and the Government shall continue to be bound by the Scheme of Control (as amended); the rights and obligations of all parties hereto other than EMEL (which shall cease to have any rights or obligations under the 2008 Scheme of Control as of the Effective Date) shall continue to be governed by the Scheme of Control (as amended); and all claims of one party arising from the antecedent breach by another party of any of its obligations (if any) under the 2008 Scheme of Control on or prior to the Effective Date (the “Antecedent Breach(es)”) shall be fully preserved; this preservation of claim shall equally apply to any Antecedent Breach(es) by EMEL on or prior to the Effective Date, if any; nothing in this Supplemental Agreement or in the Scheme of Control (as amended) shall (i) with respect to any Antecedent Breach(es), affect such rights or obligations of the parties hereto concerned or serve as release of any such claim by any party hereto or (ii) create any additional obligations on EMEL, save as expressly provided in this Supplemental Agreement; for the avoidance of doubt, the Term as defined in clause 7 of the Scheme of Control (as amended) and its continuity shall not be affected by this Supplemental Agreement; and

- (e) the provisions of the 2008 Scheme of Control shall, save and to the extent as amended pursuant to this Supplemental Agreement, continue in full force and effect and this Supplemental Agreement shall be deemed to form a part of the 2008 Scheme of Control and shall be read and construed as one document with the 2008 Scheme of Control and all references in the 2008 Scheme of Control to “this Agreement” shall be construed as references to the 2008 Scheme of Control as supplemented and amended by this Supplemental Agreement.

3. AMENDMENTS TO THE 2008 SCHEME OF CONTROL

With effect on and from the Effective Date, the parties to this Supplemental Agreement agree that the 2008 Scheme of Control shall be amended in the manner set out below:

- (1) The cover page of the 2008 Scheme of Control shall be amended by deleting “ExxonMobil Energy Limited”.
- (2) The title clause of the 2008 Scheme of Control shall be amended by adding the phrase “(as amended on *Effective Date*)” following the phrase “executed as a Deed the 7th day of January Two Thousand and Eight”.
- (3) The parties clause of the 2008 Scheme of Control shall be amended by:
 - (a) deleting the party “(3) EXXONMOBIL ENERGY LIMITED, a company incorporated and existing under the laws of Hong Kong (“EMEL”)”; and
 - (b) replacing the paragraph numbering “(4)” with “(3)”.
- (4) Paragraph (A) of the Recitals to the 2008 Scheme of Control shall be deleted and be replaced with the paragraph as follows:

“The parties hereto were parties to a Scheme of Control Agreement dated 9 March 1992 (as amended) which expired on 30 September 2008 and pursuant to clause 7(3) thereof the parties agreed on the terms of the Scheme of Control as contained in this Agreement (prior to the amendment) which commenced on 1 October 2008.”

- (5) The Recitals to the 2008 Scheme of Control shall be amended by adding the following as the new paragraph (B) of the Recitals:

“ExxonMobil Energy Limited (“EMEL”), then a shareholder of CAPCO, was also a party to the agreements referred to in the above paragraph (A), including this Agreement (prior to the amendment). On *Effective Date*, completion of the sale and purchase of EMEL’s entire shareholding in CAPCO in accordance with a sale and purchase agreement entered into between, amongst others, EMEL and CLP Power has taken effect, following which EMEL has ceased to be a shareholder of CAPCO and CLP Power now holds 70% of the entire issued share capital of CAPCO. Furthermore, pursuant to the terms of the Supplemental Agreement to this Agreement (the “Supplemental Agreement”) entered into between EMEL and the parties hereto, it was agreed that EMEL should, with effect on and from *Effective Date*, cease to be a party to this Agreement. In accordance with the Supplemental Agreement, the parties thereto are amending this Agreement to reflect the removal of EMEL as a party to this Agreement and to make relevant consequential amendments.”

- (6) Paragraphs (B) to (F) (inclusive) of the Recitals to the 2008 Scheme of Control shall be amended by re-ordering each of them as paragraphs (C) to (G) (inclusive).

- (7) Paragraph (B) of the Recitals to the 2008 Scheme of Control (to be re-ordered as paragraph (C)) shall be amended as follows:

By replacing the phrase on the first line “CLP Power recognises its” with “The Companies recognise their”; and

By deleting the phrase on the fifth and sixth lines “has entered into agreements with EMEL under which”.

- (8) Paragraph (E) of the Recitals to the 2008 Scheme of Control (to be re-ordered as paragraph (F)) shall be amended by deleting in full the following sentence, being the first sentence of the paragraph:

“EMEL is a wholly-owned subsidiary of Exxon Mobil Corporation.”

- (9) Paragraph (F) of the Recitals to the 2008 Scheme of Control (to be re-ordered as paragraph (G)) shall be amended by deleting the punctuation and word “, EMEL”.

- (10) Clause 11 of the 2008 Scheme of Control shall be amended by replacing the punctuation “,” after “CLP Power” with the words “and/or”.
- (11) Clause 11 of the 2008 Scheme of Control shall be amended by deleting the words “and/or EMEL” after the word “CAPCO”.
- (12) Paragraph 12 of Schedule 1 (Definitions) of the 2008 Scheme of Control shall be amended by deleting the definition of “ExxonMobil” in full and replacing with the words “[*intentionally deleted*]”.
- (13) Paragraph 23 of Schedule 1 (Definitions) of the 2008 Scheme of Control shall be amended by deleting the words “with ExxonMobil or”.
- (14) The execution clause and signature block of the 2008 Scheme of Control shall be amended by deleting the signature block for ExxonMobil Energy Limited in full.

4. FURTHER ASSURANCE

The parties hereto shall, each at its own expense, do all such acts and things necessary or desirable to give effect to the amendments made or to be made pursuant to this Supplemental Agreement.

5. REPRESENTATIONS, WARRANTIES AND UNDERTAKINGS

Each of the Government, CLP Power, EMEL and CAPCO hereby represents and warrants to each of the other parties that:

- (a) all necessary corporate or organisational (as the case may be) and other actions have been taken by it to authorize the execution, delivery and performance by it of this Supplemental Agreement; and
- (b) this Supplemental Agreement constitutes its valid and legally binding obligations.

6. ARBITRATION

Any dispute, controversy or claim arising out of or relating to this Supplemental Agreement, or the breach, termination or invalidity thereof, shall be settled by arbitration as provided for and contemplated under the 2008 Scheme of Control (subject always to, and without affecting the operation of, clause 9 of the 2008 Scheme of Control).

7. GOVERNING LAW

This Supplemental Agreement shall be governed by and interpreted in accordance with the laws of Hong Kong.

IN WITNESS whereof the parties hereto have hereunto set their hands and affixed their seals on the date first above written.

SIGNED SEALED AND DELIVERED by)
)
Secretary for the Environment)
for and on behalf of the Government)
of the Hong Kong Special Administrative)
Region in the presence of:-)
) Mr Wong Kam-sing
)
)
)
)
.....)

The Common Seal of CLP Power)
Hong Kong Limited was hereunto)
affixed by authority of the directors)
in the presence of:-)
)
) William E. Mocatta
) Chairman
)
)
)
)
)
.....)
) Richard Lancaster
) Director

The Common Seal of ExxonMobil Energy
Limited was hereunto affixed by authority
of the directors
in the presence of:-

)
)
)
)
)
) David W. Moore
) Chairman
)
)
)
)
)
) Rebecca Luk
) Director

.....

The Common Seal of Castle Peak Power
Company Limited was hereunto affixed by
authority of the directors
in the presence of:-

)
)
)
)
)
) Richard Lancaster
) Director
)
)
)
)
)
) Paul Poon
) Director

.....

Schedule 1

Effective Date Notification

[*On the letterhead of EMEL and CLP Power*]

Strictly private and confidential

Date: [*Effective Date*]

To:

Environment Bureau
The Government of the HKSAR
16/F., East Wing, Central Government Offices
2 Tim Mei Avenue, Tamar
Hong Kong

Attention: Mr. LIU Ming Kwong, Vincent J.P.
Deputy Secretary for the Environment

Dear Sir,

Re: Supplemental Agreement dated 23rd April 2014 (the “Supplemental Agreement”) to the Scheme of Control Agreement entered into between the Government of HKSAR (the “Government”) and the following companies:

- 1, CLP Power Hong Kong Limited (“CLP Power”);**
- 2, ExxonMobil Energy Limited (“EMEL”); and**
- 3, Castle Peak Power Company Limited**

Reference is made to the Supplemental Agreement and capitalised terms used in this letter shall have the meanings defined therein.

Pursuant to clause 2 (1) of the Supplemental Agreement, we, CLP Power and EMEL, hereby jointly notify the Government that the SPA Completion has taken effect in accordance with the CAPCO SPA on the date hereof and [*Effective Date*] shall be taken as the “Effective Date” for the purposes of the Supplemental Agreement. Please acknowledge receipt by signing and returning the duplicate copy of this letter to us for our records.

Yours faithfully,

Betty Yuen
Vice Chairman
CLP Power Hong Kong Limited

David W. Moore
Chairman & Managing Director
ExxonMobil Energy Limited

Receipt acknowledged
By Environment Bureau
For and on behalf of
The Government of the HKSAR

Name:
Title:
Date:

Strictly private and confidential

Date: **12** May 2014

To:

Environment Bureau
The Government of the HKSAR
16/F., East Wing, Central Government Offices
2 Tim Mei Avenue, Tamar
Hong Kong

Attention : Mr. LIU Ming Kwong, Vincent J.P.
Deputy Secretary for the Environment

Dear Sir,

Re: Supplemental Agreement dated 23rd April 2014 (the “Supplemental Agreement”) to the Scheme of Control Agreement entered into between the Government of HKSAR (the “Government”) and the following companies:

- 1, CLP Power Hong Kong Limited (“CLP Power”);**
- 2, ExxonMobil Energy Limited (“EMEL”); and**
- 3, Castle Peak Power Company Limited**

Reference is made to the Supplemental Agreement and capitalised terms used in this letter shall have the meanings defined therein.

Pursuant to clause 2 (1) of the Supplemental Agreement, we, CLP Power and EMEL, hereby jointly notify the Government that the SPA Completion has taken effect in accordance with the CAPCO SPA on the date hereof and 12 May 2014 shall be taken as the “Effective Date” for the purposes of the Supplemental Agreement. Please acknowledge receipt by signing and returning the duplicate copy of this letter to us for our records.

Yours faithfully,

Betty Yuen
Vice Chairman
CLP Power Hong Kong Limited

David W. Moore
Chairman & Managing Director
ExxonMobil Energy Limited

Receipt acknowledged
By Environment Bureau
For and on behalf of
The Government of the HKSAR

Name:
Title:
Date: