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1. *National*

Provisions of the Supreme People's Court for the People's Courts to Seal up, Distrain and Freeze Properties in Civil Enforcement

最高人民法院关于人民法院民事执行中查封、扣押、冻结财产的规定

【**Issued By**】 Supreme People's Court

【**Subject**】 Civil Procedure

【**Promulgated on**】 November 11th 2004

【**Effective From**】 January 1st 2004

【**Source**】 www.court.gov.cn

This judicial interpretation, formulated on the basis of Law of PRC on Civil Procedures ("中华人民共和国民事诉讼法"), Opinions on Certain Issues Regarding Applying Law of PRC on Civil Procedures ("关于适用〈中华人民共和国民事诉讼法〉若干问题的意见", and Provisions on Certain Issues

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- COMPETITION LAW AND INTELLECTUAL PROPERTY LAW
- TAX

Regarding Enforcement Conducted by People's Courts (Provisional)

("关于人民法院执行工作若干问题的规定（试行）"), is enacted to protect interests of parties to the enforcement proceedings and those of third parties.

The prime concern of the judiciary in enforcement proceedings is to judge the ownership of the objects upon which the sealing up, distraintment and freezing (collectively as "Restrictive Measures" hereafter) will be imposed. This instrument adopts the principle of "presumed ownership" under which movables possessed by, and real estate, special movables and other proprietary rights registered in the name of, the respondent, will be presumed as the properties of the respondent and thus subject to Restrictive Measures.

To reconcile other values such as social justice with the legitimate interests of the applicant, the Interpretation prohibits imposing Restrictive Measures upon eight categories of properties belonging to the respondent:

- clothing, furniture, kitchenware, dishware and other household necessities indispensable to the respondent and his dependent relatives;
- cost of living for the respondent and his dependent relatives;
- necessities for the respondent and his dependent relatives to finish compulsory education;
- unpublicized inventions or unpublished works;
- assistance apparatuses and medical substances used by the respondent and his dependent relatives to offset disability;
- medals and other honor-related objects awarded to the respondent;
- properties not subject to the Restrictive Measures in accordance with international agreements to which China is a party;
- properties not subject to the Restrictive Measures in accordance with laws and judicial interpretations.

Different formalities are adopted to enforce the Restrictive Measures. Where Restrictive Measure are directed against movables, the movables concerned will be placed under the control of the courts or their designated persons with official seal marks attached thereto to publicize. On the other hand, where real estates are concerned, Restrictive Measures will be effected by recording such measures at the property registrar, which shall prevail over unregistered Restrictive Measures even if such measures are publicized one way or another such as by posting official seal marks or by announcement.

As far as term of validity of the Restrictive Measures concerned, the term is one year in case of movables and two years in case of real estates and other proprietary rights.

Interim Provisions on Administration of Sino-Foreign Joint Equity/Contractual Radio and TV Production Program Enterprises

中外合资、合作广播电视节目制作经营企业管理暂行规定

【Issued By】 Ministry of Commerce

State Administration of Radio, Film and TV

【Subject】 Foreign Investment

【Promulgated on】 October 28th 2004

【Effective From】 November 28th 2004

【Source】 www.sarft.gov.cn

This regulation, formulated on the basis of Law of PRC on Sino-foreign Equity Enterprises ("中华人民共和国中外合资经营企业法"), Law of PRC on Sino-Foreign Contractual Enterprises ("中华人民共和国中外合作经营企业法") and Regulation on Administration of Radio and TV ("广播电视管理条例"), is enacted to regulate establishment and operation of Sino-foreign joint equity/contractual radio and TV program production enterprises ("Enterprises") in China.

Enterprises for the purpose of this regulation refer to enterprises jointly established by overseas professional radio and TV enterprises, China-based radio and TV production institutions, and other domestic investors if any, which adopt production and publication of radio and TV programs as their sole or one of their business. Unfortunately, Wholly Foreign Owned Enterprises engaging in radio and TV program production are not permitted.

For the purpose of successful application, the Enterprises shall:

- conform to the State development planning with regard to radio and TV production industry;
- be invested by Chinese and foreign parties with independent legal personalities. One of Chinese parties shall be an institution holding Permit for Radio and TV Program Production ("广播电视节目制作经营许可证") or Permit for TV Program Production: Class JIA ("电视剧制作许可证 (甲种)"); The foreign party shall be a professional radio and TV enterprise;
- be established in the form of limited liability company;
- have a registered capital no less than USD 2 million or equivalent RMB, or have a registered capital of USD 1 million or equivalent RMB in case of the Enterprises are specialized in cartoon production;
- be led by a legal representative appointed by the Chinese party;
- be controlled in terms of shareholding by a Chinese party which hold at least 51% of the aggregate of shares;

- be invested by parties which have no recorded misconducts and inappropriate conducts during the past three years; and
- have independent enterprise logos.

The application for establishing Enterprises shall be made to State Administration of Radio, Film and TV (SARFT), and Ministry of Commerce (MOFCOM) as well. The former authority is to review the application from the perspective of the regulated business, while the latter authority is to review the application from the perspective of foreign investment. The review by the SARFT precedes the examination by the MOFCOM that will not issue relevant approval until the SARFT gives a go-ahead. In turn, the SARFT will then issue Permit for Radio and TV Program Production (Joint Venture) based upon the approval from the MOFCOM.

***Measures for the Administration of the Pledge of Shares by Securities Companies
(Revised)***

证券公司股票质押贷款管理办法(修订)

【Issued By】 People's Bank of China

China Securities Regulatory Commission

China Banking Regulatory Commission

【Subject】 Financing

【Promulgated on】 November 4th 2004

【Effective From】 November 4th 2004

【Source】 www.csrc.gov.cn

The amended Measures is a revision of its earlier version promulgated in 2002 with same title. The following points are hereby highlighted:

- Objects capable of being pledged by securities companies are expanded. After the revision, the convertible bonds of public companies are added to the existent list of objects capable of being pledged, which now includes public traded A shares operated by securities companies, securities investment fund certificates, and convertible bonds of public companies.
- Performance requirement in terms of making profit imposed upon the borrower securities companies is removed. The provision that "the borrower shall be in normal operation without operation loss during the past year" has been deleted.

- The obligation to disclose information is emphasized and independent depositary of reserves is stressed as well.
- The maximum term of the loan to securities companies is increased from six months to one year. However, the term cannot be renewed.
- The number of lender available to a securities company is no longer limited to one commercial bank.
- Risk control is enhanced by applying more stringent standards in respect of the ratio of loans in relation to the capital of the lending bank.

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