

Part Four

Manufacturing Outsourcing Contract Between Taiwan Zhang Hua Shoe Company and Guangdong Tengyun Shoe Factory

Article 1. Signing Parties

Principle: Taiwan Zhang Hua Da Mei Shoe Company

Legal Representative: CEO Lu Huiming

Agent: Guangdong Tengyun Shoe Factory

Legal Representative: Factory Head Huang Wanquan

Article 2. Subcontracting Project

The Principle will subcontract the agent to produce 2 million pairs of soles for its 080 series of male shoes in the next two years upon signing of the contract.

Article 3. Materials and Design

All the materials and design are provided by the Principle. The agent should not misappropriate the materials or take the advantage of the technology to produce other products not specified by the contract. The production technology should not be disclosed to any third party.

Article 4. Quality Supervision and Guidance

The Principle will dispatch a technician to supervise the production quality within the effective dates of the contract. The Agent should follow the instructions of the technician and provide him/her free room and board.

Article 5. Delivery Date and Method

The Agent should deliver 100,000 pairs of quality soles to the Principle at the last date of each month. The first delivery date is the last date of the fourth month after the signing of the contract. The location of the delivery is at the factory of the Agent. Transportation (land or sea) will be taken care of by the Principle.

Article 6. Fees for Manufacturing Subcontract

The fees for manufacturing each pair of soles is HK \$0.8. The principle will pay a deposit of HK \$50,000 upon signing of the contract. The rest of the payment will be made respectively at the ninth month, the fifteenth month and the last month upon execution of the contract.

Article 7. Alteration of the Contract

If problems arise in the process of the execution of the contract, the signing parties should conscientiously negotiate and then make changes to the contract accordingly. Any alteration to the original contract shall be agreed upon by both parties.

Article 8. Effective Date of the Contract

The contract will take effect upon signing by both parties.

Signing Parties:

Principle: Liu Yushan (Executive Vice President)

Address: No. 888, Zhong Gong San Lu, Industrial District, Zhang Hua City, Taiwan

Agent: Huang Binguang (Factory Head)

Address: No. 22, Xin Kai Road, Shi Qiao County, Zhong Shan City, Guangdong Province