

- 2 -

3rd June 2009
Hangzhou Ever-Power Transmission Co Ltd

Appended hereunder are the particulars of the Registered Design our client relies upon in the above matter:-

1. Our client is also the registered proprietor of the design of our client's Product in the Hong Kong Registered Designs Registry with registration no. 0700459.9 ("the Hong Kong Registered Design").
2. Our client's present claim is one for both infringement of copyright and registered design.

To save parties from the outlay of costs and time, our client offers to settle, if at all possible, the above matter by the following terms ("the said Offer"):-

1. You do sign the attached Letter of Undertaking; and
2. You do pay to our client HK\$6,000 as the agreed damages of our client.

The said Offer is open for acceptance for a period of ten (10 nos.) days and will lapse if not accepted in time. If no acceptance is received **on or before 13th June 2010**, our client will appoint PRC attorneys to institute Court proceedings against you without further notice for injunctions, orders for delivery up, disclosure, legal costs and damages to compensate our client's losses.

If you have any questions, please contact our Ms. Elsie Lau at (+852) 2519 3567.

如對以上有任何問題，請與本行劉小姐聯絡 (電話 +852-2519-3567)。

Yours faithfully,



BENNY KONG & YEUNG, Solicitors
Encl
JC/llk
c.c. client

Letter of Undertaking

This Letter of Undertaking is made this day of June 2010 by Hangzhou Ever-Power Transmission Co., Ltd. of Ground Floor, Block 27, Zigui Garden, Xihu District, Hangzhou, Zhejiang, China, 311000 ("Party A") in favour of Honwell Products (HK) Limited of Flat A, 12th Floor, Waylee Industrial Centre, 30-38 Tsuen King Circuit, Tsuen Wan, Hong Kong SAR ("Party B").

WHEREAS:

- (1) Party B is the owner of the copyright subsisting in original artistic works in relation to the LED light product with model no. H-703 ("Party B's Product").
- (2) Party B also is the registered proprietor of the design of Party B's Product in the Hong Kong Registered Designs Registry with registration no. 0700459.9 ("the Hong Kong Registered Design") A copy of the photograph of Party B's Product is featured on the right:-
- (3) Party A has been promoting, offering and/or exposing for sale LED light product named "EP5005 wireless LED light/ LED lights/ LED lamp/ LED lighting/ LED bulb" ("Suspected Product") which is substantially similar to Party B's Product. A copy of the photograph of Party A's Product is featured on the right :-



NOW PARTY A AGREES that:

In consideration of Party B forbearing to issue Court proceedings against Party A for Party A's past infringement of copyright in respect of the matter referred to in (3) above, Party A:-

- (1) Undertakes that it will not at any time in the future, whether in Hong Kong or elsewhere in the world, whether by itself, its director(s) or otherwise deal in or with the Suspected Product.
- (2) Undertakes to deliver up, within ten (10 nos.) days from the date hereof, all existing stock of the Suspected Product, all promotional materials, catalogues, stationery, packing and all articles thereof (if any).
- (3) Undertakes to disclose, within ten (10 nos.) days from the date hereof, the names and addresses of the supplier(s) of the Suspected Product with documents.
- (4) Agrees to pay to Party B costs of and incidental to this matter, to be taxed, if not agreed.

Signed by
For and on behalf of Hangzhou Ever-Power Transmission Co., Ltd.
Date: