

To : Mr. Duncan Pescod, Acting Tourism Commissioner
Mr. Stanley Ko, Chairman, Staff and Finance Committee, HKTB

From : Selina Chow

Date : 4th March, 2004/3/4

Dear Duncan and Stanley,

After much toing and froing, I have been able to agree the following with Clara regarding her contract renewal with the HKTB. Subject to your agreement I will instruct Grace Lee to draw up the contract for renewal accordingly. :

Fixed Remuneration : \$3,336,000 (85%) @ \$278,000/month

Variable Remuneration : \$589,000 (15%)

Gratuity/year : \$589,000

Total package : \$4,425,400/year

Term of contract : 3 years

Notice : 6 months for the first 2 years, and 3 months for the 3rd year

Gratuity : Gratuity payable on pro-rata basis after two years of service

Annual leave : 30 working days per annum, only half of which can be carried
Forward for one year

Annual leave passage : 3 return business class tickets for her and her family

Please countersign this memo if you agree with the above terms.

Yours,