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1. *National*

Provisions on Administration of Auto Loans

汽车贷款管理办法

【*Issued By*】 People's Bank of China

China Banking Regulatory Commission

【*Subject*】 Auto Loan

【*Promulgated on*】 August 16th 2004

【*Effective From*】 October 1st 2004

【*Repeal*】 Provisions on Administration of Loans for Auto Consumption 1998

(汽车消费贷款管理办法)

【*Source*】 www.cbrc.gov.cn

Auto Loans for the purpose of this regulation refer to credit granted by the creditors to the debtors that are to be used to finance the purchase of cars. The Auto Loans are classified into three categories, personal auto loans (Chapter 2), dealers' auto loans (Chapter 3), and institutional auto loans (Chapter 4), each subject to its own rules. Compared with the 1998 Provisions, which are to be replaced by this regulation, there are appreciable changes in the following aspects:

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Eingetragen im Anwaltsregister
Mitglieder des SAV

- The scope of creditors is expanded. Creditors will no longer be limited to Wholly State-Owned Commercial Banks. Potential creditors will include commercial banks, urban joint credit institutions, rural joint credit institutions, and other financial institutions licensed to carry out auto loan businesses.
- Debtors are further classified. Different eligibility criteria as well as risk management requirements will be applied to the three categories of debtors including individuals, auto dealers, and institutions.
- Foreigners are able to borrow auto loans. The Provisions expressly provides that residents of Hong Kong, Macao and Taiwan as well as foreigners may borrow auto loans as individual creditors provided that they have consecutively lived in China for no less than one year.
- Different terms, such as maturity, cap, and risk management, are applied to different categories of loans. For instance, the caps of auto loans are respectively 80%, 70% and 50% of purchase price, depending on whether the cars financed by the loans are for personal or business use or are second-handed.
- Risk management is reinforced (Chapter 5). Creditors are required to establish rating systems to evaluate the credit of the debtors and place early warning mechanisms. Furthermore, they are required to segregate the assessment from approval and monitor the facility based on the classification of loans. Arrangements for information exchange are also called for.

Provisions on Administration of Assessing and Approving Applications of Foreigners for Permanent Residency in China

外国人在中国永久居留审批管理办法

【Issued By】 Ministry of Public Security

Ministry of Foreign Affairs

【Subject】 Permanent Residency

【Promulgated on】 August 15th 2004

【Closing Date】 August 15th 2004

【Source】 www.fmprc.gov.cn

The 29-article Provisions prescribe rules for issues regarding applications for permanent residency in China, including eligibility, application materials, approval procedure, approval authority, and loss of permanent residency status.

Foreigners who are in good health, with no criminal records and abide by laws of China may apply for perma-

ment residency in China, provided they satisfy one of the following conditions:

- Make direct investment in China while the investment situation is stable in 3 consecutive years and has a proper taxation record;
- Take the post of a vice manager or above, or have the associate advanced technician title such as associate professorship or above, for no less than 4 years within which the accumulative stay in China is no less than 3 years, with proper taxation records;
- Make significant or outstanding contributions to China, or contributions being greatly in China's needs;
- Being the spouses or unmarried children under the age of 18 of the persons referred to in paragraph 1, 2 and 3;
- Being the spouse of a citizens and permanent resident of China, whose marriage has lasted for no less than 5 years during which they have resided in China for no less than 9 months each year for no less than 5 years with places of residence and stable sources of incomes;
- Being a dependant unmarried child under the age of 18;
- Being a dependant elder person above the age of 60 who has direct relatives in China but have no direct relatives overseas and who has resided in China for no less than 9 months each year for no less than 5 years with places of residence and stable sources of incomes.

The permanent residents of China shall reside in China for no less than 3 months each year. Even if provincial public security authorities at the place of their residence waive the requirement of a 3-month residency, they shall reside in China for no less than one accumulative year within every 5 years.

Provisions on Complaining Illegal Pricing Conducts

价格违法行为举报规定

【Issued By】 National Development and Reform Commission

【Subject】 Pricing

【Promulgated on】 August 19th 2004

【Effective From】 October 1st 2004

【Repeal】 Provisions on Reporting Illegal Pricing Conducts 2001

(价格违法行为举报规定)

【Source】 www.sdpc.gov.cn

According to this regulation, individuals, legal persons and other entities are entitled to bring the illegal pricing conducts of business operators to the notice of pricing authorities through correspondence, personal visit and telephone:

- Conspiracy to manipulate market prices with a view to harming other operators and consumers;
- Sell goods at a price below the cost with a view to squeeze competitors or gain monopoly power except for sale of fresh goods, seasonal goods and overstocked goods;
- Price discrimination;
- Push the market price over-rising by means of fabricating and disseminating information on the rising of prices;
- Induce consumers or other competitors to the transaction by means of dishonesty or misleading pricing methods;
- Indirectly raise or lower prices by raising or lowering the grades of products and service;
- Procure sudden huge profit in contravening with laws and regulations;
- Non-conformity with government-regulated or government-set prices;
- Non-implementation of statutory intervening measures or measures of emergency;
- Violation of rules on price tag;
- Providing untrue information when under investigation.

Pricing authorities shall deal with the complaints in accordance with Law on Pricing (价格法), Provisions on Administrative Penalties against Illegal Pricing Conducts (价格违法行为行政处罚规定), and this regulation.

2. *Local*

Six Bans on Relationship between Judges and Parties including the Counsels

关于规范法官和当事人及其律师相互关系的六条禁止性规定

【Issued By】 High Court of Beijing Municipality

【Subject】 Judicial Administration

【*Promulgated on*】 August 18th 2004

【*Effective From*】 August 18th 2004

【*Source*】 www.law-star.com

The document provides that judges who are confirmed to be engaged in one of the following six activities will be subject to dismissal, compulsory transfer and removal regardless of the quality of their failure. Relevant court leaders will be responsible for covering-up and harboring.

The six banned conducts include:

- Acceptance of any form of financial benefits from parties including their counsels such as treat, money and goods;
- Disclosure of information on deliberation within the penal of judges, discussions within the judicial committee, and contents of un-delivered judgments;
- Breach the rules on recusal;
- Participate in non-official activities paid by the parties including their counsels;
- Recommend counsels to the parties or procure cases for the lawyers;
- Meet a single party including its counsel.

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