

# SOHU COM INC

## **FORM 8-K** (Current report filing)

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**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**  
Washington, D.C. 20549

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**FORM 8-K**

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**CURRENT REPORT  
PURSUANT TO SECTION 13 OR 15(d)  
OF THE SECURITIES EXCHANGE ACT OF 1934**

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**Date of Report (Date of earliest event reported): May 19, 2017**

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**SOHU.COM INC.**

(Exact name of registrant as specified in its charter)

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**Delaware**  
(State or other jurisdiction  
of incorporation)

**0-30961**  
(Commission  
File Number)

**98-0204667**  
(I.R.S. Employer  
Identification No.)

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**Level 18, SOHU.com Media Plaza  
Block 3, No. 2 Kexueyuan South Road, Haidian District  
Beijing 100190  
People's Republic of China  
(011) 8610-6272-6666**  
(Address, including zip code, of registrant's principal executive offices  
and registrant's telephone number, including area code)

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Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
  - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
  - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
  - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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**Item 1.01. Entry into a Material Definitive Agreement.**

On May 19, 2017, the registrant, through two of its indirect People's Republic of China ("PRC")-based subsidiaries and one of its PRC-based variable interest entities (such three entities each individually a "Borrower" and collectively the "Borrowers"), entered into credit agreements (collectively, together with key related agreements and documentation, the "Credit Agreements") with Ping An Bank Co., Ltd., a commercial bank with headquarters in Shenzhen, PRC ("Ping An Bank"), pursuant to which the Borrowers will be entitled to borrow from Ping An Bank from time to time up to a combined aggregate of RMB2.5 billion (or approximately US\$363 million) (collectively, the "Loans").

The Borrowers may make drawdowns of the Loans from time to time until May 18, 2020. The term of each Loan, which will be determined at the time of the drawdown of the Loan, may be up to 36 months from the date of the drawdown of the Loan. The rate of amortization of principal of each Loan over the applicable term will also be determined at the time of drawdown. Interest will accrue on the principal amounts of the Loans outstanding from time to time at an annual rate equal to 115% of the rate published by the People's Bank of China (the "PBOC") as its prime rate as of each three-month anniversary of the drawdown of the applicable Loan, and will be payable on the 20th day of the third month of each calendar quarter. As the PBOC's prime rate is currently 4.35% per year for loans with terms of up to one year and 4.75% per year for loans with terms of between one year and five years, the initial annual interest rate applicable to Loans drawn down in the near future is expected to be approximately 5.00% or 5.46%, depending on the terms of the Loans that are drawn down.

The Borrowers' obligations under the Credit Agreements are secured by pledges of the registrant's two buildings in Beijing, one of which currently serves as the registrant's corporate headquarters and the other of which is occupied by the registrant's subsidiary Sogou Inc. ("Sogou") and the registrant.

In addition, the Borrowers' obligations under the Credit Agreements are guaranteed by a Cayman Islands subsidiary of the registrant, Sohu.com (Game) Limited ("Sohu Game"), which holds an approximately 67% interest in the registrant's subsidiary Changyou.com Limited (NASDAQ: CYOU) ("Changyou"). In connection with the guarantee, Sohu Game has agreed that, at all times when any amounts are outstanding under the Credit Agreements, Sohu Game, together with its subsidiaries and variable interest entities, will maintain a minimum "Net Cash Balance" at least equal to (i) the then combined aggregate outstanding principal of the Loans and accrued and unpaid interest thereon, plus interest that would accrue under the Loans assuming that the then outstanding principal of the Loans remained outstanding until the end of their respective terms, divided by (ii) 0.90, divided by (iii) the fraction represented by the percentage of Changyou's outstanding shares held by Sohu Game. "Net Cash Balance" is defined as (a)(i) cash and cash equivalents, plus (ii) restricted cash related to liabilities to third parties for borrowed money, plus (iii) investments in financial instruments, minus (b) the aggregate combined amounts of outstanding liabilities to third parties for borrowed money, including for such purpose amounts of liabilities to third parties that are guaranteed by Sohu Game or any of its subsidiaries or variable interest entities.

Also on May 19, 2017, the registrant entered into an agreement (the “Commitment Letter”) with Ping An Bank in connection with the Credit Agreements pursuant to which the registrant agreed that if any of the Borrowers does not have sufficient cash and other assets upon the maturity of a Loan made to such Borrower to permit it to repay in full the outstanding principal of the Loan and all accrued and unpaid interest thereon, upon Ping An Bank’s written demand the registrant will use its best efforts to cause Changyou, subject to applicable law and fiduciary principles, to pay a cash dividend (a “Changyou Dividend”) to Changyou’s shareholders, and will make Sohu Game’s share of any such Changyou Dividend available for the repayment of the Loan. The registrant has further agreed in the Commitment letter that if a Changyou Dividend is not paid or is not sufficient to permit repayment in full of any Borrower’s Loan upon the maturity of that Loan, and the Loan is not otherwise repaid in full, upon Ping An Bank’s written demand the registrant will cause Sohu Game to sell a sufficient number of ordinary shares of Changyou held by Sohu Game to permit repayment in full of such Loan, and will make the net proceeds of such sale available to such Borrower for that purpose. The registrant has also agreed in the Commitment Letter that, at all times when any of the Loans is outstanding, the registrant will maintain a “Net Cash Balance” of the registrant and its consolidated group of not less than US\$200 million, and has acknowledged that the registrant’s failure to retain such a cash balance will permit Ping An Bank to demand immediate payment in full of the combined aggregate outstanding principal of the Loans and all accrued and unpaid interest. “Net Cash Balance” for this purpose has the same definition as that applicable to Sohu Game under the terms of its guarantee of the Loans.

The Credit Agreements include customary events of default, including a Borrower’s failure to pay any installment of principal or interest when due; the registrant and its consolidated group’s failure to maintain a Net Cash Balance of at least US\$200 million; Sohu Game’s failure to maintain the minimum Net Cash Balance required to be maintained by it from time to time; changes in control of a Borrower, changes in its business model, and other events that may impede the Borrower’s ability to repay its Loans; and a Borrower’s, the registrant’s, or Sohu Game’s breach of any other agreement with Ping An Bank or any other bank. Upon Ping An Bank’s declaration of an event of default under the Loan Agreement, Ping An Bank may refuse to make further advances under the Credit Agreements and demand payment in full of all outstanding principal of the Loans and all accrued and unpaid interest.

The registrant entered into an additional agreement with Ping An Bank, also on May 19, 2017, pursuant to which the registrant has agreed that on and after the time when the combined aggregate outstanding principal under the Loans exceeds RMB500 million (or approximately US\$72.5 million), Ping An Bank will have a right of first negotiation with respect to any proposed loan of more than RMB500 million to any company in the registrant’s consolidated group, and the registrant will use reasonable efforts, subject to applicable law and regulation, to cause all companies in the registrant’s consolidated group to have their deposit and other banking relationships with, and to purchase investment products offered by, Ping An Bank and its affiliates.

The registrant intends to use the proceeds of the Loans to finance the registrant’s operations, excluding the operations of the registrant’s subsidiaries Changyou and Sogou.

The foregoing summary is not intended to be complete and is qualified in its entirety by reference to the Credit Agreements, English translations of which are filed herewith as Exhibits 10.1, 10.2, 10.3, 10.4, 10.5, 10.6, 10.7, 10.8, 10.9 and 10.10 and are incorporated herein by reference.

#### **Item 9.01 Financial Statements and Exhibits.**

(d) The following Exhibits are filed as part of this report:

- 10.1 English translation of Credit Agreement, dated May 19, 2017, between Ping An Bank and Beijing Sohu New Media Information Technology Co., Ltd.
- 10.2 English translation of Credit Agreement, dated May 19, 2017, between Ping An Bank and Fox Information Technology (Tianjin) Limited
- 10.3 English translation of Credit Agreement, dated May 19, 2017, between Ping An Bank and Tianjin Jinhu Culture Development Co., Ltd.
- 10.4 English translation of Form of Loan Agreement

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- 10.5 English translation of Asset Pledge Agreement, dated May 19, 2017, between Ping An Bank and Beijing Sohu New Momentum Information Technology Co., Ltd.
  - 10.6 English translation of Asset Pledge Agreement, dated May 19, 2017, between Ping An Bank and Beijing Sohu New Media Information Technology Co., Ltd.
  - 10.7 English translation of Asset Pledge Agreement, dated May 19, 2017, between Ping An Bank and Beijing Sohu New Era Information Technology Co., Ltd.
  - 10.8 English translation of Guaranty Agreement, dated May 19, 2017, between Ping An Bank and Sohu.com (Game) Limited
  - 10.9 English translation of Commitment Letter, dated May 19, 2017, between Ping An Bank and the registrant
  - 10.10 English translation of Strategic Cooperation Agreement, dated May 19, 2017, between Ping An Bank and the registrant

**Safe Harbor Statement**

This report on Form 8-K includes forward-looking statements. Statements that are not historical facts, including statements about our beliefs and expectations, are forward-looking statements. These statements are based on current plans, estimates and projections, and therefore you should not place undue reliance on them. Forward-looking statements involve inherent risks and uncertainties. The registrant cautions you that a number of important factors could cause actual results to differ materially from those contained in any forward-looking statement. Potential risks and uncertainties include, but are not limited to, recent slow-downs in the growth of the Chinese economy; the registrant's current and projected future losses due to increased spending by the registrant for video content; the possibilities that the registrant will be unable to recoup its investment in video content; and the registrant's reliance on online advertising sales, online games and mobile services for its revenues. Further information regarding these and other risks is included in the registrant's annual report on Form 10-K for the year ended December 31, 2016, and other filings with the Securities and Exchange Commission.

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SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

DATED: May 19, 2017

SOHU.COM INC.

By: /s/ Joanna Lv

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Joanna Lv  
Acting Chief Financial Officer

## Credit Agreement

Contract No.: Ping Yin Hu Yi Wen Zong Zi 20170512 No. 002

Party A (Credit Grantor): Tianjin Pilot Free Trade Zone Branch, Ping An Bank Co., Ltd.  
 Domicile (Address): 101, Gate 1, Tower #1, Ronghe Plaza, No. 168, Xisi Road, China (Tianjin) Pilot Free Trade Zone (Tianjin Airport Economic Area), Tianjin, China  
 Legal representative (person in charge): Wei Huisheng  
 Tel: 022-59060622

Party B (Applicant): Beijing Sohu New Media Information Technology Co., Ltd.  
 Domicile (Address): Room 802, 8/F, Sohu.com Internet Plaza, No.1 Unit Zhongguancun East Road, Haidian District, Beijing 100084, China  
 Legal representative: Charles Zhang  
 Tel: 010-62726666

Party B applies to Party A for the general credit line. In accordance with the Contract Law and relevant laws and regulations, both Parties hereby enter into this Contract upon consensus through consultation.

### 1. Line of Credit and Credit Types

- 1.1 General credit line: Party A agrees to grant Party B general credit line of RMB 1,000,000,000.00 yuan (in words: RMB one billion yuan only). Within the credit line, Party B can apply for multi-currency credit facility. Currencies other than Renminbi can be translated into Renminbi at such foreign exchange rate as quoted by Party A on the date when the credit is extended.
- 1.2 With respect to the term of the general credit line, Option (2) shall apply:
- (1) From            to            ;
  - (2) Three (3) years as from the date when this Contract comes into force.

During the credit period, Party B may use the line of credit on a  revolving or  non-revolving basis, but the aggregate amount of funds available under the credit facility shall not exceed the general credit line. The unused credit line will be automatically cancelled upon maturity of the credit period.

**Credit period refers to the time period within which specific credit facility is extended within the line of credit. The starting date of specific credit facility must be within the credit period while its expiration date may exceed such period. The starting date and expiration date of the specific credit facility shall be subject to the specific credit facility contracts.**

1.3 Types of credit facility within the line of credit hereunder shall include but are not limited to:

Loans, inter-bank lending, bill acceptance and discount, overdraft, factoring, security, issuance of letters of credit, gold lease, and derivatives etc.

Among them, basic types of derivatives include forwards, futures, swaps, and options. Derivatives also include structured financial instruments that have one or more characteristics of forwards, futures, swaps, and options.

1.4 The types/means, amount, interest rate, fee rate, and term of the credit facility extended under the line of credit shall be subject to the single credit facility contracts, the receipts for loans or other credit facility documents.

1.5 **Transfer of credit facility under the line of credit**

**Party B agrees to transfer the line of credit hereunder to a third person (namely, the entities below may use the credit line hereunder) and bear several and joint guaranty liabilities for the principals, interests, penalty interests, and compound interests of all debts (including contingent debts) incurred by the entities below under this line of credit, expenses on realization of creditor's rights (including but not limited to litigation fees, attorney's fees, notarial fees, and execution fees, etc.), and other losses and expenses incurred by Party A owing to the default of the debtor. The term of guaranty shall be from the date when the specific credit facility contract comes into force to two years after the expiry date of the debt performance period (including acceleration of debt) as agreed in such contract.**

The transferee and amount of transfer of credit line are as follows:

- / (the transferee), amount: (converted into) (currency) (in words): / ;
- / (the transferee), amount: (converted into) (currency) (in words): / ;
- / (the transferee), amount: (converted into) (currency) (in words): / ;
- / .

2. **Use of Credit Line**

2.1 **The signing of this Contract by Party A and Party B does not constitute Party A's commitment to grant credit facility to Party B.** With respect to specific credit facility under the line of credit, Party B shall apply to Party A in writing separately. Party A has the right to decide at its own discretion whether to grant any single credit facility to Party B. Where Party A agrees to grant any credit facility upon review, Party A and Party B will enter into a specific credit facility contract according to the nature of the credit facility.

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## 2.2 Prerequisites for use of credit line:

- (1) Party B has properly gone through all statutory procedures (if any) for government permissions, approvals, registrations, and delivery in relation to credit facility under this Contract;
  - (2) Relevant security contract (if any) has come into force;
  - (3) Party B has paid up all expenses (if any) in relation to this Contract;
  - (4) Party B has satisfied all conditions for credit facility as agreed in this Contract;
  - (5) There has been no adverse change to the operating and financial conditions of Party B and its security provider (if any);
  - (6) There has been no change in the willingness of Party B to repay and the willingness of its security provider to secure the debts (if any);
  - (7) Party B does not breach this Contract in any form.
- 2.3 Party A has the right to adjust the line of credit or request Party B to provide additional security according to changes of exchange rate.
- 2.4 **Party A has the right to supervise use of the credit line and purposes of the funds under the credit facility, and Party B shall cooperate.**
- 2.5 **Prior to or during the use of the credit line, where the credit line hereunder is not available to Party B owing to any change to the national macro-control policies, requirements that the regulatory department imposes on Party A for control of credit scale or credit direction, or other reasons not attributable to Party A, Party A has the right to suspend or terminate Party B's use of the credit line hereunder and to rescind this Contract, and Party B shall not have any objection thereto.**

## 3. Repayment

- 3.1 Party B shall open an account with Party A and deposit amount payable in such account before the agreed date of repayment.
- 3.2 Party B shall perform its liabilities on time when each credit facility under the credit line is due. Otherwise, such credit facility shall be deemed overdue or as advances.
- 3.3 **Party B hereby irrevocably authorizes Party A to deduct the principals, interests, and related expenses of the due credit facility under the credit line from any account that Party B opens with all or any business outlet of Ping An Bank.**

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#### **4. Representation and Warranties of Party B**

- 4.1 Party B is a company duly incorporated, validly existing and in good standing in its jurisdiction, and has full corporate power and government permit and approval to conduct the business it carries out currently.
- 4.2 Party B has obtained all authority and approval required for entering into this contract. The execution hereof is true expression of intent of Party B, and will not result in violation of any agreement or covenant with any third party. Party B does not violate any laws, regulations or rules with respect to environment protection, energy saving and emission reduction and reduction of pollution when entering into this contract, and undertakes to strictly comply with such laws, regulations and rules after entering into this contract.
- 4.3 Except for those already notified to Party A in writing before execution hereof, Party B is not involved in any other litigation, arbitration, execution, appeal, review or other procedures as well as other events or circumstances which could have material adverse effect on the performance of this contract.
- 4.4 Party B shall provide the financial statements, the information of all bank account numbers and the balance of deposits and loans, as well as other relevant information required by Party A within the time limited specified by Party A. Party B shall warrant that the documents and information provided by it are true, complete and objective and free of any false record, misrepresentation or material omission, and the financial statements are prepared strictly according to the Chinese accounting standards.

#### **5. Rights and Obligations of Party B**

- 5.1 Party B shall open an account with Party A and give priority to Party in deposit and settlement.
- 5.2 When Party B is a group client, Party B shall send a written report to Party A within ten (10) days from the date of any related-party transaction in the amount more than 10% of its net assets. The contents of such report shall include the related-party relationship, items and nature of the transaction, amount of the transaction or appropriate proportions, and pricing policies of the parties thereto (including transactions where no amount or only nominal amounts are charged).

Group clients refer to corporate bodies or legal-person public institutions with the following characteristics:

- (1) Such corporate bodies or legal-person public institutions directly or indirectly control other corporate bodies or legal-person public institutions or are directly or indirectly controlled by corporate bodies or legal-person public institutions in terms of stock equity or operation;
- (2) Such corporate bodies or legal-person public institutions are under the common control by a third-party corporate body or legal-person public institution;

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- (3) Such corporate bodies or legal-person public institutions are directly or indirectly under the common control of individual investors, key officers, or their closely-related family members (including direct relatives within three generations and collateral relatives within two generations);
  - (4) Where there are other related-party relationships and assets and profits may not be transferred at fair price, such corporate bodies or legal-person public institutions shall be subject to credit facility management as group clients.
- 5.3 **Party B shall give thirty days' written notice to Party A in any of the following circumstances. If Party A deems that such circumstance may have material effect on performance of this contract, Party B may carry out the following only after obtaining written consent of Party A:**
- (1) Any material change to the operating regime, shareholding structure, organizational form of property, and principal business, including but not limited to contracting or leasing operation, association, shareholding reform, M&A, acquisition, joint venture, division, establishment of subsidiaries, trusteeship (receivership), sale of enterprise, transfer of property or reduction of capital etc.;
  - (2) Sale, gift, lending, transfer, mortgage, pledge or otherwise disposal of any assets accounting for 10% of the net assets;
  - (3) Any distribution of dividends exceeding 30% of the after-tax net profits for the current year, or exceeding 20% of all undistributed profits;
  - (4) Any new investment made after effectiveness of this contract exceeding 20% of the net assets;
  - (5) Modification of any debt provisions with other banks, or early satisfaction of other long-term debts;
  - (6) Repayment of any shareholder's debts of Party B; or
  - (7) Application to other banks for credit facility, or provision of security to any third party, or reduction of any debts owed by any third party, the amount of which exceeds 20% of the net assets.
- 5.4 Party B shall notify Party A in writing within seven working days from the date on which any of the following events occurs or may occur and Party A has the right to decide whether to request Party A for additional security or to directly recover all loans according to the specific situation:
- (1) Worsening of operational or financial situation of Party B or its security provider, major financial losses, loss of assets (including but not limited to loss of assets due to providing security for a third party), or other financial crises;
  - (2) Administrative penalties or criminal punishment on Party B for unlawful business operation or Party B's involvement in major legal dispute;

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- (3) Involvement of the legal representatives or key officers of Party B, Party B's shareholders or actual controllers, or its security provider in important cases, property preservation and other compulsory measures on their major assets, administrative penalties or criminal punishment on Party B, or other events resulting in their failure to perform obligations;
  - (4) Party B or its security provider provides security to a third party, which has material adverse impact on the financial condition of Party B or its security provider or their ability to perform the obligations under this Contract;
  - (5) Division, combination, merger, acquisition and restructuring, disposal of substantial asset, capital reduction, shutdown, stop of business for rectification, liquidation, reorganization, cancellation, dissolution, bankruptcy, or cancellation of the business license of Party B or its security provider;
  - (6) Significant reduction in the value of the collaterals, destruction or loss of the collaterals, disputes arising in relation to the ownership of the collaterals, or sealing-up, attachment, freezing, deduction, lien, or auction of the collaterals;
  - (7) Other events or defaults that have major impact on business operation of Party B or the security provider or on security of loans of Party A.
- 5.5 Where Party B changes its domicile, correspondence address, telephone number, business scope, legal representative or other matters, it shall give Party A written notice within seven working days after such change. If Party B fails to perform the above obligation of notice, and Party A sends relevant notice or document (including but not limited to both parties' notices or documents during performance of this contract, the arbitration or litigation materials or instruments during arbitration or litigation process, and relevant materials and instruments during execution of cases) to the original domicile or correspondence address, such notice or document shall be deemed duly served.
- 5.6 Party B shall keep reasonable financial ratios during its use of the credit line.
- Financial indexes during use of the credit line shall meet the following standards: /
- 5.7 **Where Party B applies for the one-stop loan service, Party B shall agree to the following:**
- (1) Party B shall open a settlement account with Party A. For export rebate account loan, warehouse receipt pledge loan, and accounts receivable loan, Party B must open a repayment account with Party A and authorize Party A to directly deduct from the account the corresponding amounts for repayment of the credit facility hereunder.
  - (2) After the loan is drawn down, Party B shall apply to Party A for and use corporate internet banking product.
  - (3) Party B undertakes to give priority to Party A in application for mortgage finance and pledge finance.

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## 6. Rights and Obligations of Party A

6.1 For credit line more than one year, Party A has the right to assess the operational and financial conditions of Party B and the security provider (if any) and the progress of specific projects according to the credit conditions as agreed in the contract at the time when the credit line becomes effective, from the second year after the credit line becomes effective, and Party A will adjust the credit amount, term, and interest rate based on the assessment results.

Where there is any mortgage or pledge collateral, Party A has the right to evaluation of such collateral every year by appraisal agencies approved by Party A. If the value of the collateral deteriorates obviously and is insufficient to be used for debt security under the principal contract, Party A has the right to require Party B to repay a part of the loan or to provide other security acceptable to Party A.

6.2 Party A has the right to require Party B to provide data in relation to the credit line, and access the domicile of Party B to investigate, review, or check the use of credit and the assets, financial condition and operation of Party B. Party B shall cooperate. Party A also has the right to supervise Party B's use of loans for such purposes as agreed in this Contract.

6.3 Party A shall keep confidential all information provided by Party B, except for those provided otherwise by laws and regulations or regulators, those otherwise agreed by both Parties, and those that do not constitute confidential information.

## 7. Breach of Contract

7.1 **Any of the following will constitute a breach of this Contract hereunder:**

- (1) Arrears in payment of interest, overdue payment, advance money, or use of the funds for purposes other than those agreed by both Parties occurs to the credit under this Contract;
- (2) Party B violates any of its representations, warranties, or covenants;
- (3) Party B breaches any of its due obligations under this Contract;
- (4) Party B conceals important information;
- (5) Party B or its security provider avoids its debt by means of related-party transaction or other means;
- (6) Party B or its security provider is omitted in management and exercise of its matured claims or transfers its assets or avoid its debts by disposal of its main property for free, at an unreasonably low price, or in other improper means;
- (7) Party B utilizes false contracts and arrangements with any third party, including but not limited to debt factoring or pledge with notes receivable without true trade background, to fraudulently obtain funds or credit facility from Party A or other banks;

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- (8) Party B or its security provider breaches other contracts concluded with Party A or other banks (including but not limited to credit agreements, loan agreements, and security agreements) or issues securities with characteristics of debt;
  - (9) The security provider of Party B breaches the security contracts (including but not limited to guarantee contracts, mortgage contract, and pledge contracts), events of default under the security contracts occur, or the security contracts are ineffective, invalid, or rescinded; the collateral is notably depreciated or lost, a dispute arises with regard to the ownership of the collateral, or the collateral is sealed up, attached, frozen, deducted, subject to lien, or auctioned;
  - (10) Where any matter as described in Clauses 5.3 and 5.4 that shall be notified of occurs, Party A believes such matter will affect the safety of its creditor's right.
  - (11) The business term of Party B or its security provider expires within the credit period hereunder and Party B or its security provider fails to renew its business license.

7.2 **Where any event of default occurs, Party A has the right to:**

- (1) Adjust, cancel, or terminate the general credit line under this Contract, or adjust the credit period and/or amount;
- (2) Declare that all or part of the credit facility hereunder is immediately due and require Party B to immediately repay the principals, interests, and expenses of such credit facility. Penalty interest will be charged on the principals of all extended credit facility at the penalty interest rate from the date when the event of default occurs until Party B pays off all principals of the credit facility;  
Expenses include but are not limited to attorney's fees, litigation fees, arbitration fees, traveling expenses, announcement fees, delivery fees, execution expenses, transfer fees, and other expenses that Party A pays for realization of its creditor's right.
- (3) **Require Party B to provide security deposit in full amount for payment of acceptance bills, bonds, letters of credit, or other types of credit facility that have not become mature;**
- (4) Require Party B to provide Party A with new security acceptable to Party A;
- (5) directly deduct amount from the account of Party B or its security provider to repay all debts of Party B under this Contract and specific credit facility contracts (including the debts for which Party A requires prepayment) without consent of Party B in advance;
- (6) enforce any security interest, and to require the guarantor to perform its guarantee obligations or to realize its creditor's right through disposal of the mortgage collateral and/or pledge collateral.

- (7) claim the right of subrogation against any debtor of Party B according to laws or requests the court to revoke Party B's waiver of its matured claims or its acts of transfer of property for free or at unreasonably low prices. Party B shall provide all necessary cooperation and assistance upon the request of Party A. Any expense incurred therefrom by Party A shall be borne by Party B.
- (8) take other remedial measures provided by laws and regulations and agreed in this Contract.

## 8. Other Provisions

(1) Loan fund shall be used in strict accordance with the agreements and shall not be used for other purposes; (2) where Party B opens a settlement account with Party A, Party B shall deposit operating revenues in this account and timely provide the bank statements of this account; (3) if Party B, Sohu.com (Game) Limited, the security provider for the loan hereunder, or the subsidiary controlled by the either of them is in default of any loan borrowed from Party A or other financial institution, Party A has the right to declare immediate maturity of such loan and require payment of principal and interests; (4) where there is any change to the actual controller, business operation mode of Party B or other major changes to Party B's business operation that may affect repayment of loan to Party A during the term of a loan, Party B shall notify Party A thereof in writing in advance and Party A reserves the right to mandatory prepayment for such matters; (5) if Sohu.com Inc violates the agreement in Article 2.1 (iii) of the Commitment Letter executed with Party A on May 19, 2017 (which states that iii. Sohu.com Inc shall ensure that the balance of net cash in the scope of the consolidated statement of Sohu.com Inc shall not be less than USD 200 million at any time. Among them, the balance of net cash = the ending balance of cash and cash equivalents + restricted cash pertaining to Interest-bearing liabilities provided by third parties + the ending balance of the financial products and short-term investment included in other accounting items - the ending balance of the interest-bearing debts provided by any third party – the total amount of any security provided to any third parties. ), or Sohu.com Inc fails to cooperate in accordance with Article 2.1 (i) and Article 2.2 (ii) of the Commitment Letter executed with Party A on May 19, 2017 (which states that i. if the Borrowers under any Loan Agreement have difficulty to repay the Loan, upon written request of Party A, subject to the laws of the relevant jurisdiction and China laws and regulations, Party B shall, to the extent of the equity it holds directly or indirectly, use its best efforts to cause Changyou.com Limited (NASDAQ: CYOU, "Changyou"), subject to applicable law and fiduciary principles, to pay a cash dividend to Changyou's shareholders. Party B Shall ensure the dividends it obtains may be circulated freely in the Sohu Group so that the Borrowers are able to timely repay the principal and interest of the due Loan under the Loan Agreement to Party A; ii. if Party B fails to procure the Borrowers to repay the principal and interest of the due Loan under the Loan Agreement through the above channel of distribution of dividends, and it is unable to do so by other means, upon written request of Party A, subject to the laws of the relevant jurisdiction and China laws and regulations, Party B shall use its best effort to procure and cooperate with the disposal of shares of Changyou held directly or indirectly by it. Party B shall ensure the proceeds it obtains through disposal of the stocks may be circulated freely in the Sohu Group so that the Borrowers are able to timely repay the principal and interest of the due Loan under the Loan Agreement to Party A. ), Party A has the right to announce acceleration of the loans under this Contract and require repayment of the principals and interests; (6) if Sohu.com (Game) Limited violates Article 4.7 of Guarant y Agr ee ment (Ping Yin Hu Yi Wen E Bao Zi 20170512 No. 001) executed with Party A on May 19, 2017 (which states that the balance of net cash of Party B and its subsidiaries at any time shall not be less than the minimum deposit amount for the principal and interest of the loans actually provided by Party A. Among others, the balance of net cash = the ending balance of cash and cash equivalent + restricted cash pertaining to interest-bearing liabilities provided by third parties + the ending balance of the financial products and short-term investment included in other accounting items – the ending balance of the interest-bearing debts provided by any party other than Sohu.com Inc. (NASDAQ:SOHU, the "SOHU") and its subsidiaries and invested enterprises – the total amount of any security provided to any third parties; the minimum deposit amount for the principal and interest of the loans actually provided by Party A = the principal and interest of the loans actually provided by Party A /90%/the shareholding percentage held by Party B directly or indirectly in Changyou.com Limited (NASDAQ:CYOU, the "CYOU")), Party A has the right to announce acceleration of the loans under this Contract and require repayment of the principals and interests; (7) Party A has the right to dynamically monitor the account that Party B opens with Party A. In case of any abnormality in the credit facility, Party A has the right to take measures including but not limited to freezing the account, suspension of payment, and suspension of internet banking service and other value-added services; (8) the loan rate shall be the benchmark lending rate of same grade published by the People's Bank of China plus 15%.

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**9. Miscellaneous Provisions**

- 9.1  Both parties agree to notarize this contract with the effect of execution.

After the notarization with the effect of execution, if Party B fails to perform any obligation hereunder in whole or in part, Party A is entitled to apply for an execution certificate from the original notary office, and then apply to the competent people's court (i.e., the people's court at the place of the executed party's domicile or the executed party's property) for execution by the original notarial certificate and the execution certificate.

This contract will not be notarized with the effect of execution.

- 9.2 Applications for single credit facility, credit agreements, certificates of indebtedness, credit facility certificates, other documents and information affirmed by both Parties, and letters of commitment and statements that Party B unilaterally issues to Party A, which are arising in relation to this Contract, shall constitute an integral part of this Contract and shall have equal legal force.

- 9.3 **Party B agrees and authorizes Party A to consult Party B ' s enterprise information and credit information with the basic database of financial credit information and other credit information service agency established according to law at the application stage and during the existing period of Party B ' s credit facility, for Party B ' s application and subsequent management of credit facility. Party B agrees and authorizes Party A to report Party B ' s enterprise information and credit information, including but not limited to the credit facility information and the information having adverse effect on the information owner, to the basic database of financial credit information and other credit information service agency established according to law pursuant to Regulations on the Administration of Credit Investigation Industry.**
- 9.4 The check box will be selected by “✓”.
- 9.5 **Both parties shall resolve the dispute arising from performance of this contract through negotiation. If negotiation fails, the provisions of subsection (2) below shall apply:**
- (1) **To apply for arbitration to            /            , and arbitrate the dispute according to the arbitration rules of the commission applied at the time of applying for the arbitration. The arbitration award is final and has binding force upon both parties.**
  - (2) **To file a lawsuit to the people's court at the place of Party A.**
  - (3) **To file a lawsuit to the people's court of            /            .**
- 9.6 This contract shall be governed by the laws of the People's Republic of China.
- 9.7 This contract shall become effective when the parties sign (the authorized persons shall sign or seal, and affix the common seals). **If Party B fails to use the credit line within three months after this contract becomes effective, Party A is entitled to terminate this contract unilaterally.**
- 9.8 This contract is made in four counterparts. Party A will hold two counterparts, and Party B and the registration authority will each hold one.

**Party B hereby declares that it fully understands the provisions of this Contract (especially those in boldface), provisions of the security contract in relation to this Contract, and other related documents, and have sought independent legal advice for this purpose (when necessary).**

Party A (seal): Tianjin Pilot Free Trade Zone Branch, Ping An Bank Co., Ltd.

Legal representative (principal) or entrusted agent (signature): /s/ Wang Lu

Date: May 19, 2017

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Party B (seal): Beijing Sohu New Media Information Technology Co., Ltd.

Legal representative or entrusted agent (signature): /s/ Charles Zhang

Date: May 19, 2017

## Credit Agreement

Contract No.: Ping Yin Hu Yi Wen Zong Zi 20170512 No. 001

Party A (Credit Grantor): Tianjin Pilot Free Trade Zone Branch, Ping An Bank Co., Ltd.  
 Domicile (Address): 101, Gate 1, Tower #1, Ronghe Plaza, No. 168, Xisi Road, China (Tianjin) Pilot Free Trade Zone (Tianjin Airport Economic Area), Tianjin, China  
 Legal representative (person in charge): Wei Huisheng  
 Tel: 022-59060622

Party B (Applicant): Fox Information Technology (Tianjin) Limited  
 Domicile (Address): Room 210-01, F/2, Tower C, General Service Area, Nangang Industrial Zone, Economic and Technological Development Zone, Tianjin, China  
 Legal representative: Li Wei  
 Tel: 010-62726666

Party B applies to Party A for the general credit line. In accordance with the Contract Law and relevant laws and regulations, both Parties hereby enter into this Contract upon consensus through consultation.

### 1. Line of Credit and Credit Types

- 1.1 General credit line: Party A agrees to grant Party B general credit line of RMB 1,000,000,000.00 yuan (in words: RMB one billion yuan only). Within the credit line, Party B can apply for multi-currency credit facility. Currencies other than Renminbi can be translated into Renminbi at such foreign exchange rate as quoted by Party A on the date when the credit is extended.
- 1.2 With respect to the term of the general credit line, Option (2) shall apply:
- (1) From            to            ;
  - (2) Three (3) years as from the date when this Contract comes into force.

During the credit period, Party B may use the line of credit on a  revolving or  non-revolving basis, but the aggregate amount of funds available under the credit facility shall not exceed the general credit line. The unused credit line will be automatically cancelled upon maturity of the credit period.

**Credit period refers to the time period within which specific credit facility is extended within the line of credit. The starting date of specific credit facility must be within the credit period while its expiration date may exceed such period. The starting date and expiration date of the specific credit facility shall be subject to the specific credit facility contracts.**

1.3 Types of credit facility within the line of credit hereunder shall include but are not limited to:

Loans, inter-bank lending, bill acceptance and discount, overdraft, factoring, security, issuance of letters of credit, gold lease, and derivatives etc.

Among them, basic types of derivatives include forwards, futures, swaps, and options. Derivatives also include structured financial instruments that have one or more characteristics of forwards, futures, swaps, and options.

1.4 The types/means, amount, interest rate, fee rate, and term of the credit facility extended under the line of credit shall be subject to the single credit facility contracts, the receipts for loans or other credit facility documents.

1.5 **Transfer of credit facility under the line of credit**

**Party B agrees to transfer the line of credit hereunder to a third person (namely, the entities below may use the credit line hereunder) and bear several and joint guaranty liabilities for the principals, interests, penalty interests, and compound interests of all debts (including contingent debts) incurred by the entities below under this line of credit, expenses on realization of creditor's rights (including but not limited to litigation fees, attorney's fees, notarial fees, and execution fees, etc.), and other losses and expenses incurred by Party A owing to the default of the debtor. The term of guaranty shall be from the date when the specific credit facility contract comes into force to two years after the expiry date of the debt performance period (including acceleration of debt) as agreed in such contract.**

The transferee and amount of transfer of credit line are as follows:

- / (the transferee), amount: (converted into) (currency) (in words): / ;
- / (the transferee), amount: (converted into) (currency) (in words): / ;
- / (the transferee), amount: (converted into) (currency) (in words): / ;
- / .

2. **Use of Credit Line**

2.1 **The signing of this Contract by Party A and Party B does not constitute Party A's commitment to grant credit facility to Party B.** With respect to specific credit facility under the line of credit, Party B shall apply to Party A in writing separately. Party A has the right to decide at its own discretion whether to grant any single credit facility to Party B. Where Party A agrees to grant any credit facility upon review, Party A and Party B will enter into a specific credit facility contract according to the nature of the credit facility.

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## 2.2 Prerequisites for use of credit line:

- (1) Party B has properly gone through all statutory procedures (if any) for government permissions, approvals, registrations, and delivery in relation to credit facility under this Contract;
  - (2) Relevant security contract (if any) has come into force;
  - (3) Party B has paid up all expenses (if any) in relation to this Contract;
  - (4) Party B has satisfied all conditions for credit facility as agreed in this Contract;
  - (5) There has been no adverse change to the operating and financial conditions of Party B and its security provider (if any);
  - (6) There has been no change in the willingness of Party B to repay and the willingness of its security provider to secure the debts (if any);
  - (7) Party B does not breach this Contract in any form.
- 2.3 Party A has the right to adjust the line of credit or request Party B to provide additional security according to changes of exchange rate.
- 2.4 **Party A has the right to supervise use of the credit line and purposes of the funds under the credit facility, and Party B shall cooperate.**
- 2.5 **Prior to or during the use of the credit line, where the credit line hereunder is not available to Party B owing to any change to the national macro-control policies, requirements that the regulatory department imposes on Party A for control of credit scale or credit direction, or other reasons not attributable to Party A, Party A has the right to suspend or terminate Party B's use of the credit line hereunder and to rescind this Contract, and Party B shall not have any objection thereto.**

## 3. Repayment

- 3.1 Party B shall open an account with Party A and deposit amount payable in such account before the agreed date of repayment.
- 3.2 Party B shall perform its liabilities on time when each credit facility under the credit line is due. Otherwise, such credit facility shall be deemed overdue or as advances.
- 3.3 **Party B hereby irrevocably authorizes Party A to deduct the principals, interests, and related expenses of the due credit facility under the credit line from any account that Party B opens with all or any business outlet of Ping An Bank.**

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#### **4. Representation and Warranties of Party B**

- 4.1 Party B is a company duly incorporated, validly existing and in good standing in its jurisdiction, and has full corporate power and government permit and approval to conduct the business it carries out currently.
- 4.2 Party B has obtained all authority and approval required for entering into this contract. The execution hereof is true expression of intent of Party B, and will not result in violation of any agreement or covenant with any third party. Party B does not violate any laws, regulations or rules with respect to environment protection, energy saving and emission reduction and reduction of pollution when entering into this contract, and undertakes to strictly comply with such laws, regulations and rules after entering into this contract.
- 4.3 Except for those already notified to Party A in writing before execution hereof, Party B is not involved in any other litigation, arbitration, execution, appeal, review or other procedures as well as other events or circumstances which could have material adverse effect on the performance of this contract.
- 4.4 Party B shall provide the financial statements, the information of all bank account numbers and the balance of deposits and loans, as well as other relevant information required by Party A within the time limited specified by Party A. Party B shall warrant that the documents and information provided by it are true, complete and objective and free of any false record, misrepresentation or material omission, and the financial statements are prepared strictly according to the Chinese accounting standards.

#### **5. Rights and Obligations of Party B**

- 5.1 Party B shall open an account with Party A and give priority to Party in deposit and settlement.
- 5.2 When Party B is a group client, Party B shall send a written report to Party A within ten (10) days from the date of any related-party transaction in the amount more than 10% of its net assets. The contents of such report shall include the related-party relationship, items and nature of the transaction, amount of the transaction or appropriate proportions, and pricing policies of the parties thereto (including transactions where no amount or only nominal amounts are charged).

Group clients refer to corporate bodies or legal-person public institutions with the following characteristics:

- (1) Such corporate bodies or legal-person public institutions directly or indirectly control other corporate bodies or legal-person public institutions or are directly or indirectly controlled by corporate bodies or legal-person public institutions in terms of stock equity or operation;
- (2) Such corporate bodies or legal-person public institutions are under the common control by a third-party corporate body or legal-person public institution;

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- (3) Such corporate bodies or legal-person public institutions are directly or indirectly under the common control of individual investors, key officers, or their closely-related family members (including direct relatives within three generations and collateral relatives within two generations);
  - (4) Where there are other related-party relationships and assets and profits may not be transferred at fair price, such corporate bodies or legal-person public institutions shall be subject to credit facility management as group clients.
- 5.3 **Party B shall give thirty days' written notice to Party A in any of the following circumstances. If Party A deems that such circumstance may have material effect on performance of this contract, Party B may carry out the following only after obtaining written consent of Party A:**
- (1) Any material change to the operating regime, shareholding structure, organizational form of property, and principal business, including but not limited to contracting or leasing operation, association, shareholding reform, M&A, acquisition, joint venture, division, establishment of subsidiaries, trusteeship (receivership), sale of enterprise, transfer of property or reduction of capital etc.;
  - (2) Sale, gift, lending, transfer, mortgage, pledge or otherwise disposal of any assets accounting for 10% of the net assets;
  - (3) Any distribution of dividends exceeding 30% of the after-tax net profits for the current year, or exceeding 20% of all undistributed profits;
  - (4) Any new investment made after effectiveness of this contract exceeding 20% of the net assets;
  - (5) Modification of any debt provisions with other banks, or early satisfaction of other long-term debts;
  - (6) Repayment of any shareholder's debts of Party B; or
  - (7) Application to other banks for credit facility, or provision of security to any third party, or reduction of any debts owed by any third party, the amount of which exceeds 20% of the net assets.
- 5.4 Party B shall notify Party A in writing within seven working days from the date on which any of the following events occurs or may occur and Party A has the right to decide whether to request Party A for additional security or to directly recover all loans according to the specific situation:
- (1) Worsening of operational or financial situation of Party B or its security provider, major financial losses, loss of assets (including but not limited to loss of assets due to providing security for a third party), or other financial crises;
  - (2) Administrative penalties or criminal punishment on Party B for unlawful business operation or Party B's involvement in major legal dispute;

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- (3) Involvement of the legal representatives or key officers of Party B, Party B's shareholders or actual controllers, or its security provider in important cases, property preservation and other compulsory measures on their major assets, administrative penalties or criminal punishment on Party B, or other events resulting in their failure to perform obligations;
  - (4) Party B or its security provider provides security to a third party, which has material adverse impact on the financial condition of Party B or its security provider or their ability to perform the obligations under this Contract;
  - (5) Division, combination, merger, acquisition and restructuring, disposal of substantial asset, capital reduction, shutdown, stop of business for rectification, liquidation, reorganization, cancellation, dissolution, bankruptcy, or cancellation of the business license of Party B or its security provider;
  - (6) Significant reduction in the value of the collaterals, destruction or loss of the collaterals, disputes arising in relation to the ownership of the collaterals, or sealing-up, attachment, freezing, deduction, lien, or auction of the collaterals;
  - (7) Other events or defaults that have major impact on business operation of Party B or the security provider or on security of loans of Party A.
- 5.5 Where Party B changes its domicile, correspondence address, telephone number, business scope, legal representative or other matters, it shall give Party A written notice within seven working days after such change. If Party B fails to perform the above obligation of notice, and Party A sends relevant notice or document (including but not limited to both parties' notices or documents during performance of this contract, the arbitration or litigation materials or instruments during arbitration or litigation process, and relevant materials and instruments during execution of cases) to the original domicile or correspondence address, such notice or document shall be deemed duly served.
- 5.6 Party B shall keep reasonable financial ratios during its use of the credit line.
- Financial indexes during use of the credit line shall meet the following standards: /
- 5.7 **Where Party B applies for the one-stop loan service, Party B shall agree to the following:**
- (1) Party B shall open a settlement account with Party A. For export rebate account loan, warehouse receipt pledge loan, and accounts receivable loan, Party B must open a repayment account with Party A and authorize Party A to directly deduct from the account the corresponding amounts for repayment of the credit facility hereunder.
  - (2) After the loan is drawn down, Party B shall apply to Party A for and use corporate internet banking product.
  - (3) Party B undertakes to give priority to Party A in application for mortgage finance and pledge finance.

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## 6. Rights and Obligations of Party A

6.1 For credit line more than one year, Party A has the right to assess the operational and financial conditions of Party B and the security provider (if any) and the progress of specific projects according to the credit conditions as agreed in the contract at the time when the credit line becomes effective, from the second year after the credit line becomes effective, and Party A will adjust the credit amount, term, and interest rate based on the assessment results.

Where there is any mortgage or pledge collateral, Party A has the right to evaluation of such collateral every year by appraisal agencies approved by Party A. If the value of the collateral deteriorates obviously and is insufficient to be used for debt security under the principal contract, Party A has the right to require Party B to repay a part of the loan or to provide other security acceptable to Party A.

6.2 Party A has the right to require Party B to provide data in relation to the credit line, and access the domicile of Party B to investigate, review, or check the use of credit and the assets, financial condition and operation of Party B. Party B shall cooperate. Party A also has the right to supervise Party B's use of loans for such purposes as agreed in this Contract.

6.3 Party A shall keep confidential all information provided by Party B, except for those provided otherwise by laws and regulations or regulators, those otherwise agreed by both Parties, and those that do not constitute confidential information.

## 7. Breach of Contract

7.1 **Any of the following will constitute a breach of this Contract hereunder:**

- (1) Arrears in payment of interest, overdue payment, advance money, or use of the funds for purposes other than those agreed by both Parties occurs to the credit under this Contract;
- (2) Party B violates any of its representations, warranties, or covenants;
- (3) Party B breaches any of its due obligations under this Contract;
- (4) Party B conceals important information;
- (5) Party B or its security provider avoids its debt by means of related-party transaction or other means;
- (6) Party B or its security provider is omitted in management and exercise of its matured claims or transfers its assets or avoid its debts by disposal of its main property for free, at an unreasonably low price, or in other improper means;
- (7) Party B utilizes false contracts and arrangements with any third party, including but not limited to debt factoring or pledge with notes receivable without true trade background, to fraudulently obtain funds or credit facility from Party A or other banks;

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- (8) Party B or its security provider breaches other contracts concluded with Party A or other banks (including but not limited to credit agreements, loan agreements, and security agreements) or issues securities with characteristics of debt;
  - (9) The security provider of Party B breaches the security contracts (including but not limited to guarantee contracts, mortgage contract, and pledge contracts), events of default under the security contracts occur, or the security contracts are ineffective, invalid, or rescinded; the collateral is notably depreciated or lost, a dispute arises with regard to the ownership of the collateral, or the collateral is sealed up, attached, frozen, deducted, subject to lien, or auctioned;
  - (10) Where any matter as described in Clauses 5.3 and 5.4 that shall be notified of occurs, Party A believes such matter will affect the safety of its creditor's right.
  - (11) The business term of Party B or its security provider expires within the credit period hereunder and Party B or its security provider fails to renew its business license.

7.2 **Where any event of default occurs, Party A has the right to:**

- (1) Adjust, cancel, or terminate the general credit line under this Contract, or adjust the credit period and/or amount;
- (2) Declare that all or part of the credit facility hereunder is immediately due and require Party B to immediately repay the principals, interests, and expenses of such credit facility. Penalty interest will be charged on the principals of all extended credit facility at the penalty interest rate from the date when the event of default occurs until Party B pays off all principals of the credit facility;  
Expenses include but are not limited to attorney's fees, litigation fees, arbitration fees, traveling expenses, announcement fees, delivery fees, execution expenses, transfer fees, and other expenses that Party A pays for realization of its creditor's right.
- (3) **Require Party B to provide security deposit in full amount for payment of acceptance bills, bonds, letters of credit, or other types of credit facility that have not become mature;**
- (4) Require Party B to provide Party A with new security acceptable to Party A;
- (5) directly deduct amount from the account of Party B or its security provider to repay all debts of Party B under this Contract and specific credit facility contracts (including the debts for which Party A requires prepayment) without consent of Party B in advance;
- (6) enforce any security interest, and to require the guarantor to perform its guarantee obligations or to realize its creditor's right through disposal of the mortgage collateral and/or pledge collateral.

- (7) claim the right of subrogation against any debtor of Party B according to laws or requests the court to revoke Party B's waiver of its matured claims or its acts of transfer of property for free or at unreasonably low prices. Party B shall provide all necessary cooperation and assistance upon the request of Party A. Any expense incurred therefrom by Party A shall be borne by Party B.
- (8) take other remedial measures provided by laws and regulations and agreed in this Contract.

## 8. Other Provisions

(1) Loan fund shall be used in strict accordance with the agreements and shall not be used for other purposes; (2) where Party B opens a settlement account with Party A, Party B shall deposit operating revenues in this account and timely provide the bank statements of this account; (3) if Party B, Sohu.com (Game) Limited, the security provider for the loan hereunder, or the subsidiary controlled by the either of them is in default of any loan borrowed from Party A or other financial institution, Party A has the right to declare immediate maturity of such loan and require payment of principal and interests; (4) where there is any change to the actual controller, business operation mode of Party B or other major changes to Party B's business operation that may affect repayment of loan to Party A during the term of a loan, Party B shall notify Party A thereof in writing in advance and Party A reserves the right to mandatory prepayment for such matters; (5) if Sohu.com Inc violates the agreement in Article 2.1(iii) of the Commitment Letter executed with Party A on May 19, 2017 (which states that iii. Sohu.com Inc shall ensure that the balance of net cash in the scope of the consolidated statement of Sohu.com Inc shall not be less than USD 200 million at any time. Among them, the balance of net cash = the ending balance of cash and cash equivalents + restricted cash pertaining to Interest-bearing liabilities provided by third parties + the ending balance of the financial products and short-term investment included in other accounting items - the ending balance of the interest-bearing debts provided by any third party –the total amount of any security provided to any third parties. ), or Sohu.com Inc fails to cooperate in accordance with Article 2.1 (i) and Article 2.2 (ii) of the Commitment Letter executed with Party A on May 19, 2017 (which states that i. if the Borrowers under any Loan Agreement have difficulty to repay the Loan, upon written request of Party A, subject to the laws of the relevant jurisdiction and China laws and regulations, Party B shall, to the extent of the equity it holds directly or indirectly, use its best efforts to cause Changyou.com Limited (NASDAQ: CYOU, "Changyou"), subject to applicable law and fiduciary principles, to pay a cash dividend to Changyou's shareholders. 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Party B shall ensure the proceeds it obtains through disposal of the stocks may be circulated freely in the Sohu Group so that the Borrowers are able to timely repay the principal and interest of the due Loan under the Loan Agreement to Party A.), Party A has the right to announce acceleration of the loans under this Contract and require repayment of the principals and interests; (6) if Sohu.com (Game) Limited violates Article 4.7 of Guaranty Agreement (Ping Yin Hu Yi Wen E Bao Zi 20170512 No. 001) executed with Party A on May 19, 2017 (which states that the balance of net cash of Party B and its subsidiaries at any time shall not be less than the minimum deposit amount for the principal and interest of the loans actually provided by Party A. Among others, the balance of net cash = the ending balance of cash and cash equivalent + restricted cash pertaining to interest-bearing liabilities provided by third parties + the ending balance of the financial products and short-term investment included in other accounting items – the ending balance of the interest-bearing debts provided by any party other than Sohu.com Inc. (NASDAQ:SOHU, the "SOHU") and its subsidiaries and invested enterprises – the total amount of any security provided to any third parties; the minimum deposit amount for the principal and interest of the loans actually provided by Party A = the principal and interest of the loans actually provided by Party A/90%/the shareholding percentage held by Party B directly or indirectly in Changyou.com Limited (NASDAQ:CYOU, the "CYOU")), Party A has the right to announce acceleration of the loans under this Contract and require repayment of the principals and interests; (7) Party A has the right to dynamically monitor the account that Party B opens with Party A. In case of any abnormality in the credit facility, Party A has the right to take measures including but not limited to freezing the account, suspension of payment, and suspension of internet banking service and other value-added services; (8) the loan rate shall be the benchmark lending rate of same grade published by the People's Bank of China plus 15%.

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**9. Miscellaneous Provisions**

- 9.1  Both parties agree to notarize this contract with the effect of execution.

After the notarization with the effect of execution, if Party B fails to perform any obligation hereunder in whole or in part, Party A is entitled to apply for an execution certificate from the original notary office, and then apply to the competent people's court (i.e., the people's court at the place of the executed party's domicile or the executed party's property) for execution by the original notarial certificate and the execution certificate.

This contract will not be notarized with the effect of execution.

- 9.2 Applications for single credit facility, credit agreements, certificates of indebtedness, credit facility certificates, other documents and information affirmed by both Parties, and letters of commitment and statements that Party B unilaterally issues to Party A, which are arising in relation to this Contract, shall constitute an integral part of this Contract and shall have equal legal force.

- 9.3 **Party B agrees and authorizes Party A to consult Party B's enterprise information and credit information with the basic database of financial credit information and other credit information service agency established according to law at the application stage and during the existing period of Party B's credit facility, for Party B's application and subsequent management of credit facility. Party B agrees and authorizes Party A to report Party B's enterprise information and credit information, including but not limited to the credit facility information and the information having adverse effect on the information owner, to the basic database of financial credit information and other credit information service agency established according to law pursuant to Regulations on the Administration of Credit Investigation Industry.**
- 9.4 The check box will be selected by "✓".
- 9.5 **Both parties shall resolve the dispute arising from performance of this contract through negotiation. If negotiation fails, the provisions of subsection (2) below shall apply:**
- (1) **To apply for arbitration to / , and arbitrate the dispute according to the arbitration rules of the commission applied at the time of applying for the arbitration. The arbitration award is final and has binding force upon both parties.**
  - (2) **To file a lawsuit to the people's court at the place of Party A.**
  - (3) **To file a lawsuit to the people's court of / .**
- 9.6 This contract shall be governed by the laws of the People's Republic of China.
- 9.7 This contract shall become effective when the parties sign (the authorized persons shall sign or seal, and affix the common seals). **If Party B fails to use the credit line within three months after this contract becomes effective, Party A is entitled to terminate this contract unilaterally.**
- 9.8 This contract is made in four counterparts. Party A will hold two counterparts, and Party B and the registration authority will each hold one.

**Party B hereby declares that it fully understands the provisions of this Contract (especially those in boldface), provisions of the security contract in relation to this Contract, and other related documents, and have sought independent legal advice for this purpose (when necessary).**

Party A (seal): Tianjin Pilot Free Trade Zone Branch, Ping An Bank Co., Ltd.

Legal representative (principal) or entrusted agent (signature): /s/ Wang Lu

Date: May 19, 2017

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Party B (seal): Fox Information Technology (Tianjin) Limited

Legal representative or entrusted agent (signature): /s/ Li Wei

Date: May 19, 2017

## Credit Agreement

Contract No.: Ping Yin Hu Yi Wen Zong Zi 20170512 No. 003

Party A (Credit Grantor): Tianjin Pilot Free Trade Zone Branch, Ping An Bank Co., Ltd.  
 Domicile (Address): 101, Gate 1, Tower #1, Ronghe Plaza, No. 168, Xisi Road, China (Tianjin) Pilot Free Trade Zone (Tianjin Airport Economic Area), Tianjin, China  
 Legal representative (person in charge): Wei Huisheng  
 Tel: 022-59060622

Party B (Applicant): Tianjin Jinhu Culture Development Co., Ltd  
 Domicile (Address): Room 2101, 21/F, Building C3, Taida MSD-C Zone, No.79, Road 1, Economic and Technological Development District, Tianjin  
 Legal representative: James Deng  
 Tel: 010-62726666

Party B applies to Party A for the general credit line. In accordance with the Contract Law and relevant laws and regulations, both Parties hereby enter into this Contract upon consensus through consultation.

### 1. Line of Credit and Credit Types

- 1.1 General credit line: Party A agrees to grant Party B general credit line of RMB 500,000,000.00 yuan (in words: RMB five hundred million yuan only). Within the credit line, Party B can apply for multi-currency credit facility. Currencies other than Renminbi can be translated into Renminbi at such foreign exchange rate as quoted by Party A on the date when the credit is extended.
- 1.2 With respect to the term of the general credit line, Option (2) shall apply:
- (1) From \_\_\_\_\_ to \_\_\_\_\_ ;
- (2) Three (3) years as from the date when this Contract comes into force.

During the credit period, Party B may use the line of credit on a  revolving or  non-revolving basis, but the aggregate amount of funds available under the credit facility shall not exceed the general credit line. The unused credit line will be automatically cancelled upon maturity of the credit period.

**Credit period refers to the time period within which specific credit facility is extended within the line of credit. The starting date of specific credit facility must be within the credit period while its expiration date may exceed such period. The starting date and expiration date of the specific credit facility shall be subject to the specific credit facility contracts.**

1.3 Types of credit facility within the line of credit hereunder shall include but are not limited to:

Loans, inter-bank lending, bill acceptance and discount, overdraft, factoring, security, issuance of letters of credit, gold lease, and derivatives etc.

Among them, basic types of derivatives include forwards, futures, swaps, and options. Derivatives also include structured financial instruments that have one or more characteristics of forwards, futures, swaps, and options.

1.4 The types/means, amount, interest rate, fee rate, and term of the credit facility extended under the line of credit shall be subject to the single credit facility contracts, the receipts for loans or other credit facility documents.

1.5 **Transfer of credit facility under the line of credit**

**Party B agrees to transfer the line of credit hereunder to a third person (namely, the entities below may use the credit line hereunder) and bear several and joint guaranty liabilities for the principals, interests, penalty interests, and compound interests of all debts (including contingent debts) incurred by the entities below under this line of credit, expenses on realization of creditor's rights (including but not limited to litigation fees, attorney's fees, notarial fees, and execution fees, etc.), and other losses and expenses incurred by Party A owing to the default of the debtor. The term of guaranty shall be from the date when the specific credit facility contract comes into force to two years after the expiry date of the debt performance period (including acceleration of debt) as agreed in such contract.**

The transferee and amount of transfer of credit line are as follows:

- / (the transferee), amount: (converted into) (currency) (in words): / ;
- / (the transferee), amount: (converted into) (currency) (in words): / ;
- / (the transferee), amount: (converted into) (currency) (in words): / ;
- / .

2. **Use of Credit Line**

2.1 **The signing of this Contract by Party A and Party B does not constitute Party A's commitment to grant credit facility to Party B.** With respect to specific credit facility under the line of credit, Party B shall apply to Party A in writing separately. Party A has the right to decide at its own discretion whether to grant any single credit facility to Party B. Where Party A agrees to grant any credit facility upon review, Party A and Party B will enter into a specific credit facility contract according to the nature of the credit facility.

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## 2.2 Prerequisites for use of credit line:

- (1) Party B has properly gone through all statutory procedures (if any) for government permissions, approvals, registrations, and delivery in relation to credit facility under this Contract;
  - (2) Relevant security contract (if any) has come into force;
  - (3) Party B has paid up all expenses (if any) in relation to this Contract;
  - (4) Party B has satisfied all conditions for credit facility as agreed in this Contract;
  - (5) There has been no adverse change to the operating and financial conditions of Party B and its security provider (if any);
  - (6) There has been no change in the willingness of Party B to repay and the willingness of its security provider to secure the debts (if any);
  - (7) Party B does not breach this Contract in any form.
- 2.3 Party A has the right to adjust the line of credit or request Party B to provide additional security according to changes of exchange rate.
- 2.4 **Party A has the right to supervise use of the credit line and purposes of the funds under the credit facility, and Party B shall cooperate.**
- 2.5 **Prior to or during the use of the credit line, where the credit line hereunder is not available to Party B owing to any change to the national macro-control policies, requirements that the regulatory department imposes on Party A for control of credit scale or credit direction, or other reasons not attributable to Party A, Party A has the right to suspend or terminate Party B's use of the credit line hereunder and to rescind this Contract, and Party B shall not have any objection thereto.**

## 3. Repayment

- 3.1 Party B shall open an account with Party A and deposit amount payable in such account before the agreed date of repayment.
- 3.2 Party B shall perform its liabilities on time when each credit facility under the credit line is due. Otherwise, such credit facility shall be deemed overdue or as advances.
- 3.3 **Party B hereby irrevocably authorizes Party A to deduct the principals, interests, and related expenses of the due credit facility under the credit line from any account that Party B opens with all or any business outlet of Ping An Bank.**

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#### **4. Representation and Warranties of Party B**

- 4.1 Party B is a company duly incorporated, validly existing and in good standing in its jurisdiction, and has full corporate power and government permit and approval to conduct the business it carries out currently.
- 4.2 Party B has obtained all authority and approval required for entering into this contract. The execution hereof is true expression of intent of Party B, and will not result in violation of any agreement or covenant with any third party. Party B does not violate any laws, regulations or rules with respect to environment protection, energy saving and emission reduction and reduction of pollution when entering into this contract, and undertakes to strictly comply with such laws, regulations and rules after entering into this contract.
- 4.3 Except for those already notified to Party A in writing before execution hereof, Party B is not involved in any other litigation, arbitration, execution, appeal, review or other procedures as well as other events or circumstances which could have material adverse effect on the performance of this contract.
- 4.4 Party B shall provide the financial statements, the information of all bank account numbers and the balance of deposits and loans, as well as other relevant information required by Party A within the time limited specified by Party A. Party B shall warrant that the documents and information provided by it are true, complete and objective and free of any false record, misrepresentation or material omission, and the financial statements are prepared strictly according to the Chinese accounting standards.

#### **5. Rights and Obligations of Party B**

- 5.1 Party B shall open an account with Party A and give priority to Party in deposit and settlement.
- 5.2 When Party B is a group client, Party B shall send a written report to Party A within ten (10) days from the date of any related-party transaction in the amount more than 10% of its net assets. The contents of such report shall include the related-party relationship, items and nature of the transaction, amount of the transaction or appropriate proportions, and pricing policies of the parties thereto (including transactions where no amount or only nominal amounts are charged).

Group clients refer to corporate bodies or legal-person public institutions with the following characteristics:

- (1) Such corporate bodies or legal-person public institutions directly or indirectly control other corporate bodies or legal-person public institutions or are directly or indirectly controlled by corporate bodies or legal-person public institutions in terms of stock equity or operation;
- (2) Such corporate bodies or legal-person public institutions are under the common control by a third-party corporate body or legal-person public institution;

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- (3) Such corporate bodies or legal-person public institutions are directly or indirectly under the common control of individual investors, key officers, or their closely-related family members (including direct relatives within three generations and collateral relatives within two generations);
  - (4) Where there are other related-party relationships and assets and profits may not be transferred at fair price, such corporate bodies or legal-person public institutions shall be subject to credit facility management as group clients.
- 5.3 **Party B shall give thirty days' written notice to Party A in any of the following circumstances. If Party A deems that such circumstance may have material effect on performance of this contract, Party B may carry out the following only after obtaining written consent of Party A:**
- (1) Any material change to the operating regime, shareholding structure, organizational form of property, and principal business, including but not limited to contracting or leasing operation, association, shareholding reform, M&A, acquisition, joint venture, division, establishment of subsidiaries, trusteeship (receivership), sale of enterprise, transfer of property or reduction of capital etc.;
  - (2) Sale, gift, lending, transfer, mortgage, pledge or otherwise disposal of any assets accounting for 10% of the net assets;
  - (3) Any distribution of dividends exceeding 30% of the after-tax net profits for the current year, or exceeding 20% of all undistributed profits;
  - (4) Any new investment made after effectiveness of this contract exceeding 20% of the net assets;
  - (5) Modification of any debt provisions with other banks, or early satisfaction of other long-term debts;
  - (6) Repayment of any shareholder's debts of Party B; or
  - (7) Application to other banks for credit facility, or provision of security to any third party, or reduction of any debts owed by any third party, the amount of which exceeds 20% of the net assets.
- 5.4 Party B shall notify Party A in writing within seven working days from the date on which any of the following events occurs or may occur and Party A has the right to decide whether to request Party A for additional security or to directly recover all loans according to the specific situation:
- (1) Worsening of operational or financial situation of Party B or its security provider, major financial losses, loss of assets (including but not limited to loss of assets due to providing security for a third party), or other financial crises;
  - (2) Administrative penalties or criminal punishment on Party B for unlawful business operation or Party B's involvement in major legal dispute;

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- (3) Involvement of the legal representatives or key officers of Party B, Party B's shareholders or actual controllers, or its security provider in important cases, property preservation and other compulsory measures on their major assets, administrative penalties or criminal punishment on Party B, or other events resulting in their failure to perform obligations;
  - (4) Party B or its security provider provides security to a third party, which has material adverse impact on the financial condition of Party B or its security provider or their ability to perform the obligations under this Contract;
  - (5) Division, combination, merger, acquisition and restructuring, disposal of substantial asset, capital reduction, shutdown, stop of business for rectification, liquidation, reorganization, cancellation, dissolution, bankruptcy, or cancellation of the business license of Party B or its security provider;
  - (6) Significant reduction in the value of the collaterals, destruction or loss of the collaterals, disputes arising in relation to the ownership of the collaterals, or sealing-up, attachment, freezing, deduction, lien, or auction of the collaterals;
  - (7) Other events or defaults that have major impact on business operation of Party B or the security provider or on security of loans of Party A.
- 5.5 Where Party B changes its domicile, correspondence address, telephone number, business scope, legal representative or other matters, it shall give Party A written notice within seven working days after such change. If Party B fails to perform the above obligation of notice, and Party A sends relevant notice or document (including but not limited to both parties' notices or documents during performance of this contract, the arbitration or litigation materials or instruments during arbitration or litigation process, and relevant materials and instruments during execution of cases) to the original domicile or correspondence address, such notice or document shall be deemed duly served.
- 5.6 Party B shall keep reasonable financial ratios during its use of the credit line.
- Financial indexes during use of the credit line shall meet the following standards: /
- 5.7 **Where Party B applies for the one-stop loan service, Party B shall agree to the following:**
- (1) Party B shall open a settlement account with Party A. For export rebate account loan, warehouse receipt pledge loan, and accounts receivable loan, Party B must open a repayment account with Party A and authorize Party A to directly deduct from the account the corresponding amounts for repayment of the credit facility hereunder.
  - (2) After the loan is drawn down, Party B shall apply to Party A for and use corporate internet banking product.
  - (3) Party B undertakes to give priority to Party A in application for mortgage finance and pledge finance.

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## 6. Rights and Obligations of Party A

6.1 For credit line more than one year, Party A has the right to assess the operational and financial conditions of Party B and the security provider (if any) and the progress of specific projects according to the credit conditions as agreed in the contract at the time when the credit line becomes effective, from the second year after the credit line becomes effective, and Party A will adjust the credit amount, term, and interest rate based on the assessment results.

Where there is any mortgage or pledge collateral, Party A has the right to evaluation of such collateral every year by appraisal agencies approved by Party A. If the value of the collateral deteriorates obviously and is insufficient to be used for debt security under the principal contract, Party A has the right to require Party B to repay a part of the loan or to provide other security acceptable to Party A.

6.2 Party A has the right to require Party B to provide data in relation to the credit line, and access the domicile of Party B to investigate, review, or check the use of credit and the assets, financial condition and operation of Party B. Party B shall cooperate. Party A also has the right to supervise Party B's use of loans for such purposes as agreed in this Contract.

6.3 Party A shall keep confidential all information provided by Party B, except for those provided otherwise by laws and regulations or regulators, those otherwise agreed by both Parties, and those that do not constitute confidential information.

## 7. Breach of Contract

7.1 **Any of the following will constitute a breach of this Contract hereunder:**

- (1) Arrears in payment of interest, overdue payment, advance money, or use of the funds for purposes other than those agreed by both Parties occurs to the credit under this Contract;
- (2) Party B violates any of its representations, warranties, or covenants;
- (3) Party B breaches any of its due obligations under this Contract;
- (4) Party B conceals important information;
- (5) Party B or its security provider avoids its debt by means of related-party transaction or other means;
- (6) Party B or its security provider is omitted in management and exercise of its matured claims or transfers its assets or avoid its debts by disposal of its main property for free, at an unreasonably low price, or in other improper means;
- (7) Party B utilizes false contracts and arrangements with any third party, including but not limited to debt factoring or pledge with notes receivable without true trade background, to fraudulently obtain funds or credit facility from Party A or other banks;

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- (8) Party B or its security provider breaches other contracts concluded with Party A or other banks (including but not limited to credit agreements, loan agreements, and security agreements) or issues securities with characteristics of debt;
  - (9) The security provider of Party B breaches the security contracts (including but not limited to guarantee contracts, mortgage contract, and pledge contracts), events of default under the security contracts occur, or the security contracts are ineffective, invalid, or rescinded; the collateral is notably depreciated or lost, a dispute arises with regard to the ownership of the collateral, or the collateral is sealed up, attached, frozen, deducted, subject to lien, or auctioned;
  - (10) Where any matter as described in Clauses 5.3 and 5.4 that shall be notified of occurs, Party A believes such matter will affect the safety of its creditor's right.
  - (11) The business term of Party B or its security provider expires within the credit period hereunder and Party B or its security provider fails to renew its business license.

7.2 **Where any event of default occurs, Party A has the right to:**

- (1) Adjust, cancel, or terminate the general credit line under this Contract, or adjust the credit period and/or amount;
- (2) Declare that all or part of the credit facility hereunder is immediately due and require Party B to immediately repay the principals, interests, and expenses of such credit facility. Penalty interest will be charged on the principals of all extended credit facility at the penalty interest rate from the date when the event of default occurs until Party B pays off all principals of the credit facility;  
Expenses include but are not limited to attorney's fees, litigation fees, arbitration fees, traveling expenses, announcement fees, delivery fees, execution expenses, transfer fees, and other expenses that Party A pays for realization of its creditor's right.
- (3) **Require Party B to provide security deposit in full amount for payment of acceptance bills, bonds, letters of credit, or other types of credit facility that have not become mature;**
- (4) Require Party B to provide Party A with new security acceptable to Party A;
- (5) directly deduct amount from the account of Party B or its security provider to repay all debts of Party B under this Contract and specific credit facility contracts (including the debts for which Party A requires prepayment) without consent of Party B in advance;
- (6) enforce any security interest, and to require the guarantor to perform its guarantee obligations or to realize its creditor's right through disposal of the mortgage collateral and/or pledge collateral.

- (7) claim the right of subrogation against any debtor of Party B according to laws or requests the court to revoke Party B's waiver of its matured claims or its acts of transfer of property for free or at unreasonably low prices. Party B shall provide all necessary cooperation and assistance upon the request of Party A. Any expense incurred therefrom by Party A shall be borne by Party B.
- (8) take other remedial measures provided by laws and regulations and agreed in this Contract.

## 8. Other Provisions

(1) Loan fund shall be used in strict accordance with the agreements and shall not be used for other purposes; (2) where Party B opens a settlement account with Party A, Party B shall deposit operating revenues in this account and timely provide the bank statements of this account; (3) if Party B, Sohu.com (Game) Limited, the security provider for the loan hereunder, or the subsidiary controlled by the either of them is in default of any loan borrowed from Party A or other financial institution, Party A has the right to declare immediate maturity of such loan and require payment of principal and interests; (4) where there is any change to the actual controller, business operation mode of Party B or other major changes to Party B's business operation that may affect repayment of loan to Party A during the term of a loan, Party B shall notify Party A thereof in writing in advance and Party A reserves the right to mandatory prepayment for such matters; (5) if Sohu.com Inc violates the agreement in Article 2.1 (iii) of the Commitment Letter executed with Party A on May 19, 2017 (which states that iii. Sohu.com Inc shall ensure that the balance of net cash in the scope of the consolidated statement of Sohu.com Inc shall not be less than USD 200 million at any time. Among them, the balance of net cash = the ending balance of cash and cash equivalents + restricted cash pertaining to Interest-bearing liabilities provided by third parties + the ending balance of the financial products and short-term investment included in other accounting items - the ending balance of the interest-bearing debts provided by any third party –the total amount of any security provided to any third parties. ), or Sohu.com Inc fails to cooperate in accordance with Article 2.1 (i) and Article 2.2 (ii) of the Commitment Letter executed with Party A on May 19, 2017 (which states that i. if the Borrowers under any Loan Agreement have difficulty to repay the Loan, upon written request of Party A, subject to the laws of the relevant jurisdiction and China laws and regulations, Party B shall, to the extent of the equity it holds directly or indirectly, use its best efforts to cause Changyou.com Limited (NASDAQ: CYOU, "Changyou"), subject to applicable law and fiduciary principles, to pay a cash dividend to Changyou's shareholders. Party B Shall ensure the dividends it obtains may be circulated freely in the Sohu Group so that the Borrowers are able to timely repay the principal and interest of the due Loan under the Loan Agreement to Party A; ii. if Party B fails to procure the Borrowers to repay the principal and interest of the due Loan under the Loan Agreement through the above channel of distribution of dividends, and it is unable to do so by other means, upon written request of Party A, subject to the laws of the relevant jurisdiction and China laws and regulations, Party B shall use its best effort to procure and cooperate with the disposal of shares of Changyou held directly or indirectly by it. Party B shall ensure the proceeds it obtains through disposal of the stocks may be circulated freely in the Sohu Group so that the Borrowers are able to timely repay the principal and interest of the due Loan under the Loan Agreement to Party A.), Party A has the right to announce acceleration of the loans under this Contract and require repayment of the principals and interests; (6) if Sohu.com (Game) Limited violates Article 4.7 of Guaranty Agreement (Ping Yin Hu Yi Wen E Bao Zi 20170512 No. 001) executed with Party A on May 19, 2017 (which states that the balance of net cash of Party B and its subsidiaries at any time shall not be less than the minimum deposit amount for the principal and interest of the loans actually provided by Party A. Among others, the balance of net cash = the ending balance of cash and cash equivalent + restricted cash pertaining to interest-bearing liabilities provided by third parties + the ending balance of the financial products and short-term investment included in other accounting items – the ending balance of the interest-bearing debts provided by any party other than Sohu.com Inc. (NASDAQ:SOHU, the "SOHU") and its subsidiaries and invested enterprises – the total amount of any security provided to any third parties; the minimum deposit amount for the principal and interest of the loans actually provided by Party A = the principal and interest of the loans actually provided by Party A/90%/the shareholding percentage held by Party B directly or indirectly in Changyou.com Limited (NASDAQ:CYOU, the "CYOU")), Party A has the right to announce acceleration of the loans under this Contract and require repayment of the principals and interests; (7) Party A has the right to dynamically monitor the account that Party B opens with Party A. In case of any abnormality in the credit facility, Party A has the right to take measures including but not limited to freezing the account, suspension of payment, and suspension of internet banking service and other value-added services; (8) the loan rate shall be the benchmark lending rate of same grade published by the People's Bank of China plus 15%.

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**9. Miscellaneous Provisions**

- 9.1  Both parties agree to notarize this contract with the effect of execution.

After the notarization with the effect of execution, if Party B fails to perform any obligation hereunder in whole or in part, Party A is entitled to apply for an execution certificate from the original notary office, and then apply to the competent people's court (i.e., the people's court at the place of the executed party's domicile or the executed party's property) for execution by the original notarial certificate and the execution certificate.

This contract will not be notarized with the effect of execution.

- 9.2 Applications for single credit facility, credit agreements, certificates of indebtedness, credit facility certificates, other documents and information affirmed by both Parties, and letters of commitment and statements that Party B unilaterally issues to Party A, which are arising in relation to this Contract, shall constitute an integral part of this Contract and shall have equal legal force.

- 9.3 **Party B agrees and authorizes Party A to consult Party B's enterprise information and credit information with the basic database of financial credit information and other credit information service agency established according to law at the application stage and during the existing period of Party B's credit facility, for Party B's application and subsequent management of credit facility. Party B agrees and authorizes Party A to report Party B's enterprise information and credit information, including but not limited to the credit facility information and the information having adverse effect on the information owner, to the basic database of financial credit information and other credit information service agency established according to law pursuant to Regulations on the Administration of Credit Investigation Industry.**
- 9.4 The check box will be selected by "✓".
- 9.5 **Both parties shall resolve the dispute arising from performance of this contract through negotiation. If negotiation fails, the provisions of subsection (2) below shall apply:**
- (1) **To apply for arbitration to / , and arbitrate the dispute according to the arbitration rules of the commission applied at the time of applying for the arbitration. The arbitration award is final and has binding force upon both parties.**
  - (2) **To file a lawsuit to the people's court at the place of Party A.**
  - (3) **To file a lawsuit to the people's court of / .**
- 9.6 This contract shall be governed by the laws of the People's Republic of China.
- 9.7 This contract shall become effective when the parties sign (the authorized persons shall sign or seal, and affix the common seals). **If Party B fails to use the credit line within three months after this contract becomes effective, Party A is entitled to terminate this contract unilaterally.**
- 9.8 This contract is made in four counterparts. Party A will hold two counterparts, and Party B and the registration authority will each hold one.

**Party B hereby declares that it fully understands the provisions of this Contract (especially those in boldface), provisions of the security contract in relation to this Contract, and other related documents, and have sought independent legal advice for this purpose (when necessary).**

Party A (seal): Tianjin Pilot Free Trade Zone Branch, Ping An Bank Co., Ltd.

Legal representative (principal) or entrusted agent (signature): /s/ Wang Lu

Date: May 19, 2017

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Party B (seal): Tianjin Jinhua Culture Development Co., Ltd

Legal representative or entrusted agent (signature): /s/ James Deng

Date: May 19, 2017

Loan Agreement

Contract No.:

- Outside of credit line
- Within credit line

name of the credit line contract:

Credit Agreement No.:

Party A (Lender): \_\_\_\_\_  
 Domicile (Address): \_\_\_\_\_  
 Legal representative (person in charge): \_\_\_\_\_  
 Tel: \_\_\_\_\_

Party B (Borrower): \_\_\_\_\_  
 Domicile (Address): \_\_\_\_\_  
 Legal representative: \_\_\_\_\_  
 Tel: \_\_\_\_\_

Party B applies to Party A for loan. In accordance with the Contract Law and relevant laws and regulations, both Parties hereby enter into this Contract upon consensus through consultation.

1. Loan

1.1 Loan Amount: (currency) (in figures) (in words) .

1.2 The purpose of loan is option below:

- (1) daily operation and turnover; or
- (2) borrowing new loan to repay the old (on-lending)/restructuring, specifically: repay the credit facility under / (contract No. and name).

1.3 The term of loan is specified in option below:

- (1) From to ; or
- (2)  days  months  years.

The actual loan amount and starting and ending dates shall be subject to the note of loan.

Where any agreed event of default occurs and Party A demands Party B to repay the loan immediately and early, the loan becomes due at the occurrence of such event.

**Where the loan is paid in installments, the maturity date of each installment of loan shall not be later than the maturity date of the first installment.**

1.4 Interest Rate

1.4.1 The interest rate of the loan hereunder shall be determined according to the following standards, and the interest rate of the first installment of loan shall be subject to the note of loan (mark “✓” in the check box to select the right option):

- The benchmark interest rate for loan of the same grade published by the People’s Bank of China on the date of issuing the loan %.
- The benchmark interest rate for loan of the same grade published by the People’s Bank of China on the date of issuing the loan + / - (floating points).
- The benchmark interest rate for loan of the same grade published by the People’s Bank of China on the date of issuing the loan.
- The  LIBOR HIBOR on the date of issuing the loan + / - (base points) (applicable only to fore exchange loan).
- The benchmark interest rate for loan of the same grade of LPR on the date of issuing the loan  plus/minus %.
- The benchmark interest rate for loan of the same grade of LPR on the date of issuing the loan + / - (floating points).
- The benchmark interest rate for loan of the same grade of LPR on the date of issuing the loan.

**The interest will be calculated based on the actual number of days of the loan. The daily rate of GBP and HKD is annual rate/365, and the daily rate of other currency is annual rate/360.**

1.4.2 The interest rate of the loan hereunder shall be adjust in the way of (mark “✓” in the check box of the right option):

- Float on a basis. The date of adjusting the interest rate is option :  
① (every month/ every 3 months/ every 6 months/ every year), on the date corresponding to the date of issuing the loan, or the last day of the corresponding month, if there is no corresponding date.
- ② on January 1 of each year.
- This contract implements a fixed interest rate during the term of loan.

Where the interest rate of loan is floating, the interest of the loan will be charged at the adjusted rate from the date of adjustment of rate. However, if the loan is repaid in installments (including equal repayment on schedule and diminishing repayment on schedule), the original interest rate will be applied on the date of adjustment of rate, and the adjusted rate will be applied from the next installment.

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- 1.4.3 Where the benchmark rate is adjusted for several times, Party A will adjust the rate according to the updated benchmark rate on the date of adjustment. If the People's Bank of China adjusts the floating range of the benchmark rate, and render the above agreed loan rate lower than the floor rate of the People's Bank of China, the loan rate hereunder shall be adjusted as such floor rate. If the People's Bank of China no longer publishes the benchmark rate, the loan rate hereunder shall be adjusted as the recognized inter-bank or customary loan rate of same period and same grade, except as otherwise stipulated by both parties.
- 1.4.4 Where the State changes the way of determining, adjusting or calculating the interest rate, such changes shall apply.
- 1.4.5 Party A will not notify Party B of the above rate adjustment separately.**
- 1.5 The 20th day of each month is the expiry date of interest. Party B will pay interest on a/an  monthly  quarterly  annual  other basis. The mature date of the loan is the last expiry date of interest, and the interest shall be settled and paid together with the principal.
- (1) In case of paying interest on a monthly basis, the expiry date of interest is the 20<sup>th</sup> day of each month.
  - (2) In case of paying interest on a quarterly basis, the first expiry date of interest is the first 20<sup>th</sup> day after the date of issuing the loan, and the subsequent interest will be settled every three months after the first expiry date of interest.
  - (3) In case of paying interest on an annual basis, the first expiry date of interest is the first 20<sup>th</sup> day after the date of issuing the loan, and the subsequent interest will be settled every twelve months after the first expiry date of interest.
  - (4) In case of paying interest on other basis, .

## **2. Issuance of Loan**

- 2.1 Party A has the right to examine the following matter before issuing the loan and will decide whether to issue the loan according to the examination result:**
- (1) Whether Party B has properly gone through all statutory procedures (if any) for government permissions, approvals, registrations, and delivery in relation to the loan under this Contract;
  - (2) Whether relevant security contract (if any) has come into force;
  - (3) Whether Party B has paid up all expenses (if any) in relation to this Contract;

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- (4) Whether Party B has satisfied all conditions for loan as agreed in this Contract;
  - (5) Whether there has been any adverse change to the operating and financial conditions of Party B and its security provider (if any);
  - (6) Whether there has been any change in the willingness of Party B to repay and the willingness of its security provider to secure the debts (if any);
  - (7) Whether Party B breaches this Contract in any form.
- 2.2 When paying the loan, if Party A finds that Party B's credit condition worsens, or the profitability of Party B's principal business is weak, or any abnormality occurs to the use of the loan fund, Party A has the right to change the payment method of the loan or to stop issuing and paying the loan fund.
- 2.3 **Prior to the issuance of the loan, where Party A is unable to issue the loan hereunder owing to any change to the national macro-control policies, requirements that the regulatory department imposes on Party A for control of credit scale or credit direction, or other reasons not attributable to Party A, Party A has the right to stop the issuance of loan or to rescind this Contract, and Party B shall not have any objection thereto.**
- 2.4 Payment Method
- Party A and Party B agree that the loan fund will be paid in any of the following methods:
- Full entrusted payment:** which means that Party A will pay the loan fund to the counter-party of Party B meeting the agreed purpose through Party B's account, at the drawdown request and payment entrustment of Party B.
- Partial entrusted payment:** which means when the recipient of payment is definite and the single payment amount is RMB \_\_\_\_\_ or more, Party A will pay the loan fund to the counter-party of Party B meeting the agreed purpose through Party B's account, at the drawdown request and payment entrustment of Party B. The remaining loan fund will be paid by Party B **at its sole discretion**, which means that Party A will pay the loan fund to Party B's account at the drawdown request of Party B, and then Party B will pay the fund to its counter-party meeting the agreed purpose at its sole discretion.
- Full self-payment:** which means Party A will pay the loan fund to Party B's account at the drawdown request of Party B, and then Party B will pay the fund to its counter-party meeting the agreed purpose at its sole discretion.
- 2.5 Management of Payment
- Party A and Party B agree that the payment of loan fund will be managed as follows:
- In case of entrusted payment, Party B may request Party A to pay the loan fund only when the following conditions are met:
- (1) Party B submits the payment application and corresponding business contract and other evidence according to the requirements of Party A, and the transaction subject and payment amount and other information in the payment application are consistent with the evidence;

- (2) The payment application conforms to the purpose of loan specified herein;
- (3) Party B authorizes Party A to pay the loan fund to any specific transaction subject;

Party A has the right to examine whether the payment subject and amount etc. in the payment application conform to the business contract and other evidence, and to refuse any payment application inconsistent with the loan purpose hereof.

**In case of self-payment, after the loan is issued, Party B shall summarize and report in writing the payment of loan fund to Party A on a monthly basis, and, at the request of Party A, provide the information of transaction subject and payment amount and corresponding business contract and other evidence. Party A is entitled to verify whether the payment of loan fund is consistent with the specified purpose through analysis of account, inspection of certificates and vouchers and field investigation and other means. Party B shall cooperate.**

#### 2.6 Change of Payment Method and Conditions Triggering the Change

Where any of the following circumstances occurs, Party A is entitled to adjust the **standard of amount of the entrusted payment**, or change the payment method into **full entrusted payment** :

- (1) In case of self-payment, Party B fails to summarize and report in writing the payment of loan fund to Party A on a regular basis, or refuse to cooperate with Party A's verification of whether the payment of loan fund is consistent with the specified purpose through analysis of account, inspection of certificates and vouchers and field investigation and other means;
- (2) Party B breaches any provisions hereof and avoid Party A's entrusted payment by breaking the whole into parts;
- (3) Party B's credit condition worsens or the profitability of its principal business is weak;
- (4) Any abnormality occurs to the use of the loan fund; or
- (5) The supervisory department adjusts the standards of entrusted payment.

#### 2.7 Management of Account

Upon consultation between the parties, Party B agrees to open the following account with Party A and accepts the supervision of Party A:

- a. Party B agrees to open a **loan issuance account** with Party A according to Party A's requirements, with the account name being \_\_\_\_\_, and account No. being \_\_\_\_\_. The payment and withdrawal of loan fund shall be carried out through such account. Party A has the right to monitor the account in a dynamic way, and to freeze, stop payment or take other measures when it finds any abnormal situation.

b. Party B agrees to open a **fund return account** with Party A according to Party A's requirements (mark "✓" in the check box before the option you select)

The fund return account is same as the loan issuance account in Option a.

The name of the fund return account is \_\_\_\_\_, and the account No. is \_\_\_\_\_.

The return of fund in the account shall comply with the following provisions:

When Party B is unable to repay the loan owed to Party A in a timely manner, Party A is entitled to deduct fund from the fund return account opened with Party A and other accounts opened by Party B with any branches or outlets of Party A to repay the principal and interest of the loan.

c. Party B agrees that Party A is entitled to prepayment of the loan based on the fund return of Party B.

### 3. Repayment

3.1 Party B will repay the principal of loan in the way of Option \_\_\_\_\_ below:

(1) Repayment of principal in installment:

On a monthly quarterly annual basis, with each installment of repayment of principal being \_\_\_\_\_.

Repay on the date and in the amount set forth in Exhibit 1 hereto.

Other \_\_\_\_\_.

(2) Repay in one lump sum when it becomes due.

3.2 Where Party B repays the principal on a monthly basis, the repayment date is the expiry date of interest of each month as from the loan issuance date. Where Party B repays the principal on a quarterly basis, the repayment date is the expiry date of interest of every three month after the loan issuance date. Where Party B repays the principal on an annual basis, the repayment date is the expiry date of interest of every twelve month after the loan issuance date.

3.3 Where Party B opens an account with Party A, it shall deposit the repayment amount in the account before the specified repayment date.

3.4 Party B shall repay the principal and interest of loan hereunder timely and fully. **If any installment of repayment is not made timely or fully, Party A has the right to demand Party B to repay the entire loan, and to charge penalty on the outstanding loan from the overdue date.**

3.5 **Party B hereby irrevocably authorizes Party A to deduct the due principal, interest and expense of the loan from any account opened by Party B with any operating outlets of Ping An Bank.**

**3.6 Where Party B needs to prepay the loan, it shall give thirty days' written notice to Party A to apply for prepayment and obtain written consent of Party A. The written application of prepayment shall become irrevocable when Party A consents in writing.**

**Where Party B prepays the loan, it shall pay Party A compensation** which shall be paid to Party A together with the principal and interest prepaid by Party B. The compensation will be calculated by the prepaid amount  $\times$  the number of days from the prepayment date to the maturity date  $\times$  the interest rate specified herein. Where the actual number of days from the prepayment date to the maturity date is less than thirty days, the actual number shall apply, and the compensation will be reduced by half. Where the number of days exceeds thirty days, the compensation will be paid for third days.

#### **4. Representation and Warranties of Party B**

- 4.1 Party B is a company duly incorporated, validly existing and in good standing in its jurisdiction, and has full corporate power and government permit and approval to conduct the business it carries out currently.
- 4.2 Party B has obtained all authority and approval required for entering into this contract. The execution hereof is true expression of intent of Party B, and will not result in violation of any agreement or covenant with any third party. Party B does not violate any laws, regulations or rules with respect to environment protection, energy saving and emission reduction and reduction of pollution when entering into this contract, and undertakes to strictly comply with such laws, regulations and rules after entering into this contract.
- 4.3 Except for those already notified to Party A in writing before execution hereof, Party B is not involved in any other litigation, arbitration, execution, appeal, review or other procedures as well as other events or circumstances which could have material adverse effect on the performance of this contract.
- 4.4 Party B shall provide the financial statements, the information of all bank account numbers and the balance of deposits and loans, as well as other relevant information required by Party A within the time limited specified by Party A. Party B shall warrant that the documents and information provided by it are true, complete and objective and free of any false record, misrepresentation or material omission, and the financial statements are prepared strictly according to the Chinese accounting standards.

#### **5. Rights and Obligations of Party B**

- 5.1 Party B has the right to request Party A to issue loan to it according to the conditions hereof. However, if Party A is unable to issue the loan hereunder owing to any change to the national macro-control policies, requirements that the regulatory department imposes on Party A for control of credit scale or credit direction, or other reasons not attributable to Party A, Party A has the right to stop the issuance of loan or to rescind this Contract.

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- 5.2 Party B shall use the loan for the purpose specified herein and repay the principal and interest of the loan timely and fully.
- 5.3 Party B shall open an account with Party A and give priority to Party in deposit and settlement.
- 5.4 When Party B is a group client, Party B shall send a written report to Party A within ten (10) days from the date of any related-party transaction in the amount more than 10% of its net assets. The contents of such report shall include the related-party relationship, items and nature of the transaction, amount of the transaction or appropriate proportions, and pricing policies of the parties thereto (including transactions where no amount or only nominal amounts are charged).

Group clients refer to corporate bodies or legal-person public institutions with the following characteristics:

- (1) Such corporate bodies or legal-person public institutions directly or indirectly control other corporate bodies or legal-person public institutions or are directly or indirectly controlled by corporate bodies or legal-person public institutions in terms of stock equity or operation;
  - (2) Such corporate bodies or legal-person public institutions are under the common control by a third-party corporate body or legal-person public institution;
  - (3) Such corporate bodies or legal-person public institutions are directly or indirectly under the common control of individual investors, key officers, or their closely-related family members (including direct relatives within three generations and collateral relatives within two generations);
  - (4) Where there are other related-party relationships and assets and profits may not be transferred at fair price, such corporate bodies or legal-person public institutions shall be subject to credit facility management as group clients.
- 5.5 Party B shall give thirty days' written notice to Party A in any of the following circumstances. If Party A deems that such circumstance may have material effect on performance of this contract, Party B may carry out the following only after obtaining written consent of Party A:
- (1) Any material change to the operating regime, shareholding structure, organizational form of property, and principal business, including but not limited to contracting or leasing operation, association, shareholding reform, M&A, acquisition, joint venture, division, establishment of subsidiaries, trusteeship (receivership), sale of enterprise, transfer of property or reduction of capital etc.;
  - (2) Sale, gift, lending, transfer, mortgage, pledge or otherwise disposal of any assets accounting for 10% of the net assets;

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- (3) Any distribution of dividends exceeding 30% of the after-tax net profits for the current year, or exceeding 20% of all undistributed profits;
  - (4) Any new investment made after effectiveness of this contract exceeding 20% of the net assets;
  - (5) Modification of any debt provisions with other banks, or early satisfaction of other long-term debts;
  - (6) Repayment of any shareholder's debts of Party B; or
  - (7) Application to other banks for credit facility, or provision of security to any third party, or reduction of any debts owed by any third party, the amount of which exceeds 20% of the net assets.

5.6 Party B shall notify Party A in writing within seven working days from the date on which any of the following events occurs or may occur and Party A has the right to decide whether to request Party A for additional security or to directly recover all loans according to the specific situation:

- (1) Worsening of operational or financial situation of Party B or its security provider, major financial losses, loss of assets (including but not limited to loss of assets due to providing security for a third party), or other financial crises;
- (2) Administrative penalties or criminal punishment on Party B for unlawful business operation or Party B's involvement in major legal dispute;
- (3) Involvement of the legal representatives or key officers of Party B, Party B's shareholders or actual controllers, or its security provider in important cases, property preservation and other compulsory measures on their major assets, administrative penalties or criminal punishment on Party B, or other events resulting in their failure to perform obligations;
- (4) Party B or its security provider provides security to a third party, which has material adverse impact on the financial condition of Party B or its security provider or their ability to perform the obligations under this Contract;
- (5) Division, combination, merger, acquisition and restructuring, disposal of substantial asset, capital reduction, shutdown, stop of business for rectification, liquidation, reorganization, cancellation, dissolution, bankruptcy, or cancellation of the business license of Party B or its security provider;
- (6) Significant reduction in the value of the collaterals, destruction or loss of the collaterals, disputes arising in relation to the ownership of the collaterals, or sealing-up, attachment, freezing, deduction, lien, or auction of the collaterals;
- (7) Other events or defaults that have major impact on business operation of Party B or the security provider or on security of loans of Party A.

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- 5.7 Where Party B changes its domicile, correspondence address, telephone number, business scope, legal representative or other matters, it shall give Party A written notice within seven working days after such change. If Party B fails to perform the above obligation of notice, and Party A sends relevant notice or document (including but not limited to both parties' notices or documents during performance of this contract, the arbitration or litigation materials or instruments during arbitration or litigation process, and relevant materials and instruments during execution of cases) to the original domicile or correspondence address, such notice or document shall be deemed duly served.
- 5.8 Party B shall keep reasonable financial ratios during the term of loan.
- Financial indexes during the term of loan shall meet the following standards:

## **6. Rights and Obligations of Party A**

- 6.1 Party A is entitled to recover the principal and interest of the debt (including compound interest, overdue interest and penalty interest for any authorized use), receive expenses payable by Party B, and directly deduct the above principal, interest and expense from Party B's account.
- 6.2 For any loan of a term more than one year, Party A has the right to assess the operational and financial conditions of Party B and the security provider (if any) and the progress of specific projects according to the loan conditions as agreed in the contract at the time of issuing the loan from the second year after the loan is issued, and Party A will adjust the loan amount, term, and interest rate based on the assessment results.
- Where there is any mortgage or pledge collateral, Party A has the right to re-evaluation of such collateral every year by appraisal agencies approved by Party A. If the value of the collateral deteriorates obviously and is insufficient to be used for debt security under the principal contract, Party A has the right to require Party B to repay a part of the loan or to provide other security acceptable to Party A.
- 6.3 Party A has the right to require Party B to provide data in relation to the loan, and access the domicile of Party B to investigate, review, or check the use of credit and the assets, financial condition and operation of Party B. Party B shall cooperate. Party A also has the right to supervise Party B's use of loans for such purposes as agreed in this Contract.
- 6.4 Party A shall keep confidential all information provided by Party B, except for those provided otherwise by laws and regulations or regulators, those otherwise agreed by both Parties, and those that do not constitute confidential information.

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## 7. Breach of Contract

### 7.1 Any of the following will constitute a breach of this Contract hereunder:

- (1) Party B fails to repay the loan fund or avoid the entrusted payment set forth in Article 2.5 hereof by breaking whole into parts;
- (2) Arrears in payment of interest, overdue payment, advance money, or use of the funds for purposes other than those agreed by both Parties occurs to the credit under this Contract;
- (3) Party B violates any of its representations, warranties, or covenants;
- (4) Party B breaches any of its due obligations under this Contract;
- (5) Party B conceals important information;
- (6) Party B or its security provider avoids its debt by means of related-party transaction or other means;
- (7) Party B or its security provider is omitted in management and exercise of its matured claims or transfers its assets or avoid its debts by disposal of its main property for free, at an unreasonably low price, or in other improper means;
- (8) Party B utilizes false contracts and arrangements with any third party, including but not limited to debt factoring or pledge with notes receivable without true trade background, to fraudulently obtain funds or credit facility from Party A or other banks;
- (9) Party B or its security provider breaches other contracts concluded with Party A or other banks (including but not limited to credit agreements, loan agreements, and security agreements) or issues securities with characteristics of debt;
- (10) The security provider of Party B breaches the security contracts (including but not limited to guarantee contracts, mortgage contract, and pledge contracts), events of default under the security contracts occur, or the security contracts are ineffective, invalid, or rescinded; the collateral is notably depreciated or lost, a dispute arises with regard to the ownership of the collateral, or the collateral is sealed up, attached, frozen, deducted, subject to lien, or auctioned;
- (11) Where any matter as described in Clauses 5.5 and 5.6 that shall be notified of occurs, Party A believes such matter will affect the safety of its creditor's right.

### 7.2 Where any event of default occurs, Party A has the right to:

- (1) Stop or terminate the issuance of any loan hereunder not issued;
  - (2) Declare that the credit facility is immediately due and require Party B to immediately repay the principals, interests, and expenses of such credit facility. Penalty interest will be charged on the principals of all extended credit facility at the penalty interest rate from the date when the event of default occurs until Party B pays off all principals of the credit facility;
- Expenses include but are not limited to attorney's fees, litigation fees, arbitration fees, traveling expenses, announcement fees, delivery fees, execution expenses, transfer fees, and other expenses that Party A pays for realization of its creditor's right.

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- (3) Require Party B to provide Party A with new security acceptable to Party A;
  - (4) Adjust the amount, term and interest rate of the loan based on the risk of loan, or change the payment method of loan into entrusted payment;
  - (5) directly deduct amount from the account of Party B or its security provider to repay all debts of Party B under this Contract and specific credit facility contracts (including the debts for which Party A requires prepayment) without consent of Party B in advance;
  - (6) enforce any security interest, and to require the guarantor to perform its guarantee obligations or to realize its creditor's right through disposal of the mortgage collateral and/or pledge collateral.
  - (7) When the loan becomes due or due in advance, if Party B fails to repay the loan as agreed, Party A is entitled to charge penalty interest at the interest rate specified herein plus 50% over the loan principal from the date of overdue payment based on the actual number of days of overdue payment. Where Party B fails to use the loan for the purpose agreed herein, Party A is entitled to charge penalty interest at the interest rate specified herein plus 100% over the amount of loan used in such way from the date of violation of this contract.

A compound interest will be charged over the outstanding interest not paid on time at the rate of penalty interest. When both overdue payment and unauthorized use of loan fund occur, the penalty interest or compound interest, whichever is more, shall be charged.

When the loan is not repaid for 90 days or less, the repayment order of the principal and interest of the loan is as follows: (1) expenses; (2) interests (including penalty interest and compound interests); (3) principal. When the loan is not repaid for more than 90 days, the repayment order of the principal and interest of the loan is as follows: (1) expenses; (2) principal; (3) interests (including penalty interest and compound interests).

- (8) claim the right of subrogation against any debtor of Party B according to laws or requests the court to revoke Party B's waiver of its matured claims or its acts of transfer of property for free or at unreasonably low prices. Party B shall provide all necessary cooperation and assistance upon the request of Party A. Any expense incurred therefrom by Party A shall be borne by Party B.
- (9) take other remedial measures provided by laws and regulations and agreed in this Contract.

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**8. Other Provisions**

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**9. Miscellaneous Provisions**

9.1 If the credit facility hereunder falls within the credit line contract, the security in the credit line contract shall also apply herein.

9.2  Both parties agree to notarize this contract with the effect of execution.

After the notarization with the effect of execution, if Party B fails to perform any obligation hereunder in whole or in part, Party A is entitled to apply for an execution certificate from the original notary office, and then apply to the competent people's court (i.e., the people's court at the place of the executed party's domicile or the executed party's property) for execution by the original notarial certificate and the execution certificate.

This contract will not be notarized with the effect of execution.

9.3 Applications for single credit facility, credit agreements, certificates of indebtedness, credit facility certificates, other documents and information affirmed by both Parties, and letters of commitment and statements that Party B unilaterally issues to Party A, which are arising in relation to this Contract, shall constitute an integral part of this Contract and shall have equal legal force.

**9.4 Party B agrees and authorizes Party A to consult Party B's enterprise information and credit information with the basic database of financial credit information and other credit information service agency established according to law at the application stage and during the existing period of Party B's credit facility, for Party B's application and subsequent management of credit facility. Party B agrees and authorizes Party A to report Party B's enterprise information and credit information, including but not limited to the credit facility information and the information having adverse effect on the information owner, to the basic database of financial credit information and other credit information service agency established according to law pursuant to Regulations on the Administration of Credit Investigation Industry.**

9.5 The check box will be selected by “✓”.

**9.6 Both parties shall resolve the dispute arising from performance of this contract through negotiation. If negotiation fails, the provisions of subsection below shall apply:**

(1) **To apply for arbitration to \_\_\_\_\_, and arbitrate the dispute according to the arbitration rules of the commission applied at the time of applying for the arbitration. The arbitration award is final and has binding force upon both parties.**

(2) **To file a lawsuit to the people’s court at the place of Party A.**

(3) **To file a lawsuit to the people’s court of \_\_\_\_\_.**

9.7 This contract shall be governed by the laws of the People’s Republic of China.

**9.8 This contract shall become effective when the parties sign (the authorized persons shall sign or seal, and affix the common seals). If the loan hereunder is not issued within three months after this contract becomes effective, Party A is entitled to terminate this contract unilaterally.**

9.9 This contract is made in \_\_\_\_\_ counterparts. Party A will hold \_\_\_\_\_ counterparts, and Party B and the registration authority will each hold \_\_\_\_\_.

**Party B hereby declares that it fully understands the provisions of this Contract (especially those in boldface), provisions of the security contract in relation to this Contract, and other related documents, and have sought independent legal advice for this purpose (when necessary).**

Party A (seal):

Legal representative (principal) or entrusted agent (signature):

Execution date:

Party B (seal):

Legal representative or entrusted agent (signature):

Execution date:

Exhibit 1:

**Schedule of Repayment in Installments of Party B's Loan Principal**

<u>Installment</u>	<u>Repayment Date</u>	<u>Repayment Amount (in words)</u>
1		
2		
3		
4		
5		
6		
7		
8		
9		
10		

Exhibit 2:

**Application for Entrusted Payment of Loan**

According to the provisions of the Loan Agreement (Contract No.: \_\_\_\_\_) signed between us and you, we hereby apply for payment of the loan fund, and irrevocably authorize you to pay the loan fund to the transaction counter-party designated by us. The loan issuance account is: \_\_\_\_\_, and the specific payment subject and amount are as follows:

<u>No.</u>	<u>Payee</u>	<u>Amount</u>	<u>Account No.</u>	<u>Account-opening bank</u>	<u>Payment date</u>	<u>Purpose</u>

We will provide relevant business contract and other evidence relating to the payment application according to the provisions of the above contract, and warrant that such evidence is true, lawful and valid.

Applicant: \_\_\_\_\_

Seal:

Signed by authorized signatory:

(reserved seal at the bank)

Date:

Customer manager (fill in his/her opinion):

President of the Branch or director of the team (fill in his/her opinion):

Note: all the blanks in the application, including application date, must be filled in.

### Asset Pledge Agreement

Contract No.: Ping Yin Hu Yi Wen E Di Zi 20170512 No. 003

Party A (Mortgagee): Tianjin Pilot Free Trade Zone Branch, Ping An Bank Co., Ltd.

Address: 101, Gate 1, Tower #1, Ronghe Plaza, No. 168, Xisi Road, China (Tianjin) Pilot Free Trade Zone (Tianjin Airport Economic Area), Tianjin, China

Tel: 022-59060622 Fax: \_\_\_\_\_

Principal: Wei Huisheng Title: president

Party B (Mortgagor): Beijing Sohu New Momentum Information Technology Co., Ltd.

Type of Certificate\*: \_\_\_\_\_ Certificate No.\*: \_\_\_\_\_

*(\*Do not fill in when Party B is an entity)*

Address: Room 02, 12/F, Sohu.com Internet Plaza, No.1 Unit Zhongguancun East Road, Haidian District, Beijing 100084, China

Tel: 010-62726666 Fax: \_\_\_\_\_

Legal Representative\*\*: James Deng Title\*\*: Legal Representative

*\*\*Do not fill in when Party B is an individual)*

Party B is willing to provide maximum amount mortgage over its legally owned property in favor of Party A to secure performance of the contract between Party A, on the one part, and Beijing Sohu New Media Information Technology Co., Ltd., Fox Information Technology (Tianjin) Limited and Tianjin Jinhua Culture Development Co., Ltd., on the other part (the “**Debtors**”). Party A and Party B hereby agree to enter into this contract upon consensus and to comply with the terms below.

#### 1. Collaterals and Mortgage Liability

##### 1.1 Scope of Mortgage

The scope of mortgage hereunder is (select the check box by “✓”):

- The principal, interest, compound interest and penalty interest of all debts (including contingent debts) under the \_\_\_\_\_ / \_\_\_\_\_ contract (Ping Yin \_\_\_\_\_ / Zi No. \_\_\_\_\_ / \_\_\_\_\_, the “Principal Contract”), and the costs for realizing the debts. The maximum amount of the principal of the debts (the balance) is (or is converted into) \_\_\_\_\_ / \_\_\_\_\_ (currency) (in words: \_\_\_\_\_ / \_\_\_\_\_).
- \_\_\_\_\_ / \_\_\_\_\_ (currency) (in words: \_\_\_\_\_ / \_\_\_\_\_) of the principal of the debts payable by the Debtors under the \_\_\_\_\_ / \_\_\_\_\_ contract (Ping Yin \_\_\_\_\_ / Zi No. \_\_\_\_\_ / \_\_\_\_\_, the “Principal Contract”), and the corresponding interest, compound interest and penalty interest as well as the costs for realizing the debts. **Party A is entitled to request Party B to assume the liability of security to the above extent of mortgage for the balance of the debts so long as the debts under the Principal Contract are not fully satisfied.**

The performance of the debts under the credit agreements and credit facility contracts (the “Principal Contracts”) signed between the Debtors and Party A from May 19, 2017 to May 18, 2020. The execution of the Principal Contracts shall be within the above period, but the performance period of the Principal Contracts is not limited to the above period. The scope of maximum amount mortgage of Party B covers all principals and interest, compound interest and penalty interest of the debts (including contingent debts) under the Principal Contracts, as well as the costs for realizing the debts. The maximum amount (balance) of the principal of the above debts is (or is converted into) RMB two point five billion only (in words).

The outstanding principal (as converted) of / (currency) (in words: / ) of the debts under the / contract (Ping Yin / Zi No. / , the “Principal Contract”), and the corresponding interest, compound interest and penalty interest as well as the costs for realizing the debts.

/

**The interest, penalty interest and compound interest shall be calculated according to the provisions of the Principal Contract until the debts are satisfied. The costs for realizing debts include but are not limited to the costs for announcement, service, appraisal, attorney, litigation, travel, assessment, auction, property preservation, and execution.**

The exchange rates of the currencies other than Renminbi shall be subject to the exchange rate quotation published by Party A when the actual business occurs.

The details of the collaterals are set forth in the List of Collaterals and the title certificates of the collaterals. The List of Collaterals is an integral part of this contract.

The parties agree that Party B will use the collaterals hereunder to provide security for all debts under the Principal Contracts. Party B shall cooperate with Party A to go through relevant registration procedure of the maximum amount mortgage according to the requirements of the registration authority.

1.2 Where the Debtors transfer the credit line granted by Party A to any third party for use, Party B shall assume the liability of mortgage security for the part transferred. The specific transferee and amount of such transfer shall be as follows:

a. / (the transferee), amount: (converted into) (currency) (in words): / ;

b. / (the transferee), amount: (converted into) (currency) (in words): / ;

c. / (the transferee), amount: (converted into) (currency) (in words): / ;

d. / .

1.3 Party A is entitled to first request Party B to assume the security liability of mortgage, regardless whether there is any other real security or guarantee provided by others (including the Debtors under the Principal Contracts). If Party A waives any security interest in other collaterals (including those provided by the Debtors) or any guarantee provided by others, Party B shall continue to assume the security liability hereunder fully.

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- 1.4 If Party B's act is sufficient to reduce the value of the collaterals during the term of the mortgage, Party A is entitled to request Party B to stop such act. Where the value or price of the collaterals decreases for any reason not attributable to Party A, Party A is entitled to request Party B to restore the value of the collaterals, and to decide that an appraisal institution approved by Party A will appraise the value of the collaterals. If upon appraisal the value of the collaterals is insufficient to secure the debts under the Principal Contracts, Party A is entitled to request Party B to provide other security measures approved by Party A. If Party B is a Debtor under the Principal Contracts, Party A is entitled to request Party B to prepay the credit line.
  - 1.5 This contract is irrevocable.
  - 1.6 This contract is independent from the Principal Contracts in respect of legal force. If the Principal Contracts or part of their provisions is invalid, this contract shall remain valid.
  - 1.7 During the term hereof, Party A will keep the original title certificates of the collaterals. When the Debtors satisfy the principal, interest and expenses of or relating to all debts under the Principal Contracts, the mortgage shall cease to be in force automatically, and Party A shall return the original title certificates of the collaterals to Party B.

## **2. Mortgage Registration and Insurance**

- 2.1 Where relevant laws and regulations provide for the authority to register mortgage, Party A and Party B shall go through mortgage registration formality with the authority by presenting this contract and relevant documents within 15 working days after execution of this contract. Otherwise, Party A and Party B shall go through mortgage registration formality with the notary office at the place of Party A by presenting this contract and relevant documents within 15 working days after execution of this contract. Both parties shall obtain the change of registration or deregistration according to the rules of the registration authority.

The mortgage shall be deregistered when the principal, interest and expense of or relating to all debts under the Principal Contracts are satisfied by the Debtors.

- 2.2 Party A has the right to request Party B to take out property insurance for the collaterals, and designate Party A as the first beneficiary of the insurance benefit. Generally, the insurance amount of the property insurance is subject to the value of the collaterals, and the insurance period shall not be less than the period of the debts. Party B agrees to assign the claim for insurance proceeds to Party A and give necessary assistance when Party A exercises such claim. The insurance proceeds paid by the insurer shall be first used to repay the debts under the Principal Contracts.
- 2.3 During the term of this contract, Party B may not suspend or cancel any insurance for whatever reason. If the insurance is suspended, Party A is entitled to take out insurance at the cost of Party B.
- 2.4 Party B shall pay insurance premium in a timely manner, and perform the obligations under the insurance policies.

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- 2.5 Party B shall renew the insurance according to Article 2.2 until the principal, interest and expense of or relating to the debts under the Principal Contracts is satisfied. Otherwise, Party A is entitled to take out insurance at the cost of Party B.
  - 2.6 Party A will keep the original insurance policies. When the Debtors satisfy the principal, interest and expense of or relating to the debts under the Principal Contracts, Party A will return the original insurance policies to Party B.

### **3. Representations and Warranties of the Mortgagor**

- 3.1 Party B is a company duly incorporated, validly existing and in good standing in its jurisdiction, and has full corporate power and government permit and approval to conduct the business it carries out currently.
- 3.2 Party B has obtained all authority and approval required for entering into this contract. The execution hereof is true expression of intent of Party B, and will not result in violation of any agreement or covenant with any third party. Party B does not violate any laws, regulations or rules with respect to environment protection, energy saving and emission reduction and reduction of pollution when entering into this contract, and undertakes to strictly comply with such laws, regulations and rules after entering into this contract.
- 3.3 Except for those already notified to Party A in writing before execution hereof, Party B is not involved in any other litigation, arbitration, execution, appeal, review or other procedures as well as other events or circumstances which could have material adverse effect on the performance of this contract.
- 3.4 The collaterals are lawfully possessed by Party B, free from any legal dispute, and not subject to any mortgaged in favor of any third party (except for the mortgage over the balance) before execution of this contract.

### **4. Rights and Obligations of the Mortgagor**

- 4.1 Party B is entitled to request Party A to keep confidential the information provided by Party B, except that laws, regulations or regulators otherwise provide or require, or both parties otherwise stipulate, or such information do not constitute confidential information.
- 4.2 Party B has carefully read the Principal Contracts and confirmed all terms thereof. Party B is not required to confirm any single credit facility contract, debt note or other certificate of credit facility under the Principal Contracts which does not exceed the provisions of the Principal Contracts.

**Any change to the Principal Contracts made by Party A and the Debtors will not require consent of Party B who shall continue to assume the security liability to the changed Principal Contracts.** However, if the principal of debt is increased or if the loan term is extended, Party B shall continue to assume the security liability according to the amount and term specified in the original Principal Contracts if the increase or extension is not consented by Party B in writing.

- 4.3 Party B may not transfer, gift, create security interest over, or otherwise dispose of the collaterals without Party A's written consent.

4.4 Party B shall make true representation to Party A with respect of any lease of the collaterals. If the collaterals are leased out, Party B shall notify Party A in writing, provide Party A with the lease contract, and notify the lessee in writing of the mortgage. Any renewal or new lease after expiration of the above lease shall require Party A's written consent.

Where any collateral is leased out upon consent of Party A, Party B shall specify in the lease contract that (1) the collateral has been mortgaged in favor of Party A, and (2) when Party A enforces the mortgage, the lessee shall move out of the collateral within thirty days after Party A sends notice.

The rent received by Party B from lease of the collaterals shall be deposited in the account opened by it at Party A as the security for the Debtors to repay the debts under the Principal Contracts. Such rent may not be used for other purpose.

4.5 Party B undertakes to reasonably use and properly keep the collaterals, and shall not act in any way that reduces the value of the collaterals.

4.6 Party B accepts and undertakes to cooperate with Party A's inspection on the use, custody, maintenance and title of the collaterals.

4.7 **Where the collaterals are used to secure by means of mortgage any credit facility with a term of more than one year, Party A is entitled to appoint an appraisal institution approved by it to appraise the value of the collaterals from the second year after the effectiveness of this contract. If the value of the collaterals decreases obviously, and is insufficient to secure the debts under the Principal Contracts, or if the property mortgaged is included in the scope of demolition, Party A is entitled to request Party B or the Debtors to provide other forms of security approved by it.**

4.8 Party B shall notify Party A in writing of any of the following circumstances on the second day of occurrence thereof:

- (1) Any collateral is damaged;
- (2) Any collateral is destructed;
- (3) Any insurance accident occurs;
- (4) Any dispute occurs over the title to any collateral;
- (5) Any collateral is sealed up, attached, or taken other compulsive measures;
- (6) Any collateral is encroached by any third party;
- (7) Any collateral is included in the scope of demolition;
- (8) Other circumstances occur, which may affect the enforcement of the mortgage by Party A.

4.9 Satisfaction of Debts after Demolition of Collaterals

4.9.1 The Debtors and Party B undertake that they will notify Party A in writing of any demolition information of the mortgaged housing within two working days after they become aware of such information.

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- 4.9.2 If the demolition of the mortgaged housing is compensated in kind, the Debtors and Party B shall first negotiate the prepayment of loans with Party A. If negotiation fails, Party A is entitled to request the Debtors to immediately prepay the entire principal and interest of the loans. If Party A examines and approves that the compensation property will be used as collateral for the loans, Party B undertakes to create mortgage/pledge over such compensation property (including but not limited to any compensation housing obtained by ways of property swap) in favor of Party A.
- 4.9.3 If the demolition of the mortgaged housing is compensated in cash, the Debtors and Party B shall first negotiate the prepayment of loans with Party A. If negotiation fails, Party B agrees and undertakes that Party A is entitled to request Party B to:
- (1) use the compensation fund to prepay the secured Debtors' loans obtained from Party A;
  - (2) deposit the compensation fund in the deposit account designated by Party A, or use the compensation fund in the form of deposit receipt to secure Party A's debts under the Principal Contracts.
- 4.9.4 Where Party A deems that the value of the above compensation fund or compensation property of Party B is insufficient to satisfy or secure Party A's debts, the Debtors and Party B shall provide supplemental security approved by Party A. During the period between the destruction of the original mortgaged housing and the proper registration of the new mortgaged property, the Debtors and Party B undertake to provide Party A with temporary security meeting Party A's requirements.
- 4.10 Where Party B changes its domicile, correspondence address, telephone number, business scope, legal representative or other matters, it shall give Party A written notice within seven working days after such change. If Party B fails to perform the above obligation of notice, and Party A sends relevant notice or document (including but not limited to both parties' notices or documents during performance of this contract, the arbitration or litigation materials or instruments during arbitration or litigation process, and relevant materials and instruments during execution of cases) to the original domicile or correspondence address, such notice or document shall be deemed duly served.
- 4.11 The costs for insurance, custody, repair, maintenance, lodgment and transport of relevant collaterals hereunder shall be borne by Party B.

## **5. Realization of Mortgage**

- 5.1 Party A is entitled to enforce the mortgage in any of the following circumstances:
- (1) The Debtors fail to repay the principal, interest or expenses of or relating to any debt due under the Principal Contracts (including any debt due in advance);
  - (2) Party B breaches any of its warranties or covenants, or otherwise fails to perform any obligation hereunder;
  - (3) The Debtors or Party B is declared dissolved or bankrupt or is cancelled according to law;
  - (4) It is probable that the collaterals may be damaged or the value of the collaterals is reduced obviously, which could endanger Party A's right, and the Debtors or Party B fails to provide any security approved by Party A within the time limit notified by Party A;

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- (5) The Debtors otherwise breaches the Principal Contracts, or the Principal Contracts are rescinded or terminated;
  - (6) Other circumstances specified by laws or regulations occur, where the mortgage may be enforced.
- 5.2 Party A is entitled to take precedence over the proceeds obtained from conversion of value, auction or sale of the collaterals.
- 5.3 Party B agrees that Party A is entitled to directly receive the fruits of the collaterals (including but not limited to the rent or contracting charge) to satisfy its debts from the second month after the Debtors or Party B breaches the Principal Contracts or this contract. Party B shall cooperate unconditionally. The fruits received shall be first used to pay the expenses incurred for receiving such fruits.
- 5.4 Where any circumstance of enforcing the mortgage occurs, both parties shall negotiate to determine the way of enforcement. If negotiation fails, Party A is entitled to directly apply to the people's court for auction or sale of the collaterals.
- 5.5 Party B acknowledges that where the Debtors provide other collaterals, Party A has the right to enforce the mortgage over the collaterals hereunder. Party B shall not raise any objection thereto.

## **6. Breaching Liabilities**

- 6.1 Where Party B breaches or fails to perform fully any obligation hereunder, which causes the mortgage unattached or unregistered, and fails to provide any security approved by Party A within the time limited notified by Party A, it shall assume the following breaching liabilities:
- (1) If Party B is a Debtor, it shall pay Party A liquidated damages at 5% of the principal amount of the debt under the Principal Contracts, up to the value of the collaterals hereunder.
  - (2) If Party B is not a Debtor, it shall assume the joint-and-several liability of compensation for the outstanding principal, interest and expense of or relating to the debt under the Principal Contracts to the extent of the value of the collaterals hereunder.
- 6.2 Where Party B breaches or fails to perform fully any obligation hereunder, which causes the value of collaterals hereunder to decrease or causes the collaterals hereunder to destruct, and fails to reinstate or provide any security approved by Party A within the time limited notified by Party A, it shall assume the following breaching liabilities:
- (1) If Party B is a Debtor, it shall pay Party A liquidated damages at 5% of the principal amount of the debts under the Principal Contracts, up to the value of the collaterals hereunder.
  - (2) If Party B is not a Debtor, after Party A realizes the mortgage according to law, Party B shall assume the joint-and-several liability of compensation to the extent of the difference between the value of the collaterals at the time of realization of mortgage and the value of collaterals agreed herein, up to the principal, interest or expense of or relating to the debts under the Principal Contracts which are not satisfied by the Debtors.
- 6.3 Where Party B otherwise breaches this contract, it shall compensate Party A for all losses thus caused, including any direct or indirect loss.

**7. Floating Mortgage**

- 7.1 Floating mortgage means Party B creates a mortgage over any present or future production equipment, raw materials, semi-finished products, or products in favor of Party A, as detailed in the Exhibit "List of Collaterals" attached hereto.
- 7.2 Except for the needs of normal operation, Party B may not conceal, transfer, assign, mortgage or pledge the production equipment, raw materials, semi-finished products, or products already mortgaged in favor of Party A.
- 7.3 The floating mortgage shall be crystallized in any of the following circumstances:
  - (1) The debts are not satisfied when the performance period expires;
  - (2) Party B is declared bankrupt or cancelled;
  - (3) Any circumstance of realizing the mortgage hereunder occurs;
  - (4) Other circumstance occurs, which materially affects realization of the debts.
- 7.4 Party A and Party B shall go through mortgage registration formality with the bureau for industry and commerce at the county level at the place of Party B's domicile by presenting this contract and relevant documents within 15 working days after execution of this contract. Both parties shall change the registration of or deregister the mortgage according to relevant regulations of the registration authority.

**8. Other Provisions**

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**9. Miscellaneous Provisions**

- 9.1  Both parties agree to notarize this contract with the effect of execution.

After the notarization with the effect of execution, if Party B fails to perform any obligation hereunder in whole or in part, Party A is entitled to apply for an execution certificate from the original notary office, and then apply to the competent people's court (i.e., the people's court at the place of the executed party's domicile or the executed party's property) for execution by the original notarial certificate and the execution certificate.

- This contract will not be notarized with the effect of execution.

- 9.2 Before the debts under the Principal Contracts are defined, Party A is entitled to transfer such debts in whole or in part. Where Party A transfers the debts in whole or in part, Party B agrees that Party A may also transfer the mortgage interest in whole or in part. If Party A transfers the mortgage interest in part, it shall negotiate and decide the part to be transferred with the transferee, and then notify Party B, without consent of Party B. Party B is obligated to cooperate with the mortgage registration formality at the request of Party A.
- 9.3 **Party B agrees and authorizes Ping An Bank to consult Party B's enterprise information and credit information with the basic database of financial credit information and other credit information service agency established according to law at the application stage and during the existing period of the Debtor's credit facility, for the Debtor's application and subsequent management of credit facility. Party B agrees and authorizes Ping An Bank to report Party B's enterprise information and credit information, including but not limited to the credit facility information and the information having adverse effect on the information owner, to the basic database of financial credit information and other credit information service agency established according to law pursuant to Regulations on the Administration of Credit Investigation Industry.**
- 9.4 The check box will be selected by "✓".
- 9.5 Party A and Party B shall resolve the dispute arising from performance of this contract through negotiation. If negotiation fails, the provisions of subsection (2) below shall apply:
- (1) To apply for arbitration to / , and arbitrate the dispute according to the arbitration rules of the commission applied at the time of applying for the arbitration. The arbitration award is final and has binding force upon both parties.
  - (2) To file a lawsuit to the people's court at the place of Party A.
  - (3) To file a lawsuit to the people's court of / .
- 9.6 This contract shall be governed by the laws of the People's Republic of China.
- 9.7 This contract shall become effective when the parties sign (in case of natural persons, such natural persons shall sign; in case of legal persons or other organizations, the authorized persons shall sign or seal, and affix the common seal).
- 9.8 This contract is made in four counterparts. Party A will hold two counterparts, and Party B and the registration authority will each hold one.

Party A (seal): Tianjin Pilot Free Trade Zone Branch, Ping An Bank Co., Ltd.

Principal or entrusted agent (signature): /s/ Wang Lu

Date: May 19, 2017

Party B (seal): Beijing Sohu New Momentum Information Technology Co., Ltd.

Legal representative or entrusted agent (signature): /s/ James Deng

Date: May 19, 2017

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**List of Collaterals**

Collateral:

Room 301, 302, 401, 402, 501, 601, 701, and 801 in Building 3, No. 2, Kexueyuan South Road, Haidian District, Beijing

Name, quantity and quality of collaterals	Name: real property land use right and house ownership		
	Estimated building area: 13,551.65 m <sup>2</sup>		
	Quality: good		
Title certificate No. or use right certificate No. of the collaterals	Registration of property right in progress		
Place of the collaterals	Room 301, 302, 401, 402, 501, 601, 701, and 801 in Building 3, No. 2, Kexueyuan South Road, Haidian District, Beijing		
Value of the collaterals	<u>RMB (currency) 760,000,000.00</u> Yuan		
Percentage of title owned by the Mortgagor in the collaterals	100%	Names of other co-owners, if any	Null
Other conditions of the collaterals	Registration of property right in progress		
Notes	Registration of property right in progress, the information in this list shall be in line with the pre-selling contract, part of the description herein may contradict with those stated in the registration of property right.		

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**The Mortgagor warrants that the above statement is true, accurate and complete. If the mortgage becomes void or insufficient owing to misstatement or material omission, and thus damages the Mortgagee's right, the Mortgagor is willing to assume joint-and-several liability to repay all debts under the Principal Contracts.**

**Asset Pledge Agreement**

Contract No.: Ping Yin Hu Yi Wen E Di Zi 20170512 No. 001

Party A (Mortgagee): Tianjin Pilot Free Trade Zone Branch, Ping An Bank Co., Ltd.Address: 101, Gate 1, Tower #1, Ronghe Plaza, No. 168, Xisi Road, China (Tianjin) Pilot Free Trade Zone (Tianjin Airport Economic Area), Tianjin, ChinaTel: 022-59060622 Fax: \_\_\_\_\_Principal: Wei Huisheng Title: presidentParty B (Mortgagor): Beijing Sohu New Media Information Technology Co., Ltd.

Type of Certificate\*: \_\_\_\_\_ Certificate No.\*: \_\_\_\_\_

*(\*Do not fill in when Party B is an entity)*Address: Room 802, 8/F, Sohu.com Internet Plaza, No.1 Unit Zhongguancun East Road, Haidian District, Beijing 100084, ChinaTel: 010-62726666 Fax: \_\_\_\_\_Legal Representative\*\*: Charles Zhang Title\*\*: Chair of Board of Directors*\*\*Do not fill in when Party B is an individual)*

Party B is willing to provide maximum amount mortgage over its legally owned property in favor of Party A to secure performance of the contract between Party A, on the one part, and Beijing Sohu New Media Information Technology Co., Ltd., Fox Information Technology (Tianjin) Limited and Tianjin Jinhua Culture Development Co., Ltd., on the other part (the “**Debtors**”). Party A and Party B hereby agree to enter into this contract upon consensus and to comply with the terms below.

**1. Collaterals and Mortgage Liability****1.1 Scope of Mortgage**

The scope of mortgage hereunder is (select the check box by “✓”):

- The principal, interest, compound interest and penalty interest of all debts (including contingent debts) under the \_\_\_\_\_ / \_\_\_\_\_ contract (Ping Yin \_\_\_\_\_ / Zi No. \_\_\_\_\_ / \_\_\_\_\_, the “Principal Contract”), and the costs for realizing the debts. The maximum amount of the principal of the debts (the balance) is (or is converted into) \_\_\_\_\_ / \_\_\_\_\_ (currency) (in words: \_\_\_\_\_ / \_\_\_\_\_).
- \_\_\_\_\_ / \_\_\_\_\_ (currency) (in words: \_\_\_\_\_ / \_\_\_\_\_) of the principal of the debts payable by the Debtors under the \_\_\_\_\_ / \_\_\_\_\_ contract (Ping Yin \_\_\_\_\_ / Zi No. \_\_\_\_\_ / \_\_\_\_\_, the “Principal Contract”), and the corresponding interest, compound interest and penalty interest as well as the costs for realizing the debts. **Party A is entitled to request Party B to assume the liability of security to the above extent of mortgage for the balance of the debts so long as the debts under the Principal Contract are not fully satisfied.**

The performance of the debts under the credit agreements and credit facility contracts (the “Principal Contracts”) signed between the Debtors and Party A from May 19, 2017 to May 18, 2020. The execution of the Principal Contracts shall be within the above period, but the performance period of the Principal Contracts is not limited to the above period. The scope of maximum amount mortgage of Party B covers all principals and interest, compound interest and penalty interest of the debts (including contingent debts) under the Principal Contracts, as well as the costs for realizing the debts. The maximum amount (balance) of the principal of the above debts is (or is converted into) RMB two point five billion only (in words).

The outstanding principal (as converted) of / (currency) (in words: / ) of the debts under the / contract (Ping Yin / Zi No. / , the “Principal Contract”), and the corresponding interest, compound interest and penalty interest as well as the costs for realizing the debts.

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**The interest, penalty interest and compound interest shall be calculated according to the provisions of the Principal Contract until the debts are satisfied. The costs for realizing debts include but are not limited to the costs for announcement, service, appraisal, attorney, litigation, travel, assessment, auction, property preservation, and execution.**

The exchange rates of the currencies other than Renminbi shall be subject to the exchange rate quotation published by Party A when the actual business occurs.

The details of the collaterals are set forth in the List of Collaterals and the title certificates of the collaterals. The List of Collaterals is an integral part of this contract.

The parties agree that Party B will use the collaterals hereunder to provide security for all debts under the Principal Contracts. Party B shall cooperate with Party A to go through relevant registration procedure of the maximum amount mortgage according to the requirements of the registration authority.

1.2 Where the Debtors transfer the credit line granted by Party A to any third party for use, Party B shall assume the liability of mortgage security for the part transferred. The specific transferee and amount of such transfer shall be as follows:

a. / (the transferee), amount: (converted into) (currency) (in words): / ;

b. / (the transferee), amount: (converted into) (currency) (in words): / ;

c. / (the transferee), amount: (converted into) (currency) (in words): / ;

d. / .

- 1.3 Party A is entitled to first request Party B to assume the security liability of mortgage, regardless whether there is any other real security or guarantee provided by others (including the Debtors under the Principal Contracts). If Party A waives any security interest in other collaterals (including those provided by the Debtors) or any guarantee provided by others, Party B shall continue to assume the security liability hereunder fully.
- 1.4 If Party B's act is sufficient to reduce the value of the collaterals during the term of the mortgage, Party A is entitled to request Party B to stop such act. Where the value or price of the collaterals decreases for any reason not attributable to Party A, Party A is entitled to request Party B to restore the value of the collaterals, and to decide that an appraisal institution approved by Party A will appraise the value of the collaterals. If upon appraisal the value of the collaterals is insufficient to secure the debts under the Principal Contracts, Party A is entitled to request Party B to provide other security measures approved by Party A. If Party B is a Debtor under the Principal Contracts, Party A is entitled to request Party B to prepay the credit line.
- 1.5 This contract is irrevocable.
- 1.6 This contract is independent from the Principal Contracts in respect of legal force. If the Principal Contracts or part of their provisions is invalid, this contract shall remain valid.
- 1.7 During the term hereof, Party A will keep the original title certificates of the collaterals. When the Debtors satisfy the principal, interest and expenses of or relating to all debts under the Principal Contracts, the mortgage shall cease to be in force automatically, and Party A shall return the original title certificates of the collaterals to Party B.

## **2. Mortgage Registration and Insurance**

- 2.1 Where relevant laws and regulations provide for the authority to register mortgage, Party A and Party B shall go through mortgage registration formality with the authority by presenting this contract and relevant documents within 15 working days after execution of this contract. Otherwise, Party A and Party B shall go through mortgage registration formality with the notary office at the place of Party A by presenting this contract and relevant documents within 15 working days after execution of this contract. Both parties shall obtain the change of registration or deregistration according to the rules of the registration authority.  
  
The mortgage shall be deregistered when the principal, interest and expense of or relating to all debts under the Principal Contracts are satisfied by the Debtors.
- 2.2 Party A has the right to request Party B to take out property insurance for the collaterals, and designate Party A as the first beneficiary of the insurance benefit. Generally, the insurance amount of the property insurance is subject to the value of the collaterals, and the insurance period shall not be less than the period of the debts. Party B agrees to assign the claim for insurance proceeds to Party A and give necessary assistance when Party A exercises such claim. The insurance proceeds paid by the insurer shall be first used to repay the debts under the Principal Contracts.
- 2.3 During the term of this contract, Party B may not suspend or cancel any insurance for whatever reason. If the insurance is suspended, Party A is entitled to take out insurance at the cost of Party B.
- 2.4 Party B shall pay insurance premium in a timely manner, and perform the obligations under the insurance policies.

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- 2.5 Party B shall renew the insurance according to Article 2.2 until the principal, interest and expense of or relating to the debts under the Principal Contracts are satisfied. Otherwise, Party A is entitled to take out insurance at the cost of Party B.
  - 2.6 Party A will keep the original insurance policies. When the Debtors satisfy the principal, interest and expense of or relating to the debts under the Principal Contracts, Party A will return the original insurance policies to Party B.

**3. Representations and Warranties of the Mortgagor**

- 3.1 Party B is a company duly incorporated, validly existing and in good standing in its jurisdiction, and has full corporate power and government permit and approval to conduct the business it carries out currently.
- 3.2 Party B has obtained all authority and approval required for entering into this contract. The execution hereof is true expression of intent of Party B, and will not result in violation of any agreement or covenant with any third party. Party B does not violate any laws, regulations or rules with respect to environment protection, energy saving and emission reduction and reduction of pollution when entering into this contract, and undertakes to strictly comply with such laws, regulations and rules after entering into this contract.
- 3.3 Except for those already notified to Party A in writing before execution hereof, Party B is not involved in any other litigation, arbitration, execution, appeal, review or other procedures as well as other events or circumstances which could have material adverse effect on the performance of this contract.
- 3.4 The collaterals are lawfully possessed by Party B, free from any legal dispute, and not subject to any mortgaged in favor of any third party (except for the mortgage over the balance) before execution of this contract.

**4. Rights and Obligations of the Mortgagor**

- 4.1 Party B is entitled to request Party A to keep confidential the information provided by Party B, except that laws, regulations or regulators otherwise provide or require, or both parties otherwise stipulate, or such information do not constitute confidential information.
- 4.2 Party B has carefully read the Principal Contracts and confirmed all terms thereof. Party B is not required to confirm any single credit facility contract, debt note or other certificate of credit facility under the Principal Contracts which does not exceed the provisions of the Principal Contracts.

**Any change to the Principal Contracts made by Party A and the Debtors will not require consent of Party B who shall continue to assume the security liability to the changed Principal Contracts.** However, if the principal of debt is increased or if the loan term is extended, Party B shall continue to assume the security liability according to the amount and term specified in the original Principal Contracts if the increase or extension is not consented by Party B in writing.

- 4.3 Party B may not transfer, gift, create security interest over, or otherwise dispose of the collaterals without Party A's written consent.

4.4 Party B shall make true representation to Party A with respect of any lease of the collaterals. If the collaterals are leased out, Party B shall notify Party A in writing, provide Party A with the lease contract, and notify the lessee in writing of the mortgage. Any renewal or new lease after expiration of the above lease shall require Party A's written consent.

Where any collateral is leased out upon consent of Party A, Party B shall specify in the lease contract that (1) the collateral has been mortgaged in favor of Party A, and (2) when Party A enforces the mortgage, the lessee shall move out of the collateral within thirty days after Party A sends notice.

The rent received by Party B from lease of the collaterals shall be deposited in the account opened by it at Party A as the security for the Debtors to repay the debts under the Principal Contracts. Such rent may not be used for other purpose.

4.5 Party B undertakes to reasonably use and properly keep the collaterals, and shall not act in any way that reduces the value of the collaterals.

4.6 Party B accepts and undertakes to cooperate with Party A's inspection on the use, custody, maintenance and title of the collaterals.

4.7 **Where the collaterals are used to secure by means of mortgage any credit facility with a term of more than one year, Party A is entitled to appoint an appraisal institution approved by it to appraise the value of the collaterals from the second year after the effectiveness of this contract. If the value of the collaterals decreases obviously, and is insufficient to secure the debts under the Principal Contracts, or if the property mortgaged is included in the scope of demolition, Party A is entitled to request Party B or the Debtors to provide other forms of security approved by it.**

4.8 Party B shall notify Party A in writing of any of the following circumstances on the second day of occurrence thereof:

- (1) Any collateral is damaged;
- (2) Any collateral is destructed;
- (3) Any insurance accident occurs;
- (4) Any dispute occurs over the title to any collateral;
- (5) Any collateral is sealed up, attached, or taken other compulsive measures;
- (6) Any collateral is encroached by any third party;
- (7) Any collateral is included in the scope of demolition;
- (8) Other circumstances occur, which may affect the enforcement of the mortgage by Party A.

4.9 Satisfaction of Debts after Demolition of Collaterals

4.9.1 The Debtors and Party B undertake that they will notify Party A in writing of any demolition information of the mortgaged housing within two working days after they become aware of such information.

- 4.9.2 If the demolition of the mortgaged housing is compensated in kind, the Debtors and Party B shall first negotiate the prepayment of loans with Party A. If negotiation fails, Party A is entitled to request the Debtors to immediately prepay the entire principal and interest of the loans. If Party A examines and approves that the compensation property will be used as collateral for the loans, Party B undertakes to create mortgage/pledge over such compensation property (including but not limited to any compensation housing obtained by ways of property swap) in favor of Party A.
- 4.9.3 If the demolition of the mortgaged housing is compensated in cash, the Debtors and Party B shall first negotiate the prepayment of loans with Party A. If negotiation fails, Party B agrees and undertakes that Party A is entitled to request Party B to:
- (1) use the compensation fund to prepay the secured Debtors' loans obtained from Party A;
  - (2) deposit the compensation fund in the deposit account designated by Party A, or use the compensation fund in the form of deposit receipt to secure Party A's debts under the Principal Contracts.
- 4.9.4 Where Party A deems that the value of the above compensation fund or compensation property of Party B is insufficient to satisfy or secure Party A's debts, the Debtors and Party B shall provide supplemental security approved by Party A. During the period between the destruction of the original mortgaged housing and the proper registration of the new mortgaged property, the Debtors and Party B undertake to provide Party A with temporary security meeting Party A's requirements.
- 4.10 Where Party B changes its domicile, correspondence address, telephone number, business scope, legal representative or other matters, it shall give Party A written notice within seven working days after such change. If Party B fails to perform the above obligation of notice, and Party A sends relevant notice or document (including but not limited to both parties' notices or documents during performance of this contract, the arbitration or litigation materials or instruments during arbitration or litigation process, and relevant materials and instruments during execution of cases) to the original domicile or correspondence address, such notice or document shall be deemed duly served.
- 4.11 The costs for insurance, custody, repair, maintenance, lodgment and transport of relevant collaterals hereunder shall be borne by Party B.

## **5. Realization of Mortgage**

- 5.1 Party A is entitled to enforce the mortgage in any of the following circumstances:
- (1) The Debtors fail to repay the principal, interest or expenses of or relating to any debt due under the Principal Contracts (including any debt due in advance);
  - (2) Party B breaches any of its warranties or covenants, or otherwise fails to perform any obligation hereunder;
  - (3) The Debtors or Party B is declared dissolved or bankrupt or is cancelled according to law;
  - (4) It is probable that the collaterals may be damaged or the value of the collaterals is reduced obviously, which could endanger Party A's right, and the Debtors or Party B fails to provide any security approved by Party A within the time limit notified by Party A;

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- (5) The Debtors otherwise breaches the Principal Contracts, or the Principal Contracts are rescinded or terminated;
  - (6) Other circumstances specified by laws or regulations occur, where the mortgage may be enforced.
- 5.2 Party A is entitled to take precedence over the proceeds obtained from conversion of value, auction or sale of the collaterals.
- 5.3 Party B agrees that Party A is entitled to directly receive the fruits of the collaterals (including but not limited to the rent or contracting charge) to satisfy its debts from the second month after the Debtors or Party B breaches the Principal Contracts or this contract. Party B shall cooperate unconditionally. The fruits received shall be first used to pay the expenses incurred for receiving such fruits.
- 5.4 Where any circumstance of enforcing the mortgage occurs, both parties shall negotiate to determine the way of enforcement. If negotiation fails, Party A is entitled to directly apply to the people's court for auction or sale of the collaterals.
- 5.5 Party B acknowledges that where the Debtors provide other collaterals, Party A has the right to enforce the mortgage over the collaterals hereunder. Party B shall not raise any objection thereto.

## **6. Breaching Liabilities**

- 6.1 Where Party B breaches or fails to perform fully any obligation hereunder, which causes the mortgage unattached or unregistered, and fails to provide any security approved by Party A within the time limited notified by Party A, it shall assume the following breaching liabilities:
- (1) If Party B is a Debtor, it shall pay Party A liquidated damages at 5% of the principal amount of the debt under the Principal Contracts, up to the value of the collaterals hereunder.
  - (2) If Party B is not a Debtor, it shall assume the joint-and-several liability of compensation for the outstanding principal, interest and expense of or relating to the debt under the Principal Contracts to the extent of the value of the collaterals hereunder.
- 6.2 Where Party B breaches or fails to perform fully any obligation hereunder, which causes the value of collaterals hereunder to decrease or causes the collaterals hereunder to destruct, and fails to reinstate or provide any security approved by Party A within the time limited notified by Party A, it shall assume the following breaching liabilities:
- (1) If Party B is a Debtor, it shall pay Party A liquidated damages at 5% of the principal amount of the debts under the Principal Contracts, up to the value of the collaterals hereunder.
  - (2) If Party B is not a Debtor, after Party A realizes the mortgage according to law, Party B shall assume the joint-and-several liability of compensation to the extent of the difference between the value of the collaterals at the time of realization of mortgage and the value of collaterals agreed herein, up to the principal, interest or expense of or relating to the debts under the Principal Contracts which are not satisfied by the Debtors.
- 6.3 Where Party B otherwise breaches this contract, it shall compensate Party A for all losses thus caused, including any direct or indirect loss.

**7. Floating Mortgage**

- 7.1 Floating mortgage means Party B creates a mortgage over any present or future production equipment, raw materials, semi-finished products, or products in favor of Party A, as detailed in the Exhibit "List of Collaterals" attached hereto.
- 7.2 Except for the needs of normal operation, Party B may not conceal, transfer, assign, mortgage or pledge the production equipment, raw materials, semi-finished products, or products already mortgaged in favor of Party A.
- 7.3 The floating mortgage shall be crystallized in any of the following circumstances:
  - (1) The debts are not satisfied when the performance period expires;
  - (2) Party B is declared bankrupt or cancelled;
  - (3) Any circumstance of realizing the mortgage hereunder occurs;
  - (4) Other circumstance occurs, which materially affects realization of the debts.
- 7.4 Party A and Party B shall go through mortgage registration formality with the bureau for industry and commerce at the county level at the place of Party B's domicile by presenting this contract and relevant documents within 15 working days after execution of this contract. Both parties shall change the registration of or deregister the mortgage according to relevant regulations of the registration authority.

**8. Other Provisions**

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**9. Miscellaneous Provisions**

- 9.1  Both parties agree to notarize this contract with the effect of execution.

After the notarization with the effect of execution, if Party B fails to perform any obligation hereunder in whole or in part, Party A is entitled to apply for an execution certificate from the original notary office, and then apply to the competent people's court (i.e., the people's court at the place of the executed party's domicile or the executed party's property) for execution by the original notarial certificate and the execution certificate.

- This contract will not be notarized with the effect of execution.

- 9.2 Before the debts under the Principal Contracts are defined, Party A is entitled to transfer such debts in whole or in part. Where Party A transfers the debts in whole or in part, Party B agrees that Party A may also transfer the mortgage interest in whole or in part. If Party A transfers the mortgage interest in part, it shall negotiate and decide the part to be transferred with the transferee, and then notify Party B, without consent of Party B. Party B is obligated to cooperate with the mortgage registration formality at the request of Party A.
- 9.3 **Party B agrees and authorizes Ping An Bank to consult Party B's enterprise information and credit information with the basic database of financial credit information and other credit information service agency established according to law at the application stage and during the existing period of the Debtor's credit facility, for the Debtor's application and subsequent management of credit facility. Party B agrees and authorizes Ping An Bank to report Party B's enterprise information and credit information, including but not limited to the credit facility information and the information having adverse effect on the information owner, to the basic database of financial credit information and other credit information service agency established according to law pursuant to Regulations on the Administration of Credit Investigation Industry.**
- 9.4 The check box will be selected by "✓".
- 9.5 Party A and Party B shall resolve the dispute arising from performance of this contract through negotiation. If negotiation fails, the provisions of subsection (2) below shall apply:
- (1) To apply for arbitration to / , and arbitrate the dispute according to the arbitration rules of the commission applied at the time of applying for the arbitration. The arbitration award is final and has binding force upon both parties.
  - (2) To file a lawsuit to the people's court at the place of Party A.
  - (3) To file a lawsuit to the people's court of / .
- 9.6 This contract shall be governed by the laws of the People's Republic of China.
- 9.7 This contract shall become effective when the parties sign (in case of natural persons, such natural persons shall sign; in case of legal persons or other organizations, the authorized persons shall sign or seal, and affix the common seal).
- 9.8 This contract is made in four counterparts. Party A will hold two counterparts, and Party B and the registration authority will each hold one.

Party A (seal): Tianjin Pilot Free Trade Zone Branch, Ping An Bank Co., Ltd.

Principal or entrusted agent (signature): /s/ Wang Lu

Date: May 19, 2017

Party B (seal): Beijing Sohu New Media Information Technology Co., Ltd.

Legal representative or entrusted agent (signature): /s/ Charles Zhang

Date: May 19, 2017

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**List of Collaterals**

Collateral 1:

Room 802, the 9th, 11th, 12th and 13th floor of Building 9, No. 1, Zhongguancundong Road, Haidian District, Beijing

Name: real property land use right and house ownership

Total area of the real property land use right: 2,866.46 m<sup>2</sup>

Total area of the house ownership: 11,679.19 m<sup>2</sup>

Among which:

Room 802:

- Area of the land use right: 299.66 m<sup>2</sup>
- Building area of the house ownership: 1,220.92 m<sup>2</sup>

9th floor:

- Area of the land use right: 639.37 m<sup>2</sup>
- Building area of the house ownership: 2,605.08 m<sup>2</sup>

11 th floor:

- Area of the land use right: 641.44 m<sup>2</sup>
- Building area of the house ownership: 2,613.51 m<sup>2</sup>

12 th floor:

- Area of the land use right: 642.48 m<sup>2</sup>
- Building area of the house ownership: 2,617.73 m<sup>2</sup>

13 th floor:

- Area of the land use right: 643.51 m<sup>2</sup>
- Building area of the house ownership: 2,621.95 m<sup>2</sup>

Quality: good

Collateral 2:

Room -205, -101, 201, 901, 1001, 1101, 1201, 1301, 1401, 1501 in Building 3, No.2, Kexueyuannan Road, Haidian District, Beijing

Name: real property land use right and house ownership

Estimated building area: 21,323.05 m<sup>2</sup>

Quality: good

Name, quantity and quality of  
collaterals

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Collateral:

Room 802:

- Housing ownership certificate: Jing Fang Quan Zheng Shi Hai Gang Ao Tai Zi, No.4840002
- Land use certificate: Jing Shi Hai Gang Ao Tai Guo Yong(2007 chu), No. 6016656;

9th floor:

- Housing ownership certificate: X Jing Fang Quan Zheng Hai Zi, NO.382489
- Land use certificate: Jing Hai Qi Guo Yong(2013 chu), No.0700531

11th floor:

- Housing ownership certificate: Jing Fang Quan Zheng Shi Hai Gang Ao Tai Zi, No.4840005
- Land use certificate: Jing Shi Hai Gang Ao Tai Guo Yong(2007 chu), No.6016655

12th floor:

- Housing ownership certificate: Jing Fang Quan Zheng Shi Hai Gang Ao Tai Zi, No.4840006
- Land use certificate: Jing Shi Hai Gang Ao Tai Guo Yong(2007 chu), No.6016654

13th floor:

- Housing ownership certificate: Jing Fang Quan Zheng Shi Hai Gang Ao Tai Zi, No.4840007
- Land use certificate: Jing Shi Hai Gang Ao Tai Guo Yong(2007 chu), No.6016659

Collateral 2: registration of property right in progress

Title certificate No. or use right  
certificate No. of the collaterals

Collateral 1:

Room 802, the 9th, 11th, 12th and 13th floor of Building 9, No. 1, Zhongguancundong Road, Haidian District, Beijing, and

Place of the collaterals

Collateral 2:

Room -205, -101, 201, 901, 1001, 1101, 1201, 1301, 1401, 1501 in Building 3, No.2, Kexueyuannan Road, Haidian District, Beijing

Collateral 1:

RMB (currency) 680,000,000.00 Yuan

Value of the collaterals

Collateral 2:

RMB (currency) 1,190,000,000.00 Yuan

Collateral 1:

100%

Percentage of title owned by the Mortgagor in the collaterals

Names of other co-owners, if any

Null

Collateral 2:

100%

Among collateral 1, 10,948.34 square meters rent to Beijing Sougou Science and Technology Development co., LTD

Other conditions of the collaterals

Collateral 2: registration of property right in progress

**The Mortgagor warrants that the above statement is true, accurate and complete. If the mortgage becomes void or insufficient owing to misstatement or material omission, and thus damages the Mortgagee's right, the Mortgagor is willing to assume joint-and-several liability to repay all debts under the Principal Contracts.**

### Asset Pledge Agreement

Contract No.: Ping Yin Hu Yi Wen E Di Zi 20170512 No. 002

Party A (Mortgagee): Tianjin Pilot Free Trade Zone Branch, Ping An Bank Co., Ltd.

Address: 101, Gate 1, Tower #1, Ronghe Plaza, No. 168, Xisi Road, China (Tianjin) Pilot Free Trade Zone (Tianjin Airport Economic Area), Tianjin, China

Tel: 022-59060622 Fax: \_\_\_\_\_

Principal: Wei Huisheng Title: president

Party B (Mortgagor): Beijing Sohu New Era Information Technology Co., Ltd.

Type of Certificate\*: \_\_\_\_\_ Certificate No.\*: \_\_\_\_\_

*(\*Do not fill in when Party B is an entity)*

Address: 15/F, Sohu.com Internet Plaza, No.1 Unit Zhongguancun East Road, Haidian District, Beijing 100084, China

Tel: 010-62726666 Fax: \_\_\_\_\_

Legal Representative\*\*: Charles Zhang Title\*\*: Chair of Board of Directors

*\*\*Do not fill in when Party B is an individual)*

Party B is willing to provide maximum amount mortgage over its legally owned property in favor of Party A to secure performance of the contract between Party A, on the one part, and Beijing Sohu New Media Information Technology Co., Ltd., Fox Information Technology (Tianjin) Limited and Tianjin Jinhua Culture Development Co., Ltd., on the other part (the “**Debtors**”). Party A and Party B hereby agree to enter into this contract upon consensus and to comply with the terms below.

#### 1. Collaterals and Mortgage Liability

##### 1.1 Scope of Mortgage

The scope of mortgage hereunder is (select the check box by “✓”):

- The principal, interest, compound interest and penalty interest of all debts (including contingent debts) under the \_\_\_\_\_ / \_\_\_\_\_ contract (Ping Yin \_\_\_\_\_ / Zi No. \_\_\_\_\_, the “Principal Contract”), and the costs for realizing the debts. The maximum amount of the principal of the debts (the balance) is (or is converted into) \_\_\_\_\_ / \_\_\_\_\_ (currency) (in words: \_\_\_\_\_ / \_\_\_\_\_).
- \_\_\_\_\_ / \_\_\_\_\_ (currency) (in words: \_\_\_\_\_ / \_\_\_\_\_) of the principal of the debts payable by the Debtors under the \_\_\_\_\_ / \_\_\_\_\_ contract (Ping Yin \_\_\_\_\_ / Zi No. \_\_\_\_\_, the “Principal Contract”), and the corresponding interest, compound interest and penalty interest as well as the costs for realizing the debts. **Party A is entitled to request Party B to assume the liability of security to the above extent of mortgage for the balance of the debts so long as the debts under the Principal Contract are not fully satisfied.**

The performance of the debts under the credit agreements and credit facility contracts (the “Principal Contracts”) signed between the Debtors and Party A from May 19, 2017 to May 18, 2020. The execution of the Principal Contracts shall be within the above period, but the performance period of the Principal Contracts is not limited to the above period. The scope of maximum amount mortgage of Party B covers all principals and interest, compound interest and penalty interest of the debts (including contingent debts) under the Principal Contracts, as well as the costs for realizing the debts. The maximum amount (balance) of the principal of the above debts is (or is converted into) RMB two point five billion only (in words).

The outstanding principal (as converted) of / (currency) (in words: / ) of the debts under the / contract (Ping Yin / Zi No. / , the “Principal Contract”), and the corresponding interest, compound interest and penalty interest as well as the costs for realizing the debts.

/

**The interest, penalty interest and compound interest shall be calculated according to the provisions of the Principal Contract until the debts are satisfied. The costs for realizing debts include but are not limited to the costs for announcement, service, appraisal, attorney, litigation, travel, assessment, auction, property preservation, and execution.**

The exchange rates of the currencies other than Renminbi shall be subject to the exchange rate quotation published by Party A when the actual business occurs.

The details of the collaterals are set forth in the List of Collaterals and the title certificates of the collaterals. The List of Collaterals is an integral part of this contract.

The parties agree that Party B will use the collaterals hereunder to provide security for all debts under the Principal Contracts. Party B shall cooperate with Party A to go through relevant registration procedure of the maximum amount mortgage according to the requirements of the registration authority.

1.2 Where the Debtors transfer the credit line granted by Party A to any third party for use, Party B shall assume the liability of mortgage security for the part transferred. The specific transferee and amount of such transfer shall be as follows:

a. / (the transferee), amount: (converted into) (currency) (in words): / ;

b. / (the transferee), amount: (converted into) (currency) (in words): / ;

c. / (the transferee), amount: (converted into) (currency) (in words): / ;

d. / .

- 1.3 Party A is entitled to first request Party B to assume the security liability of mortgage, regardless whether there is any other real security or guarantee provided by others (including the Debtors under the Principal Contracts). If Party A waives any security interest in other collaterals (including those provided by the Debtors) or any guarantee provided by others, Party B shall continue to assume the security liability hereunder fully.
- 1.4 If Party B's act is sufficient to reduce the value of the collaterals during the term of the mortgage, Party A is entitled to request Party B to stop such act. Where the value or price of the collaterals decreases for any reason not attributable to Party A, Party A is entitled to request Party B to restore the value of the collaterals, and to decide that an appraisal institution approved by Party A will appraise the value of the collaterals. If upon appraisal the value of the collaterals is insufficient to secure the debts under the Principal Contracts, Party A is entitled to request Party B to provide other security measures approved by Party A. If Party B is a Debtor under the Principal Contracts, Party A is entitled to request Party B to prepay the credit line.
- 1.5 This contract is irrevocable.
- 1.6 This contract is independent from the Principal Contracts in respect of legal force. If the Principal Contracts or part of their provisions is invalid, this contract shall remain valid.
- 1.7 During the term hereof, Party A will keep the original title certificates of the collaterals. When the Debtors satisfy the principal, interest and expenses of or relating to all debts under the Principal Contracts, the mortgage shall cease to be in force automatically, and Party A shall return the original title certificates of the collaterals to Party B.

## **2. Mortgage Registration and Insurance**

- 2.1 Where relevant laws and regulations provide for the authority to register mortgage, Party A and Party B shall go through mortgage registration formality with the authority by presenting this contract and relevant documents within 15 working days after execution of this contract. Otherwise, Party A and Party B shall go through mortgage registration formality with the notary office at the place of Party A by presenting this contract and relevant documents within 15 working days after execution of this contract. Both parties shall obtain the change of registration or deregistration according to the rules of the registration authority.

The mortgage shall be deregistered when the principal, interest and expense of or relating to all debts under the Principal Contracts are satisfied by the Debtors.

- 2.2 Party A has the right to request Party B to take out property insurance for the collaterals, and designate Party A as the first beneficiary of the insurance benefit. Generally, the insurance amount of the property insurance is subject to the value of the collaterals, and the insurance period shall not be less than the period of the debts. Party B agrees to assign the claim for insurance proceeds to Party A and give necessary assistance when Party A exercises such claim. The insurance proceeds paid by the insurer shall be first used to repay the debts under the Principal Contracts.
- 2.3 During the term of this contract, Party B may not suspend or cancel any insurance for whatever reason. If the insurance is suspended, Party A is entitled to take out insurance at the cost of Party B.
- 2.4 Party B shall pay insurance premium in a timely manner, and perform the obligations under the insurance policies.

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- 2.5 Party B shall renew the insurance according to Article 2.2 until the principal, interest and expense of or relating to the debts under the Principal Contracts is satisfied. Otherwise, Party A is entitled to take out insurance at the cost of Party B.
  - 2.6 Party A will keep the original insurance policies. When the Debtors satisfy the principal, interest and expense of or relating to the debts under the Principal Contracts, Party A will return the original insurance policies to Party B.

### **3. Representations and Warranties of the Mortgagor**

- 3.1 Party B is a company duly incorporated, validly existing and in good standing in its jurisdiction, and has full corporate power and government permit and approval to conduct the business it carries out currently.
- 3.2 Party B has obtained all authority and approval required for entering into this contract. The execution hereof is true expression of intent of Party B, and will not result in violation of any agreement or covenant with any third party. Party B does not violate any laws, regulations or rules with respect to environment protection, energy saving and emission reduction and reduction of pollution when entering into this contract, and undertakes to strictly comply with such laws, regulations and rules after entering into this contract.
- 3.3 Except for those already notified to Party A in writing before execution hereof, Party B is not involved in any other litigation, arbitration, execution, appeal, review or other procedures as well as other events or circumstances which could have material adverse effect on the performance of this contract.
- 3.4 The collaterals are lawfully possessed by Party B, free from any legal dispute, and not subject to any mortgage in favor of any third party (except for the mortgage over the balance) before execution of this contract.

### **4. Rights and Obligations of the Mortgagor**

- 4.1 Party B is entitled to request Party A to keep confidential the information provided by Party B, except that laws, regulations or regulators otherwise provide or require, or both parties otherwise stipulate, or such information do not constitute confidential information.
- 4.2 Party B has carefully read the Principal Contracts and confirmed all terms thereof. Party B is not required to confirm any single credit facility contract, debt note or other certificate of credit facility under the Principal Contracts which does not exceed the provisions of the Principal Contracts.

**Any change to the Principal Contracts made by Party A and the Debtors will not require consent of Party B who shall continue to assume the security liability to the changed Principal Contracts.** However, if the principal of debt is increased or if the loan term is extended, Party B shall continue to assume the security liability according to the amount and term specified in the original Principal Contracts if the increase or extension is not consented by Party B in writing.

- 4.3 Party B may not transfer, gift, create security interest over, or otherwise dispose of the collaterals without Party A's written consent.

4.4 Party B shall make true representation to Party A with respect of any lease of the collaterals. If the collaterals are leased out, Party B shall notify Party A in writing, provide Party A with the lease contract, and notify the lessee in writing of the mortgage. Any renewal or new lease after expiration of the above lease shall require Party A's written consent.

Where any collateral is leased out upon consent of Party A, Party B shall specify in the lease contract that (1) the collateral has been mortgaged in favor of Party A, and (2) when Party A enforces the mortgage, the lessee shall move out of the collateral within thirty days after Party A sends notice.

The rent received by Party B from lease of the collaterals shall be deposited in the account opened by it at Party A as the security for the Debtors to repay the debts under the Principal Contracts. Such rent may not be used for other purpose.

4.5 Party B undertakes to reasonably use and properly keep the collaterals, and shall not act in any way that reduces the value of the collaterals.

4.6 Party B accepts and undertakes to cooperate with Party A's inspection on the use, custody, maintenance and title of the collaterals.

4.7 **Where the collaterals are used to secure by means of mortgage any credit facility with a term of more than one year, Party A is entitled to appoint an appraisal institution approved by it to appraise the value of the collaterals from the second year after the effectiveness of this contract. If the value of the collaterals decreases obviously, and is insufficient to secure the debts under the Principal Contracts, or if the property mortgaged is included in the scope of demolition, Party A is entitled to request Party B or the Debtors to provide other forms of security approved by it.**

4.8 Party B shall notify Party A in writing of any of the following circumstances on the second day of occurrence thereof:

- (1) Any collateral is damaged;
- (2) Any collateral is destroyed;
- (3) Any insurance accident occurs;
- (4) Any dispute occurs over the title to any collateral;
- (5) Any collateral is sealed up, attached, or taken other compulsive measures;
- (6) Any collateral is encroached by any third party;
- (7) Any collateral is included in the scope of demolition;
- (8) Other circumstances occur, which may affect the enforcement of the mortgage by Party A.

4.9 Satisfaction of Debts after Demolition of Collaterals

4.9.1 The Debtors and Party B undertake that they will notify Party A in writing of any demolition information of the mortgaged housing within two working days after they become aware of such information.

- 4.9.2 If the demolition of the mortgaged housing is compensated in kind, the Debtors and Party B shall first negotiate the prepayment of loans with Party A. If negotiation fails, Party A is entitled to request the Debtors to immediately prepay the entire principal and interest of the loans. If Party A examines and approves that the compensation property will be used as collateral for the loans, Party B undertakes to create mortgage/pledge over such compensation property (including but not limited to any compensation housing obtained by ways of property swap) in favor of Party A.
- 4.9.3 If the demolition of the mortgaged housing is compensated in cash, the Debtors and Party B shall first negotiate the prepayment of loans with Party A. If negotiation fails, Party B agrees and undertakes that Party A is entitled to request Party B to:
- (1) use the compensation fund to prepay the secured Debtors' loans obtained from Party A;
  - (2) deposit the compensation fund in the deposit account designated by Party A, or use the compensation fund in the form of deposit receipt to secure Party A's debts under the Principal Contracts.
- 4.9.4 Where Party A deems that the value of the above compensation fund or compensation property of Party B is insufficient to satisfy or secure Party A's debts, the Debtors and Party B shall provide supplemental security approved by Party A. During the period between the destruction of the original mortgaged housing and the proper registration of the new mortgaged property, the Debtors and Party B undertake to provide Party A with temporary security meeting Party A's requirements.
- 4.10 Where Party B changes its domicile, correspondence address, telephone number, business scope, legal representative or other matters, it shall give Party A written notice within seven working days after such change. If Party B fails to perform the above obligation of notice, and Party A sends relevant notice or document (including but not limited to both parties' notices or documents during performance of this contract, the arbitration or litigation materials or instruments during arbitration or litigation process, and relevant materials and instruments during execution of cases) to the original domicile or correspondence address, such notice or document shall be deemed duly served.
- 4.11 The costs for insurance, custody, repair, maintenance, lodgment and transport of relevant collaterals hereunder shall be borne by Party B.

## **5. Realization of Mortgage**

- 5.1 Party A is entitled to enforce the mortgage in any of the following circumstances:
- (1) The Debtors fail to repay the principal, interest or expenses of or relating to any debt due under the Principal Contracts (including any debt due in advance);
  - (2) Party B breaches any of its warranties or covenants, or otherwise fails to perform any obligation hereunder;
  - (3) The Debtors or Party B is declared dissolved or bankrupt or is cancelled according to law;
  - (4) It is probable that the collaterals may be damaged or the value of the collaterals is reduced obviously, which could endanger Party A's right, and the Debtors or Party B fails to provide any security approved by Party A within the time limit notified by Party A;

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- (5) The Debtors otherwise breaches the Principal Contracts, or the Principal Contracts are rescinded or terminated;
  - (6) Other circumstances specified by laws or regulations occur, where the mortgage may be enforced.
- 5.2 Party A is entitled to take precedence over the proceeds obtained from conversion of value, auction or sale of the collaterals.
- 5.3 Party B agrees that Party A is entitled to directly receive the fruits of the collaterals (including but not limited to the rent or contracting charge) to satisfy its debts from the second month after the Debtors or Party B breaches the Principal Contracts or this contract. Party B shall cooperate unconditionally. The fruits received shall be first used to pay the expenses incurred for receiving such fruits.
- 5.4 Where any circumstance of enforcing the mortgage occurs, both parties shall negotiate to determine the way of enforcement. If negotiation fails, Party A is entitled to directly apply to the people's court for auction or sale of the collaterals.
- 5.5 Party B acknowledges that where the Debtors provide other collaterals, Party A has the right to enforce the mortgage over the collaterals hereunder. Party B shall not raise any objection thereto.

## **6. Breaching Liabilities**

- 6.1 Where Party B breaches or fails to perform fully any obligation hereunder, which causes the mortgage unattached or unregistered, and fails to provide any security approved by Party A within the time limited notified by Party A, it shall assume the following breaching liabilities:
- (1) If Party B is a Debtor, it shall pay Party A liquidated damages at 5% of the principal amount of the debt under the Principal Contracts, up to the value of the collaterals hereunder.
  - (2) If Party B is not a Debtor, it shall assume the joint-and-several liability of compensation for the outstanding principal, interest and expense of or relating to the debt under the Principal Contracts to the extent of the value of the collaterals hereunder.
- 6.2 Where Party B breaches or fails to perform fully any obligation hereunder, which causes the value of collaterals hereunder to decrease or causes the collaterals hereunder to destruct, and fails to reinstate or provide any security approved by Party A within the time limited notified by Party A, it shall assume the following breaching liabilities:
- (1) If Party B is a Debtor, it shall pay Party A liquidated damages at 5% of the principal amount of the debts under the Principal Contracts, up to the value of the collaterals hereunder.
  - (2) If Party B is not a Debtor, after Party A realizes the mortgage according to law, Party B shall assume the joint-and-several liability of compensation to the extent of the difference between the value of the collaterals at the time of realization of mortgage and the value of collaterals agreed herein, up to the principal, interest or expense of or relating to the debts under the Principal Contracts which are not satisfied by the Debtors.
- 6.3 Where Party B otherwise breaches this contract, it shall compensate Party A for all losses thus caused, including any direct or indirect loss.

**7. Floating Mortgage**

- 7.1 Floating mortgage means Party B creates a mortgage over any present or future production equipment, raw materials, semi-finished products, or products in favor of Party A, as detailed in the Exhibit "List of Collaterals" attached hereto.
- 7.2 Except for the needs of normal operation, Party B may not conceal, transfer, assign, mortgage or pledge the production equipment, raw materials, semi-finished products, or products already mortgaged in favor of Party A.
- 7.3 The floating mortgage shall be crystallized in any of the following circumstances:
  - (1) The debts are not satisfied when the performance period expires;
  - (2) Party B is declared bankrupt or cancelled;
  - (3) Any circumstance of realizing the mortgage hereunder occurs;
  - (4) Other circumstance occurs, which materially affects realization of the debts.
- 7.4 Party A and Party B shall go through mortgage registration formality with the bureau for industry and commerce at the county level at the place of Party B's domicile by presenting this contract and relevant documents within 15 working days after execution of this contract. Both parties shall change the registration of or deregister the mortgage according to relevant regulations of the registration authority.

**8. Other Provisions**

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**9. Miscellaneous Provisions**

- 9.1  Both parties agree to notarize this contract with the effect of execution.

After the notarization with the effect of execution, if Party B fails to perform any obligation hereunder in whole or in part, Party A is entitled to apply for an execution certificate from the original notary office, and then apply to the competent people's court (i.e., the people's court at the place of the executed party's domicile or the executed party's property) for execution by the original notarial certificate and the execution certificate.

- This contract will not be notarized with the effect of execution.

- 9.2 Before the debts under the Principal Contracts are defined, Party A is entitled to transfer such debts in whole or in part. Where Party A transfers the debts in whole or in part, Party B agrees that Party A may also transfer the mortgage interest in whole or in part. If Party A transfers the mortgage interest in part, it shall negotiate and decide the part to be transferred with the transferee, and then notify Party B, without consent of Party B. Party B is obligated to cooperate with the mortgage registration formality at the request of Party A.
- 9.3 **Party B agrees and authorizes Ping An Bank to consult Party B's enterprise information and credit information with the basic database of financial credit information and other credit information service agency established according to law at the application stage and during the existing period of the Debtor's credit facility, for the Debtor's application and subsequent management of credit facility. Party B agrees and authorizes Ping An Bank to report Party B's enterprise information and credit information, including but not limited to the credit facility information and the information having adverse effect on the information owner, to the basic database of financial credit information and other credit information service agency established according to law pursuant to Regulations on the Administration of Credit Investigation Industry.**
- 9.4 The check box will be selected by "✓".
- 9.5 Party A and Party B shall resolve the dispute arising from performance of this contract through negotiation. If negotiation fails, the provisions of subsection (2) below shall apply:
- (1) To apply for arbitration to / , and arbitrate the dispute according to the arbitration rules of the commission applied at the time of applying for the arbitration. The arbitration award is final and has binding force upon both parties.
  - (2) To file a lawsuit to the people's court at the place of Party A.
  - (3) To file a lawsuit to the people's court of / .
- 9.6 This contract shall be governed by the laws of the People's Republic of China.
- 9.7 This contract shall become effective when the parties sign (in case of natural persons, such natural persons shall sign; in case of legal persons or other organizations, the authorized persons shall sign or seal, and affix the common seal).
- 9.8 This contract is made in four counterparts. Party A will hold two counterparts, and Party B and the registration authority will each hold one.

Party A (seal): Tianjin Pilot Free Trade Zone Branch, Ping An Bank Co., Ltd.

Principal or entrusted agent (signature): /s/ Wang Lu

Date: May 19, 2017

Party B (seal): Beijing Sohu New Era Information Technology Co., Ltd.

Legal representative or entrusted agent (signature): /s/ Charles Zhang

Date: May 19, 2017

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## List of Collaterals

Collateral:

The 7th floor, room 801, and 10th floor of Building 9, No. 1, Zhongguancundong Road, Haidian District, Beijing

Name: real property land use right and house ownership

Total area of the real property land use right: 1,616.39 m<sup>2</sup>

Total area of the house ownership: 6,585.88 m<sup>2</sup>

Among which:

7th Floor:

Name, quantity and quality of collaterals

- Area of the land use right: 637.30 m<sup>2</sup>
- Building area of the house ownership: 2,596.64 m<sup>2</sup>

Room 801:

- Area of the land use right: 338.68 m<sup>2</sup>
- Building area of the house ownership: 1,379.94 m<sup>2</sup>

10th Floor:

- Area of the land use right: 640.41 m<sup>2</sup>
- Building area of the house ownership: 2,609.30 m<sup>2</sup>

Quality: Good

Collateral:

7th Floor:

- Housing ownership certificate: Jing Fang Quan Zheng Shi Hai Gang Ao Tai Zi, No. 4840008
- Land use certificate: Jing Shi Hai Gang Ao Tai Guo Yong(2007 chu), No. 6016653

Title certificate No. or use right certificate  
No. of the collaterals

Room 801:

- Housing ownership certificate: Jing Fang Quan Zheng Shi Hai Gang Ao Tai Zi, No.4840001
- Land use certificate: Jing Shi Hai Gang Ao Tai Guo Yong(2007 chu), No. 6016657;

10th Floor:

- Housing ownership certificate: Jing Fang Quan Zheng Shi Hai Gang Ao Tai Zi, No.4840004
- Land use certificate: Jing Shi Hai Gang Ao Tai Guo Yong(2007 chu), No.6016658

Place of the collaterals

The 7th floor, room 801, and 10th floor of Building 9, No. 1, Zhongguancundong Road, Haidian District, Beijing

Value of the collaterals

RMB (currency) 380,000,000.00 Yuan

Percentage of title owned by the  
Mortgagor in the collaterals

100%

Names of other co-owners, if any

Null

Other conditions of the collaterals

Among collateral 6,172.36 square meters rent to Beijing Sougou Science and Technology Development Co., LTD

Notes

**The Mortgagor warrants that the above statement is true, accurate and complete. If the mortgage becomes void or insufficient owing to misstatement or material omission, and thus damages the Mortgagee's right, the Mortgagor is willing to assume joint-and-several liability to repay all debts under the Principal Contracts.**

Guaranty Agreement

Contract No.: Ping Yin Hu Yi Wen E Bao Zi 20170512 No. 001

Party A (Creditor): Tianjin Pilot Free Trade Zone Branch, Ping An Bank Co., Ltd.

Address: 101, Gate 1, Tower #1, Ronghe Plaza, No. 168, Xisi Road, China (Tianjin) Pilot Free Trade Zone (Tianjin Airport Economic Area), Tianjin, China

Tel: 022-59060622 Fax: \_\_\_\_\_

Principal: Wei Huisheng Title: President

Party B (Guarantor): Sohu.com (Game) Limited

Type of Certificate\*: \_\_\_\_\_ Certificate No.\*: \_\_\_\_\_

(\*Do not fill in when Party B is an entity)

Address: P. O. Box 31119 Grand Pavilion, Hibiscus Way, 802 West Bay Road, Grand Cayman, KY1 - 1205 Cayman Islands

Tel: 010-62726666 Fax: \_\_\_\_\_

Director\*\*: Sohu.com Limited Title: Director

(\*\*Do not fill in when Party B is an individual)

Party B is willing to act as a guarantor and provide maximum amount guarantee with joint and several liability in favor of Party A to secure performance of the contract between Party A, on the one part, and Beijing Sohu New Media Information Technology Co., Ltd., Fox Information Technology (Tianjin) Limited and Tianjin Jinhua Culture Development Co., Ltd., on the other part (the "Debtors"). Party A and Party B hereby agree to enter into this contract upon consensus and to comply with the terms below.

1. Guarantee and Guarantee Liability

1.1 Scope of Guarantee

The scope of guarantee hereunder is (select the check box by "✓"):

- The principal, interest, charge, compound interest and penalty interest of all debts (including contingent debts) under the / contract (Contract No. / , the "Principal Contract"), and the costs for realizing the debts. The maximum amount of the principal of the debts (the balance) is (or is converted into) / (currency) (in words: / ).
- / (currency) (in words: / ) of the principal of the debts payable by the Debtors under the / contract (Contract No. / , the "Principal Contract"), and the corresponding interest, charge, compound interest and penalty interest as well as the costs for realizing the debts. **Party A is entitled to request Party B to assume the liability of security to the above extent of guarantee for the balance of the debts so long as the debts under the Principal Contract are not fully satisfied.**

The performance of the debts under the credit agreements and credit facility contracts (the “Principal Contracts”) signed between the Debtors and Party A from May 19, 2017 to May 18, 2020. The execution of the Principal Contracts shall be within the above period, but the performance period of the Principal Contracts is not limited to the above period. The scope of maximum amount guarantee of Party B covers all principals and interest, charge, compound interest and penalty interest of the debts (including contingent debts) under the Principal Contracts, as well as the costs for realizing the debts. The maximum amount (balance) of the principal of the above debts is (or is converted into) RMB two point five billion only (in words).

The outstanding principal (as converted) of / (currency) (in words: / ) of the debts under the / contract (Contract No. / , the “Principal Contract”), and the corresponding interest, charge, compound interest and penalty interest as well as the costs for realizing the debts.

/

**The interest, penalty interest and compound interest shall be calculated according to the provisions of the Principal Contract until the debts are satisfied. The costs for realizing debts include but are not limited to the costs for announcement, service, appraisal, attorney, litigation, travel, assessment, auction, property preservation, and execution.**

The exchange rates of the currencies other than Renminbi shall be subject to the exchange rate quotation published by Party A when the actual business occurs.

1.2 The guarantee period of this contract is as follows:

From effectiveness of this contract to two years after expiration of the debt performance period of any specific credit facility under the Principal Contracts. The guarantee period of each specific credit facility shall be calculated separately. If any credit facility is extended, the guarantee period shall be extended to two years after expiration of the extension.

From the date of issuing any loan under the Principal Contracts to / when the housing mortgage registration in favor of Party A is completed and relevant title certificate is delivered to Party A.

From the effectiveness hereof to /

/ .

During the guarantee period, if Party A transfers its debts to any third party, Party B hereby agrees to assume the liability of guarantee to the extent of the original guarantee.

1.3 **Where the Debtors transfer the credit line granted by Party A to any third party for use, Party B hereby agrees to assume the liability of guarantee for the part transferred.** The specific transferee and amount of such transfer shall be as follows:

a. / (the transferee), amount: (converted into) / (currency) (in words): / ;

- 
- b. / (the transferee), amount: (converted into) (currency) (in words): / ;
  - c. / (the transferee), amount: (converted into) (currency) (in words): / ;
  - d. / .

1.4 Party B shall assume the liability of guarantee hereunder independently. Party A is entitled to first request Party B to assume the security liability of guarantee, regardless whether there is any other real security or guarantee provided by others (including the Debtors under the Principal Contracts). If Party A waives any security interest in other collaterals (including those provided by the Debtors) or any guarantee provided by others, Party B shall continue to assume the guarantee liability hereunder fully.

1.5 This contract is irrevocable.

1.6 This contract is independent from the Principal Contracts in respect of legal force. If the Principal Contracts or part of their provisions is invalid, this contract shall remain valid.

## 2. Performance of Guarantee Liability

2.1 Where the Debtors fail to perform any due debts (including any debt due in advance) according to the provisions of the Principal Contracts, Party B undertakes to repay the debts unconditionally once receiving the written claim notice of Party A. Any document sent by Party A asserting that the Debtors fail to perform any due debt can serve as the written claim notice of requesting payment by Party B.

2.2 **Party B hereby irrevocably authorizes Party A to deduct the principal, interest and expense of or relating to any due debts owed by the Debtors to Party A from any account opened by Party B at any business institution of Ping An Bank. Party A will notify Party B in writing after the deduction, and Party A is entitled to further claim for any difference against Party B. When the deducted amount is insufficient to satisfy all debts,** if the Debtors fail to repay for 90 days or less, the order of repayment of principal and interest is as follows: (1) expense; (2) interest (including penalty interest, compound interest); (3) principal. If the Debtors fail to repay for more than 90 days, the order of repayment of principal and interest is as follows: (1) expense; (2) principal; (3) interest (including penalty interest, compound interest).

## 3. Representations and Warranties of the Guarantor

3.1 Party B has obtained all authority and approval required for entering into this contract. The execution hereof is true expression of intent of Party B, and will not result in violation of any agreement or covenant with any third party. Party B does not violate any laws, regulations or rules with respect to environment protection, energy saving and emission reduction and reduction of pollution when entering into this contract, and undertakes to strictly comply with such laws, regulations and rules after entering into this contract.

3.2 Except for those already notified to Party A in writing before execution hereof, Party B is not involved in any other litigation, arbitration, execution, appeal, review or other procedures as well as other events or circumstances which could have material adverse effect on the performance of this contract.

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- 3.3 The following provisions shall apply when Party B is a legal person:
- 3.3.1 Party B is a company duly incorporated, validly existing and in good standing in its jurisdiction, and has full corporate power and government permit and approval to conduct the business it carries out currently.
- 3.3.2 Party B shall provide the financial statements, the information of all bank account numbers and the balance of deposits and loans, as well as other relevant information required by Party A within the time limited specified by Party A. Party B shall warrant that the documents and information provided by it are true, complete and objective and free of any false record, misrepresentation or material omission, and the financial statements are prepared strictly according to the Chinese accounting standards.
- 3.4 The following provisions shall apply when Party B is a natural person:
- 3.4.1 Party B has truly provided his/her income or property of his/her own or his/her family and other information required by Party A, and warrants that the documents and information provided by him/her are true, complete and accurate.
- 3.4.2 Party B undertakes to cooperate with Party A's supervision and inspection on his/her information of income and credit. During performance of this contract if Party A deems that the security for the loan deteriorates, Party B shall provide other forms of security approved by Party A.

#### 4. Rights and Obligations of the Guarantor

- 4.1 Party B is entitled to request Party A to keep confidential the information provided by Party B, except that laws, regulations or regulators otherwise provide or require, or both parties otherwise stipulate, or such information do not constitute confidential information.
- 4.2 Party B has carefully read the Principal Contracts and confirmed all terms thereof. Party B is not required to confirm any single credit facility contract, debt note or other certificate of credit facility under the Principal Contracts which does not exceed the provisions of the Principal Contracts.
- Any change to the Principal Contracts made by Party A and the Debtors will not require consent of Party B who shall continue to assume the joint-and-several liability of guarantee to the changed Principal Contracts.** However, if the principal of debt is increased or if the loan term is extended, Party B shall continue to assume the security liability according to the amount and term specified in the original Principal Contracts if the increase or extension is not consented by Party B in writing.
- 4.3 Party B accepts and undertakes to cooperate with Party A's supervision and inspection on Party B's operation and capability of security, and allows Party A to enter its operating premises to inspect its assets, financial condition and operating condition.

- 4.4  **Before any transfer of material property, transformation of structure, or transfer of obligatory rights or obligations, Party B shall first notify Party A thereof and obtain the written consent of Party A.**
- Party B shall give thirty days' written notice to Party A in any of the following circumstances. If Party A deems that such circumstance may have material effect on performance of this contract, Party B may carry out the following only after obtaining written consent of Party A:**
- (1) Any material change to the operating regime, shareholding structure, organizational form of property, and principal business, including but not limited to contracting or leasing operation, association, shareholding reform, M&A, acquisition, joint venture, division, establishment of subsidiaries, trusteeship (receivership), sale of enterprise, transfer of property or reduction of capital etc.;
  - (2) Sale, gift, lending, transfer, mortgage, pledge or otherwise disposal of any assets accounting for 10% of the net assets;
  - (3) Any distribution of dividends exceeding 30% of the after-tax net profits for the current year, or exceeding 20% of all undistributed profits;
  - (4) Any new investment made after effectiveness of this contract exceeding 20% of the net assets;
  - (5) Modification of any debt provisions with other banks, or early satisfaction of other long-term debts;
  - (6) Repayment of any shareholder's debts of Party B;
  - (7) Application to other banks for credit facility, or provision of security to any third party, or reduction of any debts owed by any third party, the amount of which exceeds 20% of the net assets.
- 4.5 **Party B shall give written notice to Party A within seven working days after the occurrence or possible occurrence of any of the following circumstances. Party A has the right to decide based on the circumstance whether to demand Party B and the Debtors to add any security or directly recover all loans:**
- (1) Party B's operating or financial condition deteriorates seriously;
  - (2) Party B is imposed by competent authority of large amount of fines, or is involved in any major legal dispute;
  - (3) Party B or its shareholder, legal representative or key officer is involved in any major case, or their material assets are subject to property preservation or other compulsory measures, or Party B's legal representative or key officer is unable to perform his/her duties normally;
  - (4) Party B provides security for any third party, which has material adverse effect on its financial condition or its ability to perform obligations hereunder;
  - (5) Party B is wound-up, ordered to stop business for rectification, dissolved, closed, bankrupt or cancelled of business license;
  - (6) Party B's economic situation deteriorates, such as he/she is unemployed, his/her employer goes bankrupt, his/her property suffers major loss, his/her health suffers any material adverse change, or he/she divorces his/her spouse, or other circumstances occur which may affect Party B's ability to perform this contract; or
  - (7) Other major events or breaches occur, which may affect Party B's operation or the security of Party A's loans.

- 4.6 Where Party B changes its domicile, correspondence address, telephone number, business scope, legal representative (employer) or other matters, it shall give Party A written notice within seven working days after such change. If Party B fails to perform the above obligation of notice, and Party A sends relevant notice or document (including but not limited to both parties' notices or documents during performance of this contract, the arbitration or litigation materials or instruments during arbitration or litigation process, and relevant materials and instruments during execution of cases) to the original domicile or correspondence address, such notice or document shall be deemed duly served.
- 4.7  Party B undertakes to keep reasonable financial ratio during the term of loans.
- The financial index will meet the following standards during the term of loans:

The balance of net cash of Party B and its subsidiaries at any time shall not be less than the minimum deposit amount for the principal and interest of the loans actually provided by Party A. Among others, the balance of net cash = the ending balance of cash and cash equivalent + restricted cash pertaining to interest-bearing liabilities provided by third parties + the ending balance of the financial products and short-term investment included in other accounting items – the ending balance of the interest-bearing debts provided by any party other than Sohu.com Inc. (NASDAQ:SOHU, the “SOHU”) and its subsidiaries and invested enterprises – the total amount of any security provided to any third parties; the minimum deposit amount for the principal and interest of the loans actually provided by Party A = the principal and interest of the loans actually provided by Party A/90%/the shareholding percentage held by Party B directly or indirectly in Changyou.com Limited (NASDAQ:CYOU, the “CYOU”).

## 5. Breach of Contract

### 5.1 Any of the following circumstances shall constitute a breaching event hereunder:

- (1) Party B fails to perform the liability of repayment promptly and fully;
- (2) Party B breaches any warranty or covenant or otherwise fails to perform any obligation under this contract;
- (3) Party B transfers property or withdraws capital;
- (4) Party B breaches any other contract signed with Party A or other banks; or
- (5) Any material adverse change occurs to Party B's operating of financial conditions.

### 5.2 When a breach event occurs, Party A is entitled to:

- (1) demand Party B to repay immediately;
- (2) demand Party B to provide other forms of security approved by Party A;
- (3) exercise any right of subrogation against any debtor of Party B according to law, or request the court to avoid any waiver by Party B of any due debts or any transfer of property for free or at any obviously and unreasonably low price. Party B shall provide all necessary assistance and cooperation at the request of Party A, and shall assume the costs incurred by Party A therefor; or
- (4) Take other remedies provided by laws or regulations.

**6. Other Provisions**

The Bank-Enterprise Security Cooperation Agreement (the “Agreement”) signed between Party A and Party B is the fundamental legal document which governs the rights and obligations of both parties. If this contract conflict with the Agreement, the Agreement shall prevail.

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**7. Miscellaneous Provisions**

7.1  Both parties agree to notarize this contract with the effect of execution.

After the notarization with the effect of execution, if Party B fails to perform any obligation hereunder in whole or in part, Party A is entitled to apply for an execution certificate from the original notary office, and then apply to the competent people’s court (i.e., the people’s court at the place of the executed party’s domicile or the executed party’s property) for execution by the original notarial certificate and the execution certificate.

This contract will not be notarized with the effect of execution.

7.2 **Party B agrees and authorizes Ping An Bank to consult Party B’s enterprise information and credit information with the basic database of financial credit information and other credit information service agency established according to law at the application stage and during the existing period of the Debtor’s credit facility, for the Debtor’s application and subsequent management of credit facility. Party B agrees and authorizes Ping An Bank to report Party B’s enterprise information and credit information, including but not limited to the credit facility information and the information having adverse effect on the information owner, to the basic database of financial credit information and other credit information service agency established according to law pursuant to Regulations on the Administration of Credit Investigation Industry.**

7.3 The check box will be selected by “✓”.

7.4 **Party A and Party B shall resolve the dispute arising from performance of this contract through negotiation. If negotiation fails, the provisions of subsection (2) below shall apply:**

**(1) To apply for arbitration to South China International Economic and Trade Arbitration Commission, and arbitrate the dispute according to the arbitration rules of the commission applied at the time of applying for the arbitration. The arbitration award is final and has binding force upon both parties.**

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(2) To file a lawsuit to the people's court at the place of Party A.

(3) To file a lawsuit to the people's court of / .

7.5 This contract shall be governed by the laws of the People's Republic of China.

7.6 This contract shall become effective when the parties sign (in case of natural persons, such natural persons shall sign; in case of legal persons or other organizations, the authorized persons shall sign or seal).

7.7 This contract is made in four counterparts. Party A will hold two counterparts, and Party B and the registration authority will each hold one.

Party A (seal): Tianjin Pilot Free Trade Zone Branch, Ping An Bank Co., Ltd.

Principal or entrusted agent (signature): /s/ Wang Lu

Date: May 19, 2017

Party B (seal): Sohu.com (Game) Limited

Legal representative or entrusted agent (signature): /s/ Charles Zhang

Date: May 19, 2017

**Commitment Letter**

Contract No.: Yin Hu Yi Wen Cheng Zi 20170512 No.001

Party A: Tianjin Pilot Free Trade Zone Branch, Ping An Bank Co., Ltd.Address: 101, Gate 1, Tower #1, Ronghe Plaza, No. 168, Xisi Road, China (Tianjin) Pilot Free Trade Zone (Tianjin Airport Economic Area), Tianjin, ChinaTel: 022-59060622

Fax: \_\_\_\_\_

Principal: Wei HuishengTitle: PresidentParty B: Sohu.com Inc.Address: 1209 Orange Street, Wilmington, County of New Castle, Delaware, USATel: 010-62726666

Fax: \_\_\_\_\_

Principal: Joanna LvTitle: Acting Chief Financial Officer**Whereas,**

1. According to the Credit Agreement (Contract No. Ping Yin Hu Yi Wen Zong Zi 20170512 No.002) made between Beijing Sohu New Media Information Technology Co., Ltd. (as the borrower, hereinafter referred to as “**Beijing Sohu**”) and Party A, as the lender, on May 19, 2017 as amended and supplemented from time to time (“**Beijing Sohu Loan Agreement**”), Party A agrees to provide a loan of not more than RMB 1 billion (“**Beijing Sohu Loan**”) to Beijing Sohu pursuant to the terms and conditions of Beijing Sohu Loan Agreement;
2. According to the Credit Agreement (Contract No. Ping Yin Hu Yi Wen Zong Zi 20170512 No.001) made between Fox Information Technology (Tianjin) Limited (as the borrower, hereinafter referred to as “**Tianjin Fox**”) and Party A, as the lender, on May 19, 2017 as amended and supplemented from time to time (“**Tianjin Fox Loan Agreement**”), Party A agrees to provide a loan of not more than RMB 1 billion (“**Tianjin Fox Loan**”) to Tianjin Fox pursuant to the terms and conditions of Tianjin Fox Loan Agreement;
3. According to the Credit Agreement (Contract No. Ping Yin Hu Yi Wen Zong Zi 20170512 No.003) made between Tianjin Jinhu Culture Development Co., Ltd (as the borrower, hereinafter referred to as “**Tianjin Jinhu**”) and Party A, as the lender, on May 19, 2017 as amended and supplemented from time to time (“**Tianjin Jinhu Loan Agreement**”), Party A agrees to provide a loan of not more than RMB 500 million (“**Tianjin Jinhu Loan**”) to Tianjin Jinhu pursuant to the terms and conditions of Tianjin Jinhu Loan Agreement;

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4. Beijing Sohu, Tianjin Fox and Tianjin Jinhua are hereinafter referred to collectively as the “ **Borrowers** ”, and the Borrowers and Party B and their respective affiliated legal persons are hereinafter referred to collectively as “ **Sohu Group** ”. Beijing Sohu Loan Agreement, Tianjin Fox Loan Agreement and Tianjin Jinhua Loan Agreement are hereinafter referred to collectively as the “ **Loan Agreements** ”. Beijing Sohu Loan, Tianjin Fox Loan and Tianjin Jinhua Loan are hereinafter referred to collectively as the “ **Loans** ”. As a condition Party A provides the Loans to the Borrowers, Party B is willing to issue this commitment letter and expressly undertakes to perform relevant obligations owed to Party A according to the terms and conditions hereof. For the purpose hereof, “ **affiliated legal person** ” means, in respect of any entity, any legal person who controls, is controlled by or is in common control with such entity.

The parties hereby agree as follows:

**1. Definitions and Interpretations**

Except as otherwise required or defined herein, the terms and expressions defined in the Loan Agreements or interpreted for the purpose of the Loan Agreements shall have the same meanings when they are used herein.

**2. Rights and Obligations**

**2.1 Subject to that the Loan Agreements become effective and that Party A issues Loans according to the Loan Agreement in time, Party B hereby undertakes irrevocably to Party A that before the termination of the Loan Agreement or the satisfaction of the principal, interest and credit realization expense under the Loan Agreement:**

- i. if the Borrowers under any Loan Agreement have difficulty to repay the Loan, upon written request of Party A, subject to the laws of the relevant jurisdiction and China laws and regulations, Party B shall, to the extent of the equity it holds directly or indirectly, use its best efforts to cause Changyou.com Limited (NASDAQ: CYOU, “Changyou”), subject to applicable law and fiduciary principles, to pay a cash dividend to Changyou’s shareholders. Party B Shall ensure the dividends it obtains may be circulated freely in the Sohu Group so that the Borrowers are able to timely repay the principal and interest of the due Loan under the Loan Agreement to Party A;

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- ii. if Party B fails to procure the Borrowers to repay the principal and interest of the due Loan under the Loan Agreement through the above channel of distribution of dividends, and it is unable to do so by other means, upon written request of Party A, subject to the laws of the relevant jurisdiction and China laws and regulations, Party B shall use its best effort to procure and cooperate with the disposal of shares of Changyou held directly or indirectly by it. Party B shall ensure the proceeds it obtains through disposal of the stocks may be circulated freely in the Sohu Group so that the Borrowers are able to timely repay the principal and interest of the due Loan under the Loan Agreement to Party A;
  - iii. Party B shall ensure that the balance of net cash in the scope of its consolidated statement shall not be less than USD 200 million at any time. Among them, the balance of net cash = the ending balance of cash and cash equivalents + restricted cash pertaining to Interest-bearing liabilities provided by third parties + the ending balance of the financial products and short-term investment included in other accounting items – the ending balance of the interest-bearing debts provided by any third party – the total amount of any security provided to any third parties.

## **2.2 Rights and Obligations of Party A**

- i. Party A shall issue the Loans according to the schedule specified in the Loan Agreements;
- ii. If Party B breaches Article 2.1(iii), or fails to cooperate in accordance with Article 2.1(i) and Article 2.1(ii), Party A has the right to declare that the Loans under each Loan Agreement becomes due and payable immediately, and to exercise relevant rights according to relevant provisions of the Loan Agreements.

## **3. Transfer**

Party B may not transfer any right or obligation hereunder without the prior written consent of Party A. Party A may transfer, assign or otherwise dispose of any or all rights, interests and/or obligations (if any) hereunder and shall notify Party B, without requiring Party B's consent.

## **4. Breaching Liability**

The provisions of Article 7 ("Breach of Contract") of the Loan Contracts shall apply to this commitment letter *mutatis mutandis*. However, any reference to the "Loan Agreements" or "this Agreement" shall be reference to "this commitment letter", and any reference to "Borrowers" shall be reference to "Party B".

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**5. Miscellaneous**

**5.1 Severability**

If any provision hereof is or becomes illegal, invalid or unenforceable in any respect according to any law of any jurisdiction, that shall not affect or prejudice the legality, validity or enforceability of such provision in any other jurisdiction or the legality, validity or enforceability of other provisions hereof.

**5.2 Effectiveness**

This commitment letter shall become effective when the legal representatives/principals or authorized signatories of both parties sign or seal.

**5.3 Language**

This commitment letter is executed in Chinese by the parties hereto.

**5.4 Counterparts**

This commitment letter is made in four (4) counterparts. Each party hereto holds two (2) counterparts. All counterparts have equal legal force.

**5.5 Applicable Law and Jurisdiction**

This commitment letter and the rights and obligations of the parties hereunder shall be governed by and interpreted according to China law. Party A and Party B agree that any dispute relating to this commitment letter shall be resolved first through negotiation, and, if negotiation fails, be submitted to the people's court at the place of Party A.

Party A (seal): Tianjin Pilot Free Trade Zone Branch, Ping An Bank Co., Ltd.

Signature of principal/authorized signatory: /s/ Wang Lu

Date: May 19, 2017

Party B (seal): Sohu.com Inc.

Signature of principal/authorized signatory: /s/ Joanna Lv

Date: May 19, 2017

**Strategic Cooperation Agreement**

Contract No.: Yin Hu Yi Wen Zhan Zi 20170512 No.001

Party A: Tianjin Pilot Free Trade Zone Branch, Ping An Bank Co., Ltd.

Address: 101, Gate 1, Tower #1, Ronghe Plaza, No. 168, Xisi Road, China (Tianjin) Pilot Free Trade Zone (Tianjin Airport Economic Area), Tianjin, China

Tel: 022-59060622

Fax: \_\_\_\_\_

Principal: Wei Huisheng

Title: President

Party B: Sohu.com Inc.

Address: 1209 Orange Street, Wilmington, County of New Castle, Delaware, USA

Tel: 010-62726666

Fax: \_\_\_\_\_

Principal: Joanna Lv

Title: Acting Chief Financial Officer

**Whereas,**

1. According to the Credit Agreement made between Beijing Sohu New Media Information Technology Co., Ltd. (as the borrower, hereinafter referred to as “**Beijing Sohu**”) and Party A, as the lender, on May 19, 2017 as amended and supplemented from time to time (“**Beijing Sohu Loan Agreement**”), Party A agrees to provide a loan of not more than RMB 1 billion (“**Beijing Sohu Loan**”) to Beijing Sohu pursuant to the terms and conditions of Beijing Sohu Loan Agreement;
2. According to the Credit Agreement made between Fox Information Technology (Tianjin) Limited (as the borrower, hereinafter referred to as “**Tianjin Fox**”) and Party A, as the lender, on May 19, 2017 as amended and supplemented from time to time (“**Tianjin Fox Loan Agreement**”), Party A agrees to provide a loan of not more than RMB 1 billion (“**Tianjin Fox Loan**”) to Tianjin Fox pursuant to the terms and conditions of Tianjin Fox Loan Agreement;
3. According to the Credit Agreement made between Tianjin Jinhu Culture Development Co., Ltd (as the borrower, hereinafter referred to as “**Tianjin Jinhu**”) and Party A, as the lender, on May 19, 2017 as amended and supplemented from time to time (“**Tianjin Jinhu Loan Agreement**”), Party A agrees to provide a loan of not more than RMB 1 billion (“**Tianjin Jinhu Loan**”) to Tianjin Jinhu pursuant to the terms and conditions of Tianjin Jinhu Loan Agreement;

4. Beijing Sohu, Tianjin Fox and Tianjin Jinhu are hereinafter referred to collectively as the “**Borrowers**”, and the Borrowers and Party B and their respective affiliated legal persons are hereinafter referred to collectively as “**Sohu Group**”. Beijing Sohu Loan Agreement, Tianjin Fox Loan Agreement and Tianjin Jinhu Loan Agreement are hereinafter referred to collectively as the “**Loan Agreements**”. Beijing Sohu Loan, Tianjin Fox Loan and Tianjin Jinhu Loan are hereinafter referred to collectively as the “**Loans**”. As a condition Party A provides the Loans to the Borrowers, Party B agrees to enter into this strategic cooperation agreement (the “**Agreement**”) and expressly undertakes to perform relevant obligations owed to Party A according to the terms and conditions of this Agreement. For the purpose hereof, “**affiliated legal person**” means, in respect of any entity, any legal person who controls, is controlled by or is in common control with such entity.

The parties hereby agree as follows:

## 1. Definitions and Interpretations

Except as otherwise required or defined herein, the terms and expressions defined in the Loan Agreements or interpreted for the purpose of the Loan Agreements shall have the same meanings when they are used herein.

## 2. Rights and Obligations

### 2.1 Subject to that the Loan Agreements have been signed by the parties and come into force, and that the loan balance occupied by the Borrowers according to the Loan Agreements exceeds RMB 500 million, Party B hereby undertakes to Party A irrevocably that:

- i. with respect to any debt financing business in an amount of more than RMB 500 million of any member of Sohu Group, Party B will and will procure each member of Sohu Group to first negotiate with Party A or its designated branch or sub-branch on the same conditions, which means that Party A has the right of first negotiation;
- ii. when Party B’s subordinated business or subsidiary becomes listed, Party B will and will procure each member of Sohu Group to first negotiate with Party A or its designated branch or sub-branch on the same conditions with respect to the opening of the special account for fund raising after the listing, which means that Party A has the right of first negotiation;
- iii. To the maximum extent permitted by applicable law and consistent with any financial regulations, Party B will and will procure each member of Sohu Group to deposit the cash, short-term invest relating to bank and financial assets within its consolidated financial statements in any account opened with Party A or its designated branch or sub-branch on the same conditions, and will and will procure each member of Sohu Group to subscribe for relevant products of Party A or its designated branch or sub-branch on the same conditions. The cooperation volume for the above business shall be larger than those between Sohu Group and other banks or financial institutions with respect to similar business.

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## **2.2 Rights and Obligations of Party A**

- i. Party A shall issue the Loans according to the schedule specified in the Loan Agreements;
- ii. Party A has the right to request Party B to perform its obligations hereunder. If Party B fails to perform its obligations in time, Party A is entitled to demand Party B to correct such failure within a reasonable period, and exercise relevant rights according to relevant provisions of the Loan Agreements;
- iii. If the loan balance actually occupied by the Borrowers according to the Loan Agreements is less than RMB 500 million in total, or if the product or service provided by Party A is unable to meet Party B's requirements, or if the terms or conditions on which Party A provides its product or service is not more favourable than those provided by other banks, Party A shall not prevent Party B or Sohu Group from entering into any agreement with other banks.

## **3. Transfer**

Neither party may transfer any right or obligation hereunder without the prior written consent of the other party.

## **4. Miscellaneous**

### **4.1 Severability**

If any provision hereof is or becomes illegal, invalid or unenforceable in any respect according to any law of any jurisdiction, that shall not affect or prejudice the legality, validity or enforceability of such provision in any other jurisdiction or the legality, validity or enforceability of other provisions hereof.

### **4.2 Effectiveness**

This Agreement shall become effective when the legal representatives/principals or authorized signatories of both parties sign or seal.

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**4.3 Language**

This Agreement is executed in Chinese by the parties hereto.

**4.4 Counterparts**

This Agreement is made in four (4) counterparts. Each party hereto holds two (2) counterparts. All counterparts have equal legal force.

**4.5 Applicable Law and Jurisdiction**

This Agreement and the rights and obligations of the parties hereunder shall be governed by and interpreted according to China law. Party A and Party B agree that any dispute relating to this Agreement shall be resolved first through negotiation, and, if negotiation fails, be submitted to the people's court at the place of Party A.

Party A (seal): Tianjin Pilot Free Trade Zone Branch, Ping An Bank Co., Ltd.

Signature of principal/authorized signatory: /s/ Wang Lu

Date: May 19, 2017

Party B (seal): Sohu.com Inc.

Signature of principal/authorized signatory: /s/ Joanna Lv

Date: May 19, 2017