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purchase from Chong Qing certain assets, including its intellectual property, cash, certain real estate holdings, online payment system, software domain name, and customer base. In consideration for the purchase of such assets, the Company will issue to Chong Qing shares of the Company's preferred stock, whose preferences and conversion rights will be negotiated between the parties. The assets will be delivered free and clear of any liens and encumbrances. The closing of the sale and purchase of the assets will be subject to the satisfaction of certain conditions, including the mutual agreement of a definitive agreement, the completion of the due diligence investigation of both parties, the filing of the certificate of designation creating the preferred stock to be issued to Chong Qing, the delivery of any required consents from third parties, and the delivery of audited financial statements of Chong Qing.

Chong Qing further agreed that it will not directly or indirectly solicit, negotiate, or accept any offer from a third party to acquire any of Chong Qing's assets or securities until the execution and delivery of the definitive agreement described above. Chong Qing also agreed to permit the Company and its representatives to begin its due diligence investigation and to have access to and inspect Chong Qing's records, properties, personnel, and other such matters.

For all the terms and conditions of the Letter of Intent, reference is hereby made to such agreement annexed hereto as exhibit 10.1. All statements made herein concerning the foregoing agreement are qualified by reference to said exhibit.

SECTION 8 - OTHER EVENTS

ITEM 8.01 OTHER EVENTS

The disclosure set forth above under Item 1.01 (Entry Into a Material Definitive Agreement) is hereby incorporated by reference into this Item 8.01.

On June 8, 2006, the Company issued a press release announcing that it had entered into the Letter of Intent described under Item 1.01 above. A copy of the press release is annexed hereto as Exhibit 99.1.

SECTION 9-FINANCIAL STATEMENTS AND EXHIBITS

ITEM 9.01 FINANCIAL STATEMENTS AND EXHIBITS

- (a) Financial Statements of business acquired. Not applicable
- (b) Pro forma financial information. Not applicable
- (c) Exhibits

Exhibit 10.1 Letter of Intent, dated June 8, 2006, between Pay88, Inc.
and Chong Qing QianBao Technology Limited Liability Co.

Exhibit 99.1 Press Release, dated June 8, 2006, issued by Pay88, Inc.

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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.

PAY88, INC.

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By: /s/ Guo Fan

Name: Guo Fan

Title: President and Chief Executive Officer

Date: June 8, 2006

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