国联民生证券股份有限公司
GUOLIAN MINSHENG SECURITIES CO., LTD.

(a joint stock limited company established in the People's Republic of China with limited liability)

(Stock Code: 01456)

RULES OF PROCEDURES OF THE REMUNERATION AND NOMINATION COMMITTEE OF THE BOARD OF DIRECTORS OF GUOLIAN MINSHENG SECURITIES COMPANY LIMITED

CHAPTER 1 GENERAL PROVISIONS

Article 1 To ensure the remuneration and nomination committee (the "Remuneration and Nomination Committee") of the board of directors (the "Board") of Guolian Minsheng Securities Company Limited (hereinafter referred to as the "Company") exercises its power independently, disciplinarily and effectively in accordance with the law, and ensure work efficiency and scientific consideration, the Company has formulated these rules of procedures in accordance with the Company Law of the People's Republic of China, the Securities Law of the People's Republic of China, the Regulations on Supervision and Management of Securities Companies, the Guidelines on the Governance of Listed Companies, the Guidelines on the Governance of Securities Companies, the Rules Governing the Listing of Securities on the Shanghai Stock Exchange, the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (hereinafter referred to as the "Hong Kong Listing Rules"), the Articles of Association of Guolian Minsheng Securities Company Limited (hereinafter referred to as the "Articles of Association") and other relevant regulations, and in light of the actual situation of the Company.

Article 2 The Remuneration and Nomination Committee is a special working organisation under the Board, which is primarily responsible for studying and making recommendations on the remuneration, appraisal and nomination of the directors and senior management of the Company and is accountable and reports to the Board.

CHAPTER 2 COMPOSITION

Article 3 The Remuneration and Nomination Committee shall comprise not less than three directors, who shall be elected by the Board. A majority of the members of the Remuneration and Nomination Committee shall be independent directors.

Article 4 The Remuneration and Nomination Committee shall have one chairman, who shall be an independent director and shall be responsible for convening and presiding over the work of the committee.

Article 5 The term of office of members of the Remuneration and Nomination Committee shall be the same as that of the Board, and members of the committee may serve consecutive terms if re-elected upon the expiration of his/her term of office. If any member no longer maintains the position as a director of the Company during his/her term of office, he/she shall automatically be disqualified as a member, and the vacancy shall be filled by the Board in accordance with the Articles of Association and these rules of procedures.

Article 6 The Remuneration and Nomination Committee shall have a working group, which shall be composed of the Board of Directors Office and other relevant departments. The Board of Directors Office shall be responsible for the liaison of routine work and organization and preparation of meetings.

CHAPTER 3 RESPONSIBILITIES AND POWERS

Article 7 With regard to the affairs of the Company relating to remuneration and appraisal, the responsibilities of the Remuneration and Nomination Committee are:

(1) to consult the chairman of the Board and/or general manager about the remuneration proposals for other executive directors;

(2) to formulate and implement the performance appraisal system, remuneration policy, rewards and penalty incentives, and to make recommendations to the Board on the policy and structure for remuneration of all directors and senior management and on the establishment of a formal and transparent procedure for developing remuneration policy;

(3) to formulate appraisal criteria for directors and senior management, to review the performance of the Company's directors and senior management and to conduct annual performance appraisals on them; and to consider the management's remuneration proposals in accordance with the Company's objectives as approved by the Board;

(4) to consider the remuneration packages of directors and senior management, including benefits in kind, pension rights and compensation payments (including any compensation payable for loss or termination of their office or appointment), and to make recommendations to the Board on the remuneration of directors and senior management; to consider factors such as characteristics of the financial and securities industries, salaries paid by comparable companies, time commitment and responsibilities of the directors and senior management, and employment conditions elsewhere in the Company when considering remuneration packages;

(5) to consider the compensation payable to directors and senior management for any loss or termination of office or appointment to ensure that it is consistent with contractual terms and is otherwise fair and reasonable and does not impose an excessive burden on the Company;

(6) to consider the compensation arrangements relating to the dismissal or removal of directors for misconduct to ensure that they are reasonable and appropriate;

(7) to ensure that no director or any of his/her associates is involved in deciding his/her own remuneration;

(8) to form a view in respect of service contracts that require shareholders' approval and advise shareholders as to whether the terms of the service contracts are fair and reasonable, to advise whether such contracts are in the interests of the Company and its shareholders as a whole and to advise shareholders (other than shareholders who are directors with a material interest in the service contracts and their associates) on how to vote pursuant to Rule 13.68 of the Hong Kong Listing Rules;

(9) to review and/or approve matters relating to share schemes as referred to in Chapter 17 of the Hong Kong Listing Rules;

(10) to make recommendations to the Board on the formulation of or changes to the Company's share incentive scheme, employee stock ownership plan, interests granted to participants and the conditions for exercising such interests;

(11) to make recommendations to the Board on the arrangement of stock ownership plan for directors and senior management in the proposed spin-off subsidiaries;

(12) to perform other responsibilities stipulated by laws and regulations, relevant provisions of the securities regulatory authorities and stock exchanges of the places where the Company's shares are listed and as authorized by the Board.

Article 8 With regard to the affairs of the Company in relation to nomination, the responsibilities of the Remuneration and Nomination Committee are:

(1) to review the structure, size and composition (including the skills, knowledge and experience) of the Board at least annually, to assist the Board in maintaining a board skills matrix and to make recommendations on any proposed changes to the Board to complement the Company's corporate strategy;

(2) to prepare criteria and procedures for the selection of directors and senior management and to make recommendations to the Board;

(3) to recommend candidates for directors and senior management, to review the qualifications for appointment of the proposed candidates and to form a clear opinion on the review;

(4) to assess the independence of independent directors;

(5) to make recommendations to the Board on the appointment or re-appointment of directors and succession planning for directors, in particular, the chairman of the Board and the general manager;

(6) to support the Company's regular evaluation of the performance of the Board;

(7) to perform other responsibilities stipulated by laws and regulations, relevant provisions of the securities regulatory authorities and stock exchanges of the places where the Company's shares are listed and as authorized by the Board.

CHAPTER 4 PROCEDURES

Article 9 The Remuneration and Nomination Committee shall hold at least one meeting every year and may hold an extraordinary meeting when two or more members propose, or when the convenor deems it necessary.

Article 10 Notice of meeting

(1) The Remuneration and Nomination Committee shall, in principle, give at least three days advanced notice to all members and provide relevant data and information when convening a meeting. Under special circumstances, if more than two-thirds (including two-thirds) of the members have no objection, the notification time requirement may be waived.

(2) Notice of meeting may be given orally, in writing, or by telephone, facsimile or e-mail or by other means.

(3) Notice given orally shall be confirmed in writing before the meetings.

(4) The written notice of the meeting shall include at least the following:

1. date and venue of the meeting;

2. duration of the meeting;

3. reason for the meeting and agenda for discussion;

4. date of issuance of the meeting notice;

The oral notice of the meeting shall include at least the above 1 and 2, and the explanation of convening the extraordinary meeting of the Remuneration and Nomination Committee under emergency.

Article 11 When an issue concerning a member of the committee is discussed in a meeting of the Remuneration and Nomination Committee, the relevant member should refrain from involvement.

Article 12 The quorum of the meeting of the Remuneration and Nomination Committee shall be more than two-thirds of the members present at the meeting. Each member shall be entitled to one vote at the meeting. Resolutions of the meeting shall be passed by the majority of the members attending the meeting.

Article 13 Based on the agenda and needs of the meeting, the Remuneration and Nomination Committee may invite other directors and senior management of the Company to attend the meeting as non-voting attendees.

Article 14 The Remuneration and Nomination Committee shall be provided with sufficient resources to perform its duties. The Remuneration and Nomination Committee may seek independent professional advice for the performance of its duties when it deems necessary, and expenses shall be borne by the Company.

Article 15 At the request of the chairman of the Board, the Remuneration and Nomination Committee shall designate its chairman or, in his/her absence, another member or his/her authorized representative to answer questions at the annual general meeting.

Article 16 Members attending the meeting and the persons attending the meeting as non-voting attendees shall undertake confidentiality obligation for all items discussed at the meeting, and shall not disclose relevant information without permit.

CHAPTER 5 RESOLUTIONS AND MINUTES OF MEETINGS

Article 17 After the voting at the meetings of the Remuneration and Nomination Committee, meeting resolutions shall be formed and meeting minutes shall be prepared, and each member attending the meeting shall sign on the resolutions and minutes of the meeting. The written documents of the resolutions of the Remuneration and Nomination Committee and the minutes of the meeting shall be kept by the Company as the Company's archives for a retention period of not less than ten years.

Article 18 The Remuneration and Nomination Committee should report back to the Board on their decisions or recommendations unless there are legal or regulatory restrictions on its ability to do so (such as a restriction on disclosure due to regulatory requirements).

CHAPTER 6 SUPPLEMENTARY PROVISIONS

Article 19 These rules of procedures shall take effect on the date of being approved by the Board.

Article 20 In the event of any matter not covered under these rules of procedures or the event of any conflict with the provisions of the laws and regulations, the listing rules of the places where the Company is listed and the Articles of Association promulgated from time to time after the commencement of these rules of procedures, the provisions of the laws and regulations, the listing rules of the places where the Company is listed and the Articles of Association shall prevail.

Article 21 The power of amendment and interpretation of these rules of procedures shall be vested in the Board of the Company.

Note: In the event of any discrepancy between the English and Chinese versions of these rules of procedures, the Chinese version shall prevail.