

MEMORANDUM OF UNDERSTANDING

BETWEEN

OFFICE OF THE GOVERNMENT OF THE CZECH REPUBLIC

AND

INDUSTRIAL AND COMMERCIAL BANK OF CHINA

ON

THE ESTABLISHMENT OF THE 16+1 INVESTMENT FUND

June 16, 2016

This Memorandum of Understanding (the "MOU") is made between the Office of the Government of the Czech Republic (hereinafter referred to as the "Czech Participant") and the Industrial and Commercial Bank of China (hereinafter referred to as "ICBC" or "Chinese Participant"), jointly referred to herein after as the "Participants", each a "Participant";

Welcoming the visit of His Excellency Mr. Bohuslav Sobotka to the People's Republic of China from June 16 to June 21, 2016, which is of important significance for the development of bilateral relations between the Czech Republic and the People's Republic of China;

Emphasizing the consensus reached by the leaders of the two countries to further deepen the mutually beneficial all-round cooperation between the two countries;

Noting with great satisfaction the fruitful cooperation in, inter alia, the political, economic, trade, investment, financial, aviation, health care, cultural, educational, science and technology, energy and tourism areas.

Acknowledging the Czech Republic's active participation in and contribution to the cooperation between the People's Republic of China and Central and Eastern European Countries (the 16+1 platform);

Stressing the need to further accelerate efforts within the 16+1 platform to optimize an investment and financing cooperation framework, innovate financial cooperation models, support cooperation in the real economy and high-quality cooperation programs, in order to provide strong support for the 16+1 platform;

Reiterating the resolve to examine and discuss the possibility of establishing a China-CEEC financial company as stated in the *Medium-Term Agenda for Cooperation between China and Central and Eastern European Countries* issued on 24 November 2015;

Recalling the Memorandum of Understanding between the Government of the Czech Republic and the Government of the People's Republic of China on Jointly Promoting the Silk Road Economic Belt and the 21st Century Maritime Silk Road Initiative (hereinafter referred to as the Belt and Road Initiative);

Referring to the official visit of Prime Minister Bohuslav Sobotka to the People's Republic of China from 22 to 27 November 2015 and, inter alia, his meeting with the Chairman of the Industrial and Commercial Bank of China Jiang Jianqing;

Have come to the following understanding:

1. The Participants support the establishment of the 16+1 Investment Fund as a significant tool of the development of a mutually beneficial cooperation within the 16+1 platform and the Belt and Road Initiative.

2. The Participants agree to support the 16+1 Investment Fund through promoting the Fund in the Czech Republic, providing guidance on investment priorities, assisting in identifying and assessing investment opportunities, and supporting the operation of the Fund in any other necessary way.
3. The legal seat and European operation of the 16+1 Investment Fund will be established in EU territory. Both The Government of the Czech Republic and ICBC will provide all necessary support for the establishment of the Fund and its operation.
4. The Czech Participant confirms that as soon as the 16+1 Investment Fund is legally established, the Czech side will be able to invest the initial investment of EUR 200 million into the fund through a combination of public and private resources.
5. The Czech Participant will actively promote the 16+1 Investment Fund to financial institutions operating in the Czech Republic.
6. The Czech Participant will nominate officers and / or advisers to the 16+1 Investment Fund as needed to assist development of its strategy and its effective operation within the Belt and Road Initiative.
7. This MOU reflects the views and intentions of the Participants to co-operate on a non-exclusive basis, expressed in good faith but without the creation of any legal obligations or the incurrence of any liability on the part of any of them, nor shall any third party obtain any legal benefit from this MOU.
 - (a) In the event that opportunities are identified, specific arrangements for any such activity or project would need to be agreed.
 - (b) Nothing in this MOU will limit the right of, or prevent the Participants from entering into memoranda or arrangements with other subjects with respect to any activity, project or area of co-operation covered by this MOU.

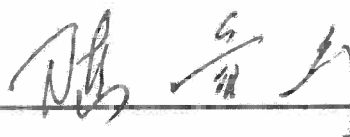
The representatives of the Participants affix their signature below.

Office of the Government
of the Czech Republic

Industrial and Commercial Bank of China, Ltd.
("ICBC")



Tomáš Prouza, State Secretary



Chen Aiping, Chairman of ICBC(Asia) Limited