

## **Declaration by Nominator of Independent Director**

The nomination committee of the 7th Session of the Board of Directors of Beijing Jingcheng Machinery Electric Company Limited, the nominator, hereby declares its nomination of Liu Ning to be the candidate for Independent Director of the 8th session of the Board of Directors of Beijing Jingcheng Machinery Electric Company Limited. This nomination is made upon a sufficient understanding of the professional capability, academic background, working experience and positions concurrently held by the nominee etc. The nominee has agreed in writing to be proposed as the candidate for the Independent Director of the 8th session of the Board of Directors of Beijing Jingcheng Machinery Electric Company Limited (Please refer to the declaration by the candidate for Independent Director). The nominator considers that the nominee possesses the qualifications to be an independent director and there does not exist any relationship between the nominee and Beijing Jingcheng Machinery Electric Company Limited which may affect the independence of the nominee. The nominator declares as follows:

1. The nominee has acquired the basic knowledge about the operation of listed companies. The nominee is familiar with the relevant laws, administrative regulations, rules and other regulatory documents, and has over five years of work experience in law, economy, finance, management and other experiences necessary for serving as an independent director. The nominee has obtained the qualification certificate of independent directors in accordance with the Guidelines on the Training of the Senior Management Personnel of Listed Companies and relevant requirements.

2. The nominee fulfill the following requirements of law, administrative regulations and department rules for appointment:

(1) Requirements of Company Law in relation to the qualifications of serving as a director;

(2) Requirements of Civil Servant Law in relation to concurrent posts of civil servant;

( 3 ) Requirements of the Notice on Regulating Officers under Direct Supervision by Organization Department of the CPC Central Committee Assuming Positions as Independent Directors, Independent Supervisors of Listed Companies, Fund Management Companies after Resignation or Retirement from Government Positions issued by the Central Commission for Discipline Inspection of the CPC and the Organization Department of the CPC Central Committee;

(4) Regulations on taking concurrent positions by managers of colleges and universities under the Opinions on Enhancing the Anti-corruption and Encouraging Honesty Work of Colleges and Universities issued by the Central Commission for Discipline Inspection of the CPC, the Ministry of Education and the Ministry of Supervision;

(5) requirements of Interim Measures on the Administration of Independent Directors of Insurance Companies issued by China Insurance Regulatory Commission;

( 6 ) Other conditions stipulated in law, administrative regulations and departmental regulation.

3. The nominee confirm his independence and the following circumstances do not apply to the nominee:

(1) The person who holds a position in the listed company or its subsidiaries, their immediate relatives and major social relations (immediate relatives refer to their spouse, parents, children etc.; major social relations refer to brother and sisters, father-in-law, mother-in-law, daughter-in-law, son-in-law, brother-in-law, sister-in-law etc.);

(2) The person who holds more than 1% of the issued shares of the listed company directly or indirectly, or the natural person shareholders of one of the top ten individual shareholders of the listed company, or such shareholder's immediate relative;

(3) The person who holds a position in a unit which holds more than 5% of the issued shares of the listed company directly or indirectly, or of the unit which is one of the top five shareholders of the listed company, or such employee's immediate

relative;

(4) The person that serves as the de facto controller of the listed company and its subsidiaries

(5) The persons providing financial, legal or consulting services for the listed company and its controlling shareholder or their respective subsidiaries, including all the members of the project teams of the intermediary agencies, review officers at all levels, the persons who sign the report, partners and the person-in-charge;

(6) The persons serving as directors, supervisors or senior management personnel in the units that have material business transactions with the listed company, its controlling shareholders or their respective subsidiaries or the persons serving as directors, supervisors or senior management personnel in the controlling shareholders' units of the said units;

(7) The persons that have any of the six factors listed above in the past one year;

(8) Other conditions regarded by the Shanghai Stock Exchange as lack of independence.

4. The candidate for independent director does not have the following bad records:

(1) Punishment imposed by CSRC in the past three years;

(2) In the period that is regarded by stock exchanges as not appropriate for serving as a director of a listed company;

(3) Open denunciation or over two circulated criticisms by stock exchanges in the past three years;

(4) Failure to attend board meetings for two consecutive times or failure to attend over one-third of board meetings of the current year in person during the service as independent director;

(5) Apparent discrepancy of independent opinions from facts during the term of independent director.

5. With Beijing Jingcheng Machinery Electric Company Limited included, the nominee has not served as an independent director in over 5 domestic listed

companies; and the nominee has not consecutively served as an independent director in Beijing Jingcheng Machinery Electric Company Limited for over six years.

6. The nominator has confirmed the qualifications of the candidate for serving as an independent director in accordance with the Guidelines on the Filing and Training of Independent Directors of Listed Companies of Shanghai Stock Exchange and fulfilled the requirements.

The nominator confirms the authenticity, completeness and accuracy of the information contained in this statement and there are no false or misleading statements. The nominator is fully aware of the consequences arising from making false statements.

The declaration is hereby given.

Nominator:

The nomination committee of  
the Board of Beijing Jingcheng  
Machinery Electric Company Limited

7 May 2014