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Measures for the Administration of Futures Company 期货公司管理办法

Issued By **China Securities Regulatory Commission**
Subject **Futures Company**
Promulgated on **April 9th 2007**
Effective from **April 15th 2007**
Source **www.csrc.org.cn**

The Measures for the Administration of Futures Company (the “Measures”) have been promulgated by the China Securities Regulatory Commission (the “CSRC”), and the Measures consist of 97 articles in 8 chapters, namely, General Provisions, Establishment, Alteration and Termination, Corporate Governance, Rules for Futures Brokerage Business, Protection of Client Assets, Supervision and Administration, Legal Liabilities and Supplementary Provisions.

The futures companies registered within China shall be governed by the Measures. The Measures clearly require that the controlling shareholders, actual controllers and other associated persons shall not abuse their rights, engross the assets of the futures company, embezzle the client assets or other assets, and damage the lawful benefits of the company and the clients. The Measures also set forth qualifications for being a future company, engaging into futures brokerage business, changing registered capitals and shareholders and so forth.

The Measures become effective as of 15 April 2007, and the Measures for the Administration of Futures Brokerage Company (Decree No. 7 [2002]), the Notice of China Securities Regulatory Commission on the Qualification of Futures Brokerage Companies’ Shareholders and the Relevant Issues (Decree No. 155 [2005]), the Notice Concerning the Establishment, Alteration and Termination of the Sales Departments of Futures Brokerage Companies (Decree No. 41 [2004]), the Notice Concerning the Alteration of Legal Representatives, Registered Capitals, Shareholders or Equity Structures, and Registered Address of Futures Brokerage Companies (Decree No. 42 [2004]), the Notice Concerning the Establishment, Dissolution, and Merger of Futures Brokerage Companies (Decree No. 46 [2004]) shall be repealed at the same time.

Measures for the Administration of Futures Exchanges 期货交易所管理办法

Issued By **China Securities Regulatory Commission**
Subject **Futures Exchanges**
Promulgated on **April 9th 2007**
Effective From **April 15th 2007**
Source www.csrc.org.cn

The Measures for the Administration of Futures Exchanges (the “Measures”) have been promulgated in line with the Regulations for the Administration of Futures Trading, with the purposes of strengthening the supervision and administration on futures exchanges, maintaining the market order and encouraging the actively development of futures market. The futures exchanges shall be legal persons and shall not aim at making profits.

The Measures consist of 114 articles in 8 chapters, namely, General Provisions, Establishment, Alteration and Termination, Organizational Structure, Membership Administration, Basic Rules for Business Operation, Supervision and Administration, Legal Liabilities and Supplementary Provisions.

The futures exchanges established within China shall be governed by the Measures. The futures business undertaken within other approved exchanges by China Securities Regulatory Commission (the “CSRC”) shall also be governed by the Measures. The member of a futures exchange shall be a Chinese legal person or other economic organizations. The membership qualification shall be approved by the futures exchange, and any approval or cancellation of membership by the futures exchanges shall be reported to CSRC.

A futures exchange that has been approved by the CSRC shall be indicated as “commodities exchange” or “futures exchange”. A futures exchange shall collect security deposits from the members to guarantee the performance of the contracts. Futures trading shall apply the system of trading codes of the clients. The members and clients must observe the system of one code for one account and may not conduct the trading by mixing the codes. Futures trading shall apply the system of daily non-debts settlement.

A futures exchange shall promulgate the following information through appropriate ways:

1. Real time market information;
2. Ranking of the futures holding volume and trading volume;
3. Business rules for the futures exchange and other information provided by the detailed implementation rules.

The following measures might be taken where a futures exchange has reasons to believe that a member or client violates the business rules and such violation is significantly affecting the market:

1. Restricting the input of security deposit;
2. Restricting the drawing of security deposit;
3. Restricting the opening of a new position;
4. Raising the proportion of security deposit;
5. Closing out the position within specific time limit;
6. Closing out the position forcibly.

Regulations of the People's Republic of China on Openness of Government Information

中华人民共和国政府信息公开条例

Issued By **The State Council**
Subject **Government Information**
Promulgated on **April 5th 2007**
Effective From **May 1st 2007**
Source www.gov.cn

The Regulations of the People's Republic of China on Openness of Government Information (the "Regulations") have been promulgated with the purposes of ensuring the procurance of government information by citizens, legal persons and other organizations, improving the transparency of government work, and fully utilizing the government information to serve the social economic life.

The Regulations consist of 38 articles in 5 chapters, namely, General Provisions, Extension of Openness, Methods and Procedures of Openness, Supervision and Guarantee, and Supplementary Provisions. The "government information" mentioned herein shall refer to the information that obtained by the administrative organs during the performance of their authorities and recorded and saved in certain formats.

The openness of government information shall not endanger national security, public security, and economic safe and social stability. Article 4 requires that a specific department shall be established by all provincial and local governments to take in charge of opening the government information. The General Office of the State Council, according to the Regulations, shall take in charge of the openness work of the central government. Article 4 also clarifies 5 detailed main aspects of the authorities of the openness work.

The Regulations stipulate that citizens, legal persons and other organizations can apply for obtaining the relevant government information to the abovementioned departments in charge. The government information shall be opened to the public in the methods of government websites, government gazettes, news conference, radio, TV and other methods.

The governments at various levels shall establish a specific area to implement the openness of government information within the public libraries and national archives, and necessary facilities and equipments shall be prepared. The Regulations also provide specific procedures to apply for obtaining the government information. An annual working report on the openness of government information shall be made by governments at various levels before 31 March each year.

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