



CHINA NEW ENERGY POWER GROUP LIMITED

(Incorporated in Bermuda with limited liability)

INVESTMENT AND MANAGEMENT COMMITTEE – TERMS OF REFERENCE

For the purpose of effective and timely management of the daily operation and investment matters of China New Energy Power Group Limited (the “**Company**”) and its subsidiaries (collectively the “**Group**”), the board of directors (the “**Board**”) of the Company resolved on 15 August 2013 to establish an Investment and Management Committee (the “**Committee**”) under the Board and adopted these terms of reference (the “**Terms of Reference**”).

The Committee shall act in accordance with the Terms of Reference and carry out its duties with the delegated authority of the Board.

Subject to Appendix 14 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, the procedures of the Committee shall be regulated by the provision of the Terms of Reference.

A. MEMBERSHIP

1. Members of the Committee should be appointed by the Board from amongst the directors of the Company. The Committee shall consist of no less than two members.
2. A member who wishes to retire or resign from the Committee should provide notice to the Company so that a replacement may be appointed before he/she leaves.
3. Any member who ceases to be a director of the Company shall also cease to be a member of the Committee and the vacancy shall be filled by the Board as soon as possible.
4. The chairman of the Committee shall be an executive director of the Company.

B. MEETINGS

1. The quorum for a meeting shall be any two members.
2. The Bye-Laws of the Company on “PROCEEDINGS OF THE DIRECTORS” shall apply to all meetings and proceedings of the Committee unless otherwise decided by the Board;

3. The Committee may invite the Company's director(s), the group financial controller and any employee of the Company to attend the Committee meeting.
4. The company secretary shall act as the secretary of the Committee.

C. FREQUENCY OF MEETINGS

The Committee shall meet on an as required basis.

D. MINUTES OF MEETINGS

1. The secretary shall minute the proceedings and resolutions of all meetings of the Committee, including recording the names of those present and in attendance;
2. The secretary shall circulate the minutes of the Committee meetings to all members of the Committee within a reasonable time after each meeting; and
3. The meeting minutes and resolutions of the Committee meetings shall be available for inspection by any member of the Committee or the Board to enable such members to be informed of any decisions made by the Committee.

E. AUTHORITY

The Committee holds the full delegated authority of the Board, including specifically the power of decision-making, in relation to the duties set out in this Terms of Reference and including but not limited to require the management of the Company to provide all necessary information and/or materials requested by the Committee as may be required for performing its duties. The Committee is authorised by the Board to obtain outside legal or other independent professional advice at the expenses of the Company and to invite the attendance of outsiders with relevant experience and expertise at the Committee meetings if it considers this necessary. If the Committee considers appropriate or cannot make decision on any matter, the Committee shall refer such matter to the Board for final decision and resolution.

F. DUTIES

The duties of the Committee shall be:-

1. to act as a delegate for the Board generally;
2. to make decisions and resolutions, and to exercise all powers of the Board on all matters of the Group in relation to its daily operation and investment activities; and
3. to make recommendations to the Board concerning matters of corporate significance not otherwise dealt by any other committees of the Board.