



## CHINA LEGAL BRIEFING 127

W E N G E R & V I E L I B E I J I N G O F F I C E

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### 1. National

#### Provisional Administrative Regulations on Bond Investment for Insurance Institution Investors

保险机构投资者债券投资管理暂行办法

【Issued By】 China Insurance Regulatory Commission (CIRC)

【Subject】 Insurance

【Promulgated on】 August 17, 2005

【Effective from】 August 17, 2005

【Source】 <http://www.circ.gov.cn/>

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- LITIGATION/ARBITRATION
- COMPETITION LAW AND INTELLECTUAL PROPERTY LAW
- TAX

China Insurance Regulatory Commission (CIRC) relaxed on August 17, 2005 its control on the ratio of the sum of investment of insurance capital in corporate bonds to its total assets by releasing the Provisional Regulations.

According to the Provisional Regulations made public by the China Insurance Regulatory Commission on the investment of insurance capital in bond market, there are no restrictions on the sum of investment in State treasury bonds by an insurance company.

Under the Provisional Regulations, the ratio sum of investment in corporate bonds will be no more than 30 percent of the total asset the insurance firm had at the end of previous quarter.

Bonds have classified into three major categories, including State treasury bonds, financial bonds and corporate ones. Insurance firms are required by the Provisional Regulations to establish their bond investment risk evaluation system and readjust their ratio of investment according to the changing credit of the bonds.

The revised Provisional Regulations are aimed to boost the core competitiveness of the investment of insurance capital.

### **Notarization Law of People's Republic of China**

中华人民共和国公证法

**【 Issued by 】** Standing Committee of the 10th National People's Congress (NPC)

**【 Subject 】** Notarization

**【 Promulgated on 】** August 18, 2005

**【 Effective from 】** March 1, 2006

**【 Source 】** <http://www.china.org.cn/>

With a view to standardizing activities of notarization, ensuring notary offices and public notaries to lawfully fulfill their obligations and safeguarding people's legitimate rights, Standing Committee of the 10th National People's Congress (NPC) adopted on August 18, 2005 the Notarization Law of PRC.

The Law specifies that the State will institute a state-wide Notarization Association which will be endowed with the right to supervise respective local Notarization Associations. It also states that the nature of the State Notarization Association and local Notarization Associations is social legal person.

The Law further stipulates that to institute a notary office the following requirements must be met:

- the notary office shall have a name;
- the notary office shall have a fixed work place;
- the notary office shall at least two public notaries;
- the notary office shall have necessary capital to run the activities.

The Law also says that to be qualified as the head of a notary office he shall have at least three years experience of practice. In addition, it stipulates that to be qualified as a public notary he shall:

- be a Chinese nationality;
- be not younger than 25 years old and not older than 65 years old;
- be a law-abiding and morally upright person;
- have passed the State Judicial Examination;
- have more than two years internship experience in notary offices or three years experience in other judicial organs plus one year internship experience in notary offices.

### **Law on Administrative Penalties for Public Securities of People's Republic of China**

中华人民共和国治安管理处罚法

**【 Issued by 】** Standing Committee of the 10th National People's Congress (NPC)

**【 Subject 】** Public Securities

**【 Promulgated on 】** August 18, 2005

**【 Effective from 】** March 1, 2006

**【 Source 】** <http://www.china.org.cn/>

The Standing Committee of the 10th National People's Congress (NPC) passed on August 18, 2005 the Law on Administrative Penalties for Public Securities of People's Republic of China, which covers streetwalkers, pimps and football hooligans for the first time.

The law is to replace a set of regulations of the same nature, including the Regulations on Administrative Penalties for Public Securities of People's Republic of China, promulgated 25 years ago.

According to the law, to take effect as of March 1, 2006, a person will be detained for a period less than five days or fined a sum below 500 yuan (US\$61.65) if he or she is found of finding customers for prostitution in public places.

The 119-article law, a guide on issuing penalties on offenses against public order, also contains provisions on penalizing football hooligans and other offenses.

Meanwhile, it has removed the clause of forbidding "begging activities of vagrants" that disrupt public order and infringe upon the right of the person and a few others in the previous regulations to conform with spirits of modern public administration.

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