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Company Law of the People's Republic of China

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Promulgating Institution: Standing Committee of the National People's Congress

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Order of the President of the People's Republic of China No. 15

The Decision of the Standing Committee of the National People's Congress on Revising the
"Company Law of the People's Republic of China", adopted at the Sixth Session of the Standing
Committee of the 13th National People's Congress of the People's Republic of China on October 26,
2018, is hereby promulgated and shall come into effect on the date of promulgation.

President of the People's Republic of China Xi Jinping
October 26, 2018

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Company Law of the People's Republic of China

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Ef 2*™ DJ+ ç: í:b 2005s 106 274äJ+"@ +l g%ü 1; âWg(& -7! (Ó#W J+"@ j: Z- í Zi 782n2013
-s 126 284äJ+"@ +l g%ü 1; âWg(& -7! (Ó#W J+ l: Z- C r • í48 A , "M 1; p#ç%ü <v< B®, Ü
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(Adopted at the Fifth Session of the Standing Committee of the Eighth National People's Congress on December 29, 1993; Amended for the first time in accordance with the Decision on Revising the Company Law of the People's Republic of China at the 13th Session of the Standing Committee of the Ninth National People's Congress on December 25, 1999; Amended for the second time in accordance with the Decision of on Revising the Company Law of the People's Republic of China at the 11th Session of the Standing Committee of the Tenth National People's Congress on August 28, 2004; Revised at the 18th Session of the Standing Committee of the Tenth National People's Congress on October 27, 2005; amended for the third time in accordance with the Decision of on Revising Company Law of the People's Republic of China at the 6th Session of the Standing Committee of the Twelfth National People's Congress on December 28, 2013, and amended for the fourth time in accordance with the Decision of on Revising the Company Law of the People's Republic of China adopted at the Sixth Session of the Standing Committee of the 13th National People's Congress of the People's Republic of China on October 26, 2018)

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Chapter 1: General Provisions

Chapter 1: General Provisions

Article 1 This Law is formulated with a view to regulating the organization and activities of companies, protecting the legitimate rights and interests of companies, and their shareholders and creditors, maintaining social and economic orders, and facilitating the development of the socialist market economy.

Article 2 For the purpose of this Law, a company shall refer to a limited liability company or a company limited by shares established within the territory of the People's Republic of China in accordance with this Law.

Article 3 A company is an enterprise legal person with independent legal person property, and is entitled to legal person property rights. The company shall bear liabilities for its debts with all its assets.

The shareholders of a limited liability company shall bear liabilities for the company to the extent of their respective subscribed capital contribution. The shareholders of a company limited by shares shall bear liabilities for the company to the extent of their respective subscribed shares.

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Article 4 The shareholders of a company shall, in accordance with the law, be entitled to such rights as to obtain capital proceeds, to participate in important decision making, to elect management personnel, etc.

J- •6b k"÷ í ŠMÎS\$<:!§ ,.Ägz_t*±;Ô.Š ;WK4>;ÔXÃ_t*±H= k.¶ ;\$E _R.¶ ,ZÜ*•*± à ,2¤"Ö4>->
#<H= k EfEÐFb,1~1ÄH= \ " ú <
k"÷Ef# ;Ô6BEÉ"Ö;Ô.Š Ü1£ "Ö 'A® <

Article 5 A company shall, when engaging in business activities, abide by laws and administrative regulations, observe social moralities and business ethics, act in good faith, accept the supervision of the Government and the general public, and undertake social responsibilities.

The legitimate rights and interests of a company shall be protected by law, and shall not be infringed upon.

J- n6b Z½IÊ k"÷,-".R œ;Ô# k"÷EzZ⁻69 rD2ZöZ½IÊEzZ⁻ ¶%# 6+;ÔXÃ*™EfZ½IÊ6` ¶¶k"÷EzZ⁻
69 r! !*EzZ⁻ 96 eO\ " ú k"÷1 O O ü6 eO k"÷ ; J%# 6+;ÔXÃ*™EfZ½IÊ6` ðEf-EzZ⁻ 96 eO\ " ú k
"÷1 O O ü6 eO k"÷ <

;Ô.Š ;WK4>;ÔXÃXÃ*™Z½IÊ k"÷.Ägz1¤MÎ1x ÄE&' k"÷EzZ⁻!L œ;Ô!•C 1x Å1JMì <
k "î ä# k"÷EzZ⁻69 rD2Zö6äZá k"÷EzZ⁻ Šgx , k"÷EzZ⁻69 r-".R2Ĭ š6äZá6 ! <

Article 6 To establish a company, an applicant shall submit an application for establishment registration to the relevant company registration authority in accordance with the law. If the applicant satisfies the establishment conditions provided for herein, the company registration authority shall register the proposed entity as either a limited liability company or a company limited by shares; otherwise, the proposed entity shall not be registered as a limited liability company or a company limited by shares.

Where laws or administrative regulations specify that the establishment of a company shall be subject to approval, the relevant approval formalities shall be gone through in accordance with the law prior to the registration of the company.

The general public may apply to company registration authorities to inquire on company registration matters, and company registration authorities shall provide the inquiry services.

J- 6b œ;ÔZ½IÊEf k",D0 k"÷EzZ⁻69 r"DMØ k"÷S\$ 1f@f <k"÷S\$ 1f@fJ}"D4ä6 9 k"÷1 IÊ4ä
6 <

k"÷S\$ 1f@f-".R^|5 k"÷Ef# Hî ; N1? ;;ç \C6+ ;MÎS\$R %ó ;;Ô*™ âWg ¹(Ò# JH Šgx <
k"÷S\$ 1f@fZ⁻^|Ef Šgx"DD "x5óEf , k"÷-".R œ;Ô!•C "x5óEzZ⁻ ,D0 k"÷EzZ⁻69 r2a"DS\$ 1f@f <

Article 7 Company registration authorities shall issue business licenses of companies to the companies established under the law. The date of issuance of the business license for a company shall be the date of establishment of the company.

The business license of a company shall state in such matters as the name, domicile, registered capital, business scope, and the name of the legal representative, etc. of the company.

Where any of the matters stated in the business license of a company is changed, the company shall

go through the formalities for change of registration in accordance with the law, and the relevant company registration authority shall issue a new business license to replace the old one.

J- 16b æ@f6+;ÔZ½IÊEf6 eO\ " ú k";Ägz&' k"÷# Hï ,7 5 6 eO\ " ú k"÷1 O 6 eO k"÷*V76 <
æ@f6+;ÔZ½IÊEfO ü6 eO k";Ägz&' k"÷# Hï ,7 5 O ü6 eO k"÷1 O O ü k"÷*V76 <

Article 8 A limited liability company established under this Law shall include the characters " 6 eO\ " ú k"÷ " (limited liability company) or 6 eO k"÷ " (company limited) in the company name thereof.

A company limited by shares established under this Law shall include the characters "O ü k"÷ " or "O ü k"÷ " (both meaning joint stock company) in the company name thereof.

J- ^6b 6 eO\ " ú k"÷"x5ó 9O ü6 eO k"÷ ,-.RJ%# 6+;ÔXÃ*TM EfO ü6 eO k"÷Ef6` õ <O ü6 eO k "÷"x5ó 96 eO\ " ú k"÷ ,-.RJ%# 6+;ÔXÃ*TM Ef6 eO\ " ú k"÷Ef6` õ <
6 eO\ " ú k"÷"x5ó 9O ü6 eO k"÷Ef ,1 O O ü6 eO k"÷"x5ó 96 eO\ " ú k"÷Ef , k"÷"x5ó!LEf 96B ;
9! D0"x5ó# Ef k"÷1~Mæ <

Article 9 Where a limited liability company converts to a company limited by shares, such conversion shall meet the requirements on a company limited by shares provided for herein. Where a company limited by shares converts to a limited liability company, such conversion shall meet the requirements on a limited liability company provided for herein.

Whether a limited liability company converts to a company limited by shares or a company limited by shares converts to a limited liability company, the creditors' rights and liabilities of the company before the conversion shall be succeeded to by the company formed after the conversion.

J-"B6b k"÷ ä u :X€!• Š696f1?&'&/ 9 N1? <

Article 10 The location of the principal office of a company shall be its domicile.

J-"B 6b Z½IÊ k"÷.Ägz æ;Ô!5*TM k"÷IßI < k"÷IßI *ø k"÷ ;O ;Sb Š ;EÐ Š ;ixM!J C 1#W
v6 M¶6^!Š <

Article 11 To establish a company, the company's articles of association shall be formulated in accordance with the law. The articles of association shall be binding on the company, and its shareholders, directors, supervisors and senior management personnel.

J-"B •6b k"÷EfMÎS\$R %óD0 k"÷IßI XÃ*TM æ;ÔEzZˉ < k"÷"î ä í48 k"÷IßI ,48"xMÎS\$R %óE
5.-.R!•C "x5óEzZˉ <
k"÷EfMÎS\$R %ó ,+] •Ô.Š ;WK4>;ÔXÃXÃ*TMgzMÎ1x ÅEfgxER æ;ÔMÎ^Æ1x Å <

Article 12 The business scope of a company shall be specified in its articles of association, and shall be registered in accordance with the law. A company may modify its articles of association to change the scope of business, provided that the formalities for change of registration shall be gone through.

Where any item in the business scope of a company shall be subject to approval in accordance with laws and administrative regulations, approval shall be obtained pursuant to the law.

J-"B 6b k"÷;Ô*TM âWg 1 æ@f k"÷IßI EfXÃ*TM,D0Sb Šd~ ,1fWKSb Š1 O MÎC 1Ä,ü æ;ÔEzZˉ <k
"÷;Ô*TM âWg 1"x5ó-.R!•C "x5óEzZˉ <

Article 13 The legal representative of a company shall, pursuant to the company's articles of

association, be assumed by the chairman of the board of directors, an executive director or a manager, and shall be registered in accordance with the law. Change of the legal representative of the company shall be subject to the formalities for change of registration.

J-"B%Ü6b k"÷"î äZ½IÊ! k"÷ <Z½IÊ! k"÷ ,-"R# k"÷EzZ~69 rD2ZöEzZ~ ,g..."ÖS\$ 1f@f < k"÷ v6 ;Ô \C7; , u; Š\" úD0 k"÷1~1Ä <

k"÷"î äZ½IÊ*O k"÷ ,*O k"÷ v6 ;Ô \C7; , œ;ÔAëIÊ1~1Ä; Š\" ú <

Article 14 A company may establish a branch company by filing an application with the relevant company registration authority and obtaining a business license. A branch company is not qualified as a legal person, and its civil liabilities shall be borne by the parent company.

A company may establish subsidiaries. Subsidiaries are qualified as legal persons, and shall independently bear civil liabilities in accordance with the law.

J-"B •6b k"÷"î ä# u Ō 1"C ; E5. ,ec;Ô.Š"â6 XÃ*TM(, .-1 9*ø1?1"C Ef 9! 1~1Ä^Y -%" úEf ùC 1 <

Article 15 A company may invest in other enterprises, provided that it shall not become a capital-contributing party that bears joint and several liabilities for the debts of the enterprises that it invests in, unless otherwise specified by the law.

J-"B n6b k"÷# u Ō 1"C1 O 9 Ō 12İ š1Ä Ü , œ@f k"÷IßI EfXÃ*TM,D0Sb Š 1 O O O (& ²Z- ; k"÷IßI *ø1"C1 O 1Ä ÜEf/:gœ"É"Txg1"C1 O 1Ä ÜEf4ogœ6 eOgœXÃ*TM,Ef,,^ÆXÃ*TMef eOgœ <

k"÷ 9 k"÷O 1 O *•eD2!İ5 12İ š1Ä ÜEf ,.ÄgzMÎO 1 O O (& ²Z- < !L:=XÃ*TMefO 1 O "Ö!L:=XÃ*TMef*•eD2!İ5 14. LEfO , .-"Á!Y!L:=XÃ*TM ŠgxEfWg ² <ZägxWg ² D0 ù-, Z-Ef u ŌO 1?2 Wg ²6BEf^Æ"l4o_ ^Æ <

Article 16 Where a company invests in ~~another~~ enterprise or provides guarantee for others, the investment or guarantee shall, in accordance with the company's articles of association, be subject to a resolution of the board of directors, the shareholders' meeting or the general meeting, ~~with any~~ ~~the~~ total amount of investments or guarantees or any limit on the amount of a single investment or guarantee is provided for in the company's articles of association, the investment or guarantee shall not exceed the specified limit.

Where a company provides guarantee for a shareholder or the actual controller of the company, such guarantee shall be subject to a resolution of the shareholders' meeting or the general meeting.

Neither a shareholder specified in the preceding Paragraph ~~nor a shareholder~~ who is controlled by the actual controller specified in the preceding Paragraph is allowed to vote on the matters specified in the preceding Paragraph. Such voting shall be subject to adoption by the other shareholders who represent more than half of the voting rights of all the other shareholders present at the meeting.

J-"B 6b k"÷.Ägz Ü1£OK,äEf# ;Ô6BEÉœ;Ô OK,äj}Zi!²!\$# # , "Á!YH= Üeh,!Y.9!²!\$ Ü1£ ,* B~** gD ! <

k"÷--"R`ÆD' (Hì.a. ,!Y.9 k"÷OK,äEfOK 4XO±#(← L&øZ2İxOK,äl \ ' <

Article 17 A company shall protect the legitimate rights and interests of its staff members, conclude labor contracts with them, participate in the social insurance system, and reinforce the labor protection for them so as to achieve safe production.

The company shall adopt various forms to enhance vocational education and job training for its staff

members to improve their professional competency.

J-"B l6b k"÷OK,ä æ@fC ,"M 1; p#%ü,ä ;Ô DMÃMÆ,ä , -ÿ+T,ä <:!\$,Mó1£OK,ä# ;Ô6BEE <k
"÷-".R 96+ k"÷,ä 2l š.ÄX€Ef<:!\$6` ö < k"÷,ä âWgOK,ä+0OK,äEf!\$1¤`k ;,ä [4ödó ;HŽ!(; Ü
eh#<!\$!\$*^ g"jD JH Šgx æ;Ô k"÷J}ZieÄ R# # <
k"÷ æ@f*©;Ô#<6 r;Ô.ŠEfXÃ*TM ^ÆOK,ä âWg(& 1 O u Ō.a. ,*•WK; :J C <
k"÷G lu 2*TM48l5 ä"ÉMÎS\$4,faEf`l(&díg—!\$*TM`lX€EfXÃlB!5-¥4ō ,-"R#+ "Ō k"÷,ä Ef0 XÀ , -u_
^ÆOK,ä âWg(& 1 O u Ō.a. #+"ŌOK,äEf0 XÀ#<-ùZ- <

Article 18 The staff members of a company shall organize a labor union in compliance with the Labor Union Law of the People's Republic of China to carry out labor union activities and maintain the legitimate rights and interests of the staff members. The company shall provide necessary conditions for the labor union thereof to carry out activities. The labor union of the company shall, in accordance with the law, conclude a collective contract with the company in connection with such matters as labor remunerations, working hours, benefits, insurance, labor safety, and sanitation, on behalf of the staff members.

A company shall, in accordance with the Constitution and other relevant laws, implement democratic management through a general meeting of the representatives of staff members or other forms.

When making research and decisions on restructuring ~~major~~ issue concerning its business operations, or when formulating important rules and regulations, a company shall listen to the opinions of its labor union, and to the opinions and suggestions of its staff members through the general meeting of the representatives of staff members or other forms.

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9 YMÃMÆEf<:!\$2l š.ÄX€6` ö <

Article 19 An organization of the Communist Party of China ("CPC") shall be established in a company to carry out activities of the CPC pursuant to the Constitution of the Communist Party of China. The company shall provide necessary conditions for the activities of the organization of the CPC.

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k"÷1 O u ŌO Ef!(EÉ ; .- =äD' k"÷;Ô 1AëlÊ&/ L#<O 6 eO\ " ú2^*2 k"÷ 96B 1Ef!(EÉ <
k"÷O =äD'O 6B l(MØ k"÷1 O u ŌO _ 1 2^(0Ef ,-"R æ;Ô1~1Ä\ S ~" ú <
k"÷O =äD' k"÷;Ô 1AëlÊ&/ L#<O 6 eO\ " ú , _ ~ 9! , \$`l2^*2 k"÷ 96B 1!(EÉEf ,-"R*ø k"÷
9! 1~1Ä^Y-%\ " ú <

Article 20 The shareholders of a company shall abide by laws, administrative regulations, and the company's articles of association, and shall exercise shareholder's rights in accordance with the law. A shareholder shall not prejudice the interests of the company or other shareholders by abusing shareholder's rights, nor shall the shareholder prejudice the interests of the creditors of the company by abusing the independent legal person status of the company or by abusing the limited liabilities of the shareholder.

Any shareholder of a company that has caused any loss to the company or to other shareholders by abusing shareholder's rights shall be liable for compensation in accordance with the law.

Where any shareholder of a company evades debts by abusing the independent legal person status of the company or by abusing the shareholder's limited liabilities, thereby gravely prejudicing the interests of the creditors of the company, the shareholder shall be jointly and severally liable for the debts of the

company.

J- •"B 6b k"÷Ef2!O O ;*•eD2!!5 1 ;Sb Š ;ED Š ;ixM!J C 1#W .-!(D' u rOS rKú2^*2
k"÷!(EÉ <
^Ü"!L:=XÄ*™MØ k"÷_ 1 2^(0Ef,-"R1~1Ä\S ~\ " ú <

Article 21 The controlling shareholders, actual holders, directors, supervisors or senior management personnel of a company shall not make use of their affiliation to prejudice the interests of the company.

Whoever mentioned in the preceding Paragraph shall be liable for compensation if he/she causes any loss to the company by violating the preceding Paragraph.

J- •"B •6b k"÷O 1 O O (& ;Sb Š Ef 2Z- „*,^Ü"!;Ô.Š ;WK4>;ÔXÄEf4ß4G <
O 1 O O (& ;Sb Š Ef Z-"ëeÅl -Ž ;Wg 24„.^Ü"!;Ô.Š ;WK4>;ÔXÄ1 O k"÷!ßl o 1 O
2Z- „*,^Ü"! k"÷!ßl Efo O "î äPé 2Z- [ù J4ä\w l"@4ä „o Zö;A 1; ;Ôea3£cÿ <
O œ@f!L:=XÄ*™2!vZÈZ»Efo 1; ;Ôea"î ä-" k"÷EfZö;Ao X€;AO 2! šE÷-"1Ä Ü <
k"÷782mO 1 O O (& ;Sb Š 2Z-,ñ!•C "x5óEzZ-Efo 1; ;Ôea*ø#lZä 2Z-4ß4G1 O 3£cÿ
Zä 2Z-# o k"÷-"R# k"÷EzZ'69 rD2Zö3£cÿ"x5óEzZ' <

Article 22 The contents of a resolution of the shareholders' meeting, the general meeting or the board of directors shall be invalid if they are in violation of laws or administrative regulations.

Where the procedures for convening, or voting at, the shareholders' meeting, the general meeting or a meeting of the board of directors are in violation of laws, administrative regulations or the company's articles of association, or where a resolution in violation of the articles of association, a shareholders may, within 60 days of the date on which the resolution is made, file a request with a competent people's court for cancellation.

Where a shareholder files an action in accordance with the preceding Paragraph, the competent people's court may, at the request of the company, require the shareholder to provide corresponding guarantee.

Where after a company has gone through the formalities for change of registration pursuant to a resolution of the shareholders' meeting, the general meeting or the board of directors, the competent people's court declares the resolution invalid or cancels the resolution, the company shall file an application with the relevant company registration authority for cancellation of the change of registration.

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J+ ŸQ• Z½lÊ

Chapter 2: Establishment and Organizational Structure of a Limited Liability Company

Section 1: Establishment

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(<)6 J%# k"÷!ßl XÄ*™Ef g RO Z£N3Ef ù\Cgø
()O p# l5*™ k"÷!ßl ;
(%)6 k"÷# Hï , -ùlÊJ%# 6 eO\ " ú k"÷X€;AEfMÄMÆ696f
(")6 k"÷ N1? <

Article 23 To establish a limited liability company, the following conditions shall be satisfied:

- (1) The number of shareholders meets the quorum;
- (2) The capital contribution subscribed to by all shareholders meets the requirements of the company's articles of association.
- (3) The shareholders jointly formulate the company's articles of association;
- (4) The company has a name, and its organizational structure meets the requirement for a limited liability company; and
- (5) The company has a domicile.

J- •"B%Ü6b 6 eO\ " ú k"÷D0 ""@) ä O ù\CZ½IÊ <

Article 24 The establishment of a limited liability company shall be subject to the capital contribution by not more than 50 shareholders.

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(‹) k"÷MÎS\$R %ó

() k"÷;ç \C6+ ;

(%ŸD Ef(Ò# 1 O # Hĩ ;

(“)O Ef ù\C4, . ; ù\Cgœ# ‹ ù\C4ôdó ;

(l) k"÷Ef696f"É u !D !•;Ô ;OK6B ;Z- ŠXÃ! ;

() k"÷;Ô*™ âWg 1;

(j)O Z-Z£ 9eŸX€XÃ*™Ef u Ō Šgx <

O -".R&' k"÷IßI J)# ;EŌIß <

Article 25 The articles of association of a limited liability company shall set forth the following matters:

- (1) Name and domicile of the company;
- (2) Business scope of the company;
- (3) Registered capital of the company;
- (4) Names of the shareholders;
- (5) Form, amount, and schedule of capital contributions by the shareholders;
- (6) Organizations of the company and the methods of formation, authorities, and rules of procedure thereof;
- (7) Legal representative of the company; and
- (8) Any other matter deemed as necessary to be specified by the shareholders' meeting.

The shareholders shall affix their signatures and seals to the company's articles of association.

J- •"B n6b 6 eO\ " ú k"÷Ef;ç \C6+ 9&' k"÷EzZˆ69 rEzZˆEf g RO Z£N3Ef ù\Cgœ <

;Ô.Š ;WK4>;ÔÃ ä"É%ü! ea 2*™*ø6 eO\ " ú k"÷;ç \C6+*•N3 ;;ç \C6+5Ÿ MeOgœ"â6 XÃ*™Ef, Í u XÃ*™ <

Article 26 The registered capital of a limited liability company shall be the amount of capital contribution subscribed to by all shareholders as registered with the relevant company registration authority.

The provisions otherwise prescribed by laws, administrative regulations and the decisions of the State Council on the actual payment of registered capital and the minimum registered capital of a limited liability company shall prevail.

J- •"B 6b O "î äD\&- ùC , ^"î äD'•Ah ;FäZÄ !6B ;& &/ ~D'6BJH"î äD\&- / ö-u"î ä
 œ;Ô^kZ"Eff\&- \! ! [ö ùC ; E5. ,;Ô.Š ;WK4>;ÔXÄXÄ*™ .- [9 ùCEf\! !ec(<
 ø [9 ùCEff\&- \! !-".RZÄ / [ö ,77•\! ! , .-ix /1 O M / [ö <Ô.Š ;WK4>;ÔXÄ*øZÄ / [
 ö6 XÄ*™EjÍ uXÄ*™ <

Article 27 A shareholder may make capital contributions in the form of monetary funds, or alternatively may make capital contributions with such valuatedmonetary property as physical items, intellectual property rights, and ~~land~~ ^{use} rights that may be valued in monetary terms and may be transferred in accordance with the law, excluding the ~~property~~ that shall not be used for capital contributions as specified in laws and administrative regulations.

The nonmonetary property that is used for capital contributions shall be valued and verified, and shall not be overvalued or undervalued. The provisions on the valuation of such property as prescribed by laws or administrative regulations shall prevail.

J- •"B l6b O -".R2 6 \2gœN3M² k"÷Ißl ,XÄ*™Ef# Pé1?Z£N3Ef ùCgœ <O ä\&- ùCEf ,
 -".R+ \&- ùC\2gœ*W d6 eO\" ú k"÷&'cõWK-ÿZ½Ef\%16 ; äf\&- \! ! ùCEf ,-.".R œ;Ô!•C u\! !6B
 Ef^kHú1JMì <

O 2 @fIL:=XÄ*™N3M² ùCEf,ec-".R# k"÷\2gœN3M² (,^x-".R# ,ñ2 6 \2gœN3M² ùCEfO 1~
 1Ä^ÜM¥\" ú <

Article 28 The shareholders of a company shall, according to the schedule, make full payment for the capital contributions that they have respectively subscribed for as specified in the articles of association of thecompany. If a shareholder makes capital contribution in the monetary form, the shareholder shall deposit the full amount of the monetary capital contribution into the bank account opened for the limited liability company. If a shareholder makes capital ~~tribution~~ ^{contribution} with non-monetary property, the formalities for transfer of the property rights shall be completed pursuant to the law.

A shareholder who fails to pay capital contribution in accordance with the preceding Paragraph shall, in addition to making full payment to the company, bear the liabilities for breach of contract to the shareholders who have already made full payment of their capital contributions as scheduled.

J- •"B ^6b O Z£\² k"÷Ißl XÄ*™Ef ùC# ,D0 g RO 2 *™Ef âWg1 O p# (Ó1WEf âC 1# k
 "÷EzZ´69 r1¤_ k"÷EzZ´D2Zö e ; k"÷Ißl JH4† õ ,D2ZZ½IÊEzZ´ <

Article 29 After the shareholders of a company have fully subscribed to the amount of capital contribution prescribed by the company's articles of association, the representative designated by all shareholders or the agent authorized ~~all~~ ^{by} shareholders shall apply for registration of the establishment of the company by submitting the written company registration application, the company's articles of association and other documents to the relevant company registration authority.

J- "B6b 6 eO\" ú k"÷1 IÊ# ,\"DB- [9Z½IÊ k"÷ ùCEff\&- \! !Ef*•eD ögœ5=SV M • k"÷Iß
 l 1?*™ ögœEf\".RD0 £ xZä ùCEfO Wd\² u,ígœ ; k"÷Z½IÊ4öEf u ŌO 1~1Ä^Ý-%\" ú <

Article 30 After the establishment of a limited liability company, if the actual value of any capital contribution made in the form of ~~non~~monetary ~~propety~~ ^{property} is found to be apparently lower than the value specified in the company's articles of association, the shareholder who has made the said capital contribution shall pay up the difference, with the other shareholders at the time of establishment of the company bearing joint and several liability.

J- "B 6b 6 eO\ " ú k"÷1 IÊ# ,-.R# O J}"Đ ù\CZÀ5 e <
ù\CZÀ5 e-".R^|5 ! Šgx :
(Ÿ) k"÷# Hĩ ;
(¸) k"÷1 IÊ4ä6 ;
() k"÷;ç \C6+ ;
(%ŸO Ef(Ò# 1 O # Hĩ ;N3M²Ef ù\Cgœ# ù\C4ä6 ;
(") ù\CZÀ5 eEfN "ö#77"Đ4ä6 <
ù\CZÀ5 eD0 k"÷EÖIß <

Article 31 Upon the establishment of a limited liability company, a capital contribution certificate shall be issued to each of the shareholders.

The capital contribution certificate shall set forth the following matters:

- (1) Name of the company;
- (2) Date of establishment of the company;
- (3) Registered capital of the company;
- (4) Names of the shareholders, amount of their respective capital contributions, and the date on which the capital contributions are made; and
- (5) Serial number and date of issuance of the capital contribution certificate.

The capital contribution certificate shall be affixed with the seal of the company.

J- "B •6b 6 eO\ " ú k"÷-".RNm(O # ¸ ,Z^| ! Šgx :
(Ÿ)O Ef(Ò# 1 O # Hĩ"É N1? ;
(¸)O Ef ù\Cgœ
() ù\CZÀ5 eN "ö <
Z^| •O # ¸EfO , "î ä œO # ¸ :. WK ~O 6B!(<
k"÷-".R+ O Ef(Ò# 1 O # Hĩ# k"÷EzZ⁻69 rEzZ⁻ ;EzZ⁻ Šgx"ĐD "x5óEf-".R!•C "x5óEzZ⁻ 6)MÎ
EzZ⁻1 O "x5óEzZ⁻Ef .-•ø1-J+ ¹ <

Article 32 A limited liability company shall prepare and make available a shareholder register, with the following items specified therein:

- (1) Names and domiciles of the shareholders;
- (2) Amount of capital contribution made by each of the shareholders; and
- (3) Serial number of each capital contribution certificate.

The shareholders who are recorded in the shareholder register may exercise the shareholder's rights on the strength of the shareholder register.

A company shall register the names of the shareholders with the relevant company registration authority. In the case of change of any registered item, the formalities for change of registration shall be completed. A company that fails to go through the formalities for registration or change of registration shall not set up a defense against any third party.

J- "B 6b O 6 6B6äe ;(!5 k"÷IßI ;O Z-Z.T ;Sb Š Z- ²Z- ;ED Š Z- ²Z-
#^|! Z 1#| <
O "î äX€;A6äe k"÷ Z \%K> <O X€;A6äe k"÷ Z \%K>Ef ,-.R# k"÷2İ ù efaZö;A ,Zó5 Eí
Ef < k"÷6 # C 782mZ£ 9O 6äe Z \%K>6 :b.REíEf , "iOü2^*2 k"÷# ;Ô !(EÉEf, "î ä1ÑMÜ2İ š6äe ,
-u-".RPéO 2İ ù efaZö;A J4älv" @ "4ä „ efaJS(O -uZó5 C D0 <k"÷1ÑMÜ2İ š6äe Ef ,O "î äZö
;A ¹; ;ÔeaX€;A k"÷2İ š6äe <

Article 33 The shareholders of a company shall be entitled to inspect and duplicate the company's articles of association, the minutes of the shareholders' meetings, the resolutions of the board of directors, the resolutions of the board of supervisors, and the financial and accounting reports of the company.

The shareholders may request to inspect the accounting books of the company. Where a shareholder so requests, a written request shall be submitted to the company, with the purposes indicated therein. If the company has reasons to believe that the shareholder's request to inspect the accounting books is for any improper purpose and may prejudice the legitimate interests of the company, the company may reject the request and shall, within 15 days after the shareholder submits the written request, give a written reply to the shareholder and state the reasons therefor. Where the company refuses to allow inspection by the shareholder, the shareholder may request the competent people's court to require the company to provide the access to inspection.

J- "B%Ü6b O 2 @f*•N3Ef ù\Ç:Ó Š! "ÖM¡!(; k"÷4"•\C6+4õ ,O 6 6B G2 @f*•N3Ef ù\Ç:Ó ŠZ£N3 ù\Ç < E5. , g RO M¥*™ 2 @f ù\Ç:Ó Š! "ÖM¡!(1 O 2 @f ù\Ç:Ó Š GZ£N3 ù\ÇEfec(<

Article 34 The dividends shall be distributed to shareholders in proportion to the actual capital contributions paid up by them, unless otherwise agreed upon by all the shareholders. In the event of capital increase of the company, the shareholders shall have priority to subscribe for capital contribution proportionate to their actual paid capital contributions, unless otherwise agreed upon by all the shareholders.

J- "B •6b k"÷1 IÊ# o O .-1¼_ ù\Ç <

Article 35 After the establishment of a company, its shareholders shall not withdraw their paid-up capital contributions.

J+ \Q• MÃMÆ696f

Section 2: Organizational Structure

J- "B n6b 6 eO\ " ú k"÷O D0 g RO MÃ1 <O 5. k 2"÷Ef6Blš696f æ@f6+;ÔWK ~OK6B <

Article 36 The shareholders' meeting of a limited liability company shall be composed of all shareholders. The shareholders' meeting is the company's governing body, and shall exercise its powers in accordance with this Law.

J- "B 6b O WK ~ !OK6B :
 (ÿ) 2*™ k"÷EfMÎS\$4,c†#<1"\CZ ! ;
 (') _ =#<5ó2afJD0OK,ä âWg1Ä úEfSb Š ;ED Š2*™6 rSb Š ;ED ŠEf1¤`k Šgx ;
 () * Z-1x ÅSb Š Ef1¤#I ;
 (%Ÿ Z-1x ÅED Š 1 O ED ŠEf1¤#I ;
 (") * Z-1x Å k"÷Ef-s-¥\!! gfJ-4,7G ; 2J-4,7G ;
 (I) * Z-1x Å k"÷Ef!(<¥! `L4,7G#<.\$Wd Ž2^4,7G ;
 () *ø k"÷!Y1 O Î+ ;ç \C6+ [ù 2Z- ;
 (j) *ø"ĐWK k"÷ 9!7 [ù 2Z- ;
 (\) *ø k"÷# -u ;! IÊ ;Xâ4b ;= J-1 O "x5ó k"÷.a. [ù 2Z- ;
 (" @ í48 k"÷IßI ;
 (" @ Ÿ) k "÷IßI XÃ*™Ef u ŐOK6B <

ø!L:=1?! ŠgxO ä efa.a. ýPóWgH9# 0 Ef , "î ä "ë-ÿO Z- ,Eó2α [ù 2™ , -uD0 g RO
&' 2*™4† ò J)# ;EÖIß <

Article 37 The shareholders' meeting of a company shall exercise the following powers:

- (1) Making decisions on the company's operation guidelines and investment ~~shares~~
- (2) Electing and replacing the directors and supervisors who are not the representatives of the staff members, and making decisions on the matters concerning the remunerations of the directors and supervisors;
- (3) Approving the reports of the board of directors through deliberation;
- (4) Approving the reports of the board of supervisors or those of the supervisors through deliberation;
- (5) Approving the annual financial budget plans and final accounts of the company through deliberation;
- (6) Approving the profit distribution plans and loss recovery plans of the company through deliberation;
- (7) Making resolutions on the increase or decrease of the company's registered capital;
- (8) Making resolutions on the issuance of ~~corpo~~ bonds;
- (9) Making resolutions on the merger, division, dissolution or liquidation of the company or on the conversion of the corporate form;
- (10) Modifying the company's articles of association; and
- (11) Exercising other powers specified in the articles ~~association~~.

Where all the shareholders have reached a written consensus on a matter listed in the preceding Paragraph, a decision may be directly made without convening a shareholders' meeting, provided that all the shareholders shall affix the signatures and seals to the decision document.

J- "B l6b h•: O Z-D0 ùC5ÿ(EfO "ëeÅ#ç :2 , æ@f6+;ÔXÃ*™WK ~OK6B <

Article 38 The first shareholders' meeting shall be convened and presided over by the shareholder who has made the largest proportion of capital ~~contributions~~, and shall exercise its powers in accordance with this Law.

J- "B ^6b O Z-! 9*™6 Z-#ç 34õ Z- <

™6 Z--"R æ@f k"÷lßl EfXÃ™2 4õ"ë-ÿ <âWg"@! J ÿ ä Wg ²6BEfO , ! J ÿ ä EfSb Š ,
EÐ Š 1 O Z½EÐ Š Ef k"÷EfEÐ Š2ÏZ-"ë-ÿ 34õ Z-Ef ,-"R"ë-ÿ 34õ Z- <

Article 39 The shareholders' meetings are ~~split~~ into regular meetings and interim meetings.

Regular meetings shall be held as scheduled under the company's articles of association. An interim meeting shall be held if so proposed by the shareholders representing more than one tenth ~~of~~ the voting rights, more than one third of the directors, the board of supervisors, or in the absence thereof, the supervisors.

J-%Ü"B6b 6 eO\ " ú k"÷Z½lÊSb Š Ef ,O Z-D0Sb Š "ëeÅ ,Sb Šd~ :2 ;Sb Šd~ Oü+dWKOK!
1 O +dWKOK! EfD0!nSb Šd~ :2 ;!nSb Šd~ Oü+dWKOK! 1 O +dWKOK! EÐ "l4o ä Sb Š p# 2§ =
ÿ# Sb Š :2 <

6 eO\ " ú k"÷ Z½Sb Š Ef ,O Z-D01fWKSb Š"ëeÅ#ç :2 <

Sb Š 1 O 1fWKSb Š Oü+dWK1 O +dWK"ëeÅO Z-OK\ "EÐEÐ Š 1 O Z½EÐ Š Ef k"÷
EfEÐ Š"ëeÅ#ç :2 ;EÐ Š 1 O EÐ Š "ëeÅ#ç :2 Ef , âWg"@! J ÿ ä Wg ²6BEfO "î äPéWK"ëeÅ#ç :
2 <

Article 40 Where a limited liability company has established a board of directors, the shareholders' meetings shall be convened by the board of directors and be presided over by the chairman of the board of directors. If the said chairman is unable to or fails to perform the duties thereof, the shareholders' meetings shall be presided over by the vice chairman of the board of directors. If the vice chairman of the board of directors is unable to or fails to perform the duties thereof, the shareholders' meeting shall be presided over by a director elected jointly by more than half of all the directors..

Where a limited liability company has no board of directors, the shareholders' meetings shall be convened and presided over by an executive director.

If the board of directors or the executive director is unable to or fails to perform the duties of convening the shareholders' meetings, the board of supervisors or, in the absence thereof in the company, the supervisors, shall convene and preside over such meetings. If the board of supervisors or the supervisors fail to convene or preside over such meetings, the shareholders representing more than one tenth of the voting rights may convene and preside over such meetings at their own discretion.

J-%Ü"B 6b "ë-ÿO Z- ,-.R • Z-"ë-ÿ"@ "4ä!L_ Fä g RO ; E5. , k"÷!ßl "â6 XÃ*™1 O
g RO "â6 M×*™Efec(<
O -".R*ø1?Z- ŠgxEf 2*™ [1 Z-Z.T , ù-, Z-EfO -".R&' Z-Z.T J)# <

Article 41 A notice shall be given to all the shareholders of a company 15 days before a shareholders' meeting is held, unless otherwise specified in the company's articles of association or otherwise agreed upon by all the shareholders.

Minutes shall be prepared by the shareholders' meeting for the decisions on the matters deliberated at each of the shareholders' meetings. Shareholders present at the meetings shall affix their signatures thereto.

J-%Ü"B •6b O Z-D0O 2 @f ùC:Ó ŠWK ~Wg ²6B ; E5. , k"÷!ßl "â6 XÃ*™Efec(<

Article 42 The shareholders of a company shall exercise their voting rights at shareholders' meetings in proportion to their respective capital contributions, unless otherwise specified in the company's articles of association.

J-%Ü"B 6b O EfZ- Š4, . #\Wg ²l -Ž ,ec6+;Ô6 XÃ*™Ef(D0 k"÷!ßl XÃ*™ <
O Z- [ù í48 k"÷!ßl ;!Ÿ1 O Î+ ;ç \C6+Ef ²Z- , ä"É k"÷# -u ;! ÎÊ ;Xâ4b1 O "x5ó
k"÷.a. Ef ²Z- ,.ÄgzMÎ âWg ! J < ä Wg ²6BEfO _ ^Æ <

Article 43 The rules of procedure and voting procedures of the shareholders' meeting of a company shall be set forth in the company's articles of association, unless otherwise specified in this Law.

Any resolutions made at a shareholders' meeting on the amendment of the company's articles of association, increase or decrease of the registered capital and on the merger, division, dissolution, or conversion of the company, shall be adopted by the shareholders representing more than two thirds of the voting rights.

J-%Ü"B%Ü6b eO\ " ú k"÷Z½Sb Š , u1 #W 9 ¹Pò"@ ¹ ; E5. ,6+;ÔJ+ ""@6"â6 XÃ*™Efec(<
(#) ä Ef%ü6 1 O (#) ä Ef u Ō%ü6 1"Ç : R1"ÇZ½!ÊEf6 eO\ " ú k"÷ , uSb Š 1 #W ,
-".R6 k"÷OK,ä âWg; u Ō6 eO\ " ú k"÷Sb Š 1 #W , "î ä6 k"÷OK,ä âWg <Sb Š ,EfOK,ä âWgD0 k"÷
OK,ä ^ÆOK,ä âWg(& ;OK,ä(& 1 O u Ō.a. ; :_ = !D <

Sb Š Z½Sb Šd~ ý ¹,"î äZ½!nSb Šd~ <Sb Šd~ ;!nSb Šd~Ef !D !•;ÔD0 k"÷IßI XÃ*™ <

Article 44 A limited liability company shall have a board of directors that is to be composed of 3 to 13 members, unless otherwise specified in Article 50 of this Law.

In the case of a limited liability company established with investment from two or more ~~or State~~ enterprises or two or more other types of ~~State~~ investing parties, the members of its board of directors shall include the representatives of the staff members of the company; in the case of any other limited liability company, the members ~~of~~ board of directors may include representatives of the staff members of the company. The representatives of the staff members in the board of directors shall be elected democratically through a general meeting of the representatives of the staff ~~members~~, meeting of staff members, or in other forms.

The board of directors shall have one chairman, and may have several vice chairmen. The methods for election of the chairman and vice chairmen shall be specified in the company's articles of association.

J-%Ü"B •6b Sb Š ú6 D0 k"÷IßI XÃ*™, E:Î+I ú6 .-\\,^Æ -s <Sb Š ú6 +I=à ,^Ý_ "î ä^Ý ú <
Sb Š ú6 +I=à6)"É4õ48_ ,1 O Sb Š&' ú6 „^•OK*ûPóSb Š 1 #W M •;Ô*™ 14oEf ,&'48_ ùEfSb Š
+0 ú!L ,žSb Š Ì-“.R œ@f;Ô.Š ;WK4>;ÔXÃ#< k"÷IßI EfXÃ*™;dWKSb ŠOK! <

Article 45 The term of office of a director of a company shall be specified in the company's articles of association, subject to a maximum of three years. The term of office of a director may be renewed upon expiry thereof in the case of successful ~~election~~.

Where a new election is not held in a timely manner upon expiry of the ~~term of office~~ director, or where the number of the members of the board of directors is less than the quorum due to the resignation of one or more directors during their term of office, such former director(s) shall continue to perform the director's duties in accordance with laws, administrative regulations and the company's articles of association until the newly ~~elect~~ director(s) take office.

J-%Ü"B n6b Sb Š *øO \\ " ,WK ~ ! OK6B
(ý)"ëeÅO Z- , -u# O 1¤#l,ä [;
(<)1fWKO Ef ²Z- ;
() 2*™ k"÷EfMîS\$Z ! #<1"\\C4,7G ;
(%Ų)5Zj k"÷Ef-s-¥!! gfJ-4,7G ; ²J-4,7G ;
(“)!5Zj k"÷Ef!(<¥! `L4,7G#<,\$Wd Ž2^4,7G ;
(l)!5Zj k"÷!Y1 O Î+ ;ç \\C6+ ä"É"ĐWK k"÷ 9!7Ef4,7G ;
()!5Zj k"÷# -u ;! IÊ ;Xâ4b1 O "x5ó k"÷.a. Ef4,7G ;
(j) 2*™ k"÷ „_çJ C 696fEfZ½Nm
(\\) 2*™OW ú1 O XâOW k"÷MîC "É u1¤`k Šgx782mMîC Ef2İ# 2*™OW ú1 O XâOW k"÷!nMîC ;!
!\\\" 1"É u1¤`k Šgx ;
("@!5*™ k"÷Ef&ù6+J C !5-¥;
("@ ý) k"÷IßI XÃ*™Ef u ŌOK6B <

Article 46 The board of directors of a company shall be accountable to the shareholders' meeting and exercise the following powers:

- (1) Convening the shareholders' meetings and reporting to the shareholders' meeting;
- (2) Executing the resolutions of the shareholders' meeting;
- (3) Making decisions on the operation plans and investment plans of the company;
- (4) Formulating the annual financial budget plans and final accounts of the company;

- (5) Formulating the profit distribution plans and loss recovery plans of the company;
- (6) Formulating the plans on the increase or reduction of the registered capital of the company, and on the issuance of corporate bonds;
- (7) Formulating the plans on the merger, division, dissolution, or conversion of the company;
- (8) Making decisions on the ~~sup~~ of the internal management bodies of the company;
- (9) Making decisions on the employment or dismissal of the manager of the company and matters related to the remuneration thereof, and making decisions, according to the manager's nomination, on the employment or dismissal of the vice manager(s) and the personnel in charge of financial issues and the matters related to their remunerations;
- (10) Formulating the fundamental management systems of the company; and
- (11) Exercising other powers specified in the company's articles of association.

J-%Ü"B 6b Sb Š Z-D0Sb Šd~"ëeÅ#< :2 ;Sb Šd~ Oü+dWKOK! 1 O +dWKOK! ,D0!nSb Šd~ "ëeÅ#< :2 ;!nSb Šd~ Oü+dWKOK! 1 O +dWKOK! ,D0!"I4o ä Sb Š p# 2§ = ý# Sb Š"ëeÅ#< :2 <

Article 47 The meetings of the board of directors shall be convened and presided over by the chairman of the board of directors. If the chairman is unable to or fails to perform his/her duties, the meetings shall be convened or presided over by the chairman of the board of directors. If the vice chairman is unable to or fails to perform his/her duties, the meetings shall be convened or presided over by a director jointly elected by more than half of all the directors.

J-%Ü"B l6b Sb Š EfZ- Š4,. #<Wg 2l -Ž ,ec6+;Ô6 XÃ*™Ef(D0 k"÷lßl XÃ*™ <
Sb Š -".R*ø1?Z- ŠgxEf 2*™ [1 Z-Z.T , ù-, Z-EfSb Š-".R&' Z-Z.T J}# <
Sb Š 2Z-EfWg 2 ,•WK ý 1 ýHg <

Article 48 The rules of procedure and voting procedures of the board of directors of a company shall be set forth in the company's articles of association, unless otherwise specified in this Law.

Minutes shall be prepared by the board of directors for the decisions made on the matters discussed [at each of the meetings of the board of directors]. The directors present at such meetings shall affix their signatures thereto.

In voting on a resolution of the board of directors, one person shall be entitled to only one vote.

J-%Ü"B ^6b 6 eO\ " ú k"÷"î äZ½MÎC ,D0Sb Š 2*™OW ú1 O XâOW 4MÎC *øSb Š \\",WK ~ ! OK
6B

(ý) :2 k"÷EfD !MÎS\$J C ,ä [,MÃMÆ*•4¼Sb Š 2Z-
(<)MÃMÆ*•4¼ k"÷-s-¥MÎS\$Z ! #<1"\\C4,7G
()1ßZj k"÷ „_çJ C 696fZ½Nm4,7G
(%)1ßZj k"÷Ef&ù6+J C !5-¥;
(“)!5*™ k"÷Ef v RXÃlß;
(l)2ÏZöOW ú1 O XâOW k"÷!nMÎC ;\\! \\ " 1 ;
() 2*™OW ú1 O XâOWec-“D0Sb Š 2*™OW ú1 O XâOW ä(Ef\\ "J C 1#W
(j)Sb Š 2‡ ‡Ef u ÖOK6B <
k"÷lßl *øMÎC OK6B"â6 XÃ*™Efí uXÃ*™ <
MÎC ! -,Sb Š Z- <

Article 49 A limited liability company may have a manager whose employment or dismissal shall be subject to the decision of the board of directors. The manager shall be accountable to the board of directors and shall exercise the following powers:

(1) Taking charge of the management of the production and business operations of the company, and organizing the implementation of the resolutions of the board of directors;

(2) Organizing the implementation of the annual operation plans and investment plans of the company;

(3) Drafting the plans on the ~~sep~~ of the internal management bodies of the company;

(4) Drafting the fundamental management systems of the company;

(5) Formulating specific regulations of the company;

(6) Proposing to employ ~~or~~ dismiss the vice manager(s) or personnel in charge of financial issues of the company;

(7) Making decisions on the employment or dismissal of the persons in charge of management other than those whose employment or dismissal shall be subject to ~~the~~ ~~board~~ of the board of directors; and

(8) Exercising other powers conferred by the board of directors.

Provisions on the powers of the manager otherwise specified in the company's articles of association shall prevail.

The manager shall attend meetings of the board of directors as a ~~participating~~ participant.

J- •"B6b O 14o^,+ 1 O XÃ9 ^,+ Ef6 eO\" ú k"÷ , "ĩ äZ½ ý# 1fWKSb Š, Z½Sb Š 4fWKSb Š
"ĩ ä { ú k"÷MÍC <

1fWKSb ŠEfOK6BD0 k"÷IßI XÃ*™ <

Article 50 A limited liability company with relatively few shareholders or of a relatively small size may have one executive director instead of a board of directors. The executive director may concurrently hold the post of the manager of the company.

The powers of the executive director shall be specified by the company's articles of association.

J- •"B 6b 6 eO\" ú k"÷Z½ED Š , u1 #W .→ • 1 <O 14o^,+ 1 O XÃ9 ^,+ Ef6 eO\" ú
k"÷ , "ĩ äZ½ ýPò «# ED Š , Z½ED Š <

ED Š -".R" 1ëO âWg#(_ .R:Ó Š Ef k"÷OK,ä âWgu ,OK,ä âWgEf:Ó Š .- M • ! J ý , v R
:Ó ŠD0 k"÷IßI XÃ*™ <ED Š ,EfOK,ä âWgD0 k"÷OK,ä ^ÆOK,ä âWg(& ;OK,ä(& 1 O u Œ.a. ; :
_ = ID <

ED Š Z½ :-, ý 1 ,D0 g RED Š^Æ"I4o_ = ID ED Š :-, "ëeÅ#(:2 ED Š Z- ;ED Š :-, Oü
+dWKOK! 1 O +dWKOK! ED "I4o ä ED Š p# 2§ = ý# ED Š "ëeÅ#(:2 ED Š Z- <

Sb Š ;ixM!J C 1#W .- { úED Š <

Article 51 A limited liability company shall have a board of supervisors that is to be composed of at least three members. A limited liability company with relatively few shareholders or of a relatively small size may have one or two supervisors instead of a board of supervisors.

The board of ~~supre~~ supervisors shall include representatives of the shareholders and an appropriate proportion of representatives of the staff members of the company. The specific proportion of the latter shall be specified in the company's articles of association, subject to a ~~ratio~~ ~~of~~ ~~one~~ ~~third~~ ~~of~~ ~~one~~ ~~third~~. The representatives of the staff members in the board of supervisors shall be elected democratically by the staff members of the company through a general meeting of the representatives of the staff members, a general meeting of ~~staff~~ members, or in other forms.

The board of supervisors shall have one chairman who is to be elected by more than half of all the supervisors. The chairman of the board of supervisors shall convene and preside over the meetings of the board of supervisors. If the chairman is unable to or fails to perform his/her duties, such meetings shall be convened or presided over by a supervisor jointly elected by more than half of all the

supervisors.

The directors or senior management personnel shall not ~~cently~~ hold the posts of supervisors.

J-•"B •6b ED ŠEf ú6 :Î+I 9 -s <ED Š ú6 +I=à ,^Ý_ "î ä^Ý ú <
ED Š ú6 +I=à6)"É4õ48_ ,1 O ED Š&' ú6 „^•OK*ûPóED Š 1 #W M •;Ô*™ 14oEf,&'48_ ùEfED Š
+0 ú!L , "žED Š Ì-“.R œ@f;Ô.Š ;WK4>;ÔXÃ#« k"÷IBI EfXÃ*™;4dWKED ŠOK! <

Article 52 The term of office of a supervisor shall be three years. ~~The~~ of office of a supervisor may be renewed upon expiry thereof in the case of ~~succession~~.

If a new election is not held in a timely manner upon the expiry of the term of office of a supervisor, or if the number of the members of the ~~board~~ supervisors is less than the quorum due to the resignation of one or more supervisors during their term of office, such former supervisor(s) shall continue to perform supervisor's duties in accordance with laws, administrative regulations, and the company's articles of association until the newly elected supervisor(s) take(s) office.

J-•"B 6b ED Š ; Z½ED Š Ef k"÷EfED ŠWK ~ ! OK6B:
(Ÿ)7¿6ä k"÷\!! ;
(<)*øSb Š ;ixM!J C 1#W1fWK k"÷OK! EfWK 9^ÚWKED ŠÜ"î;Ô.Š ;WK4>;ÔXÃ ; k"÷IBI 1 O O
²Z-EfSb Š ;ixM!J C 1#W2Ï ùNa LEf-ùZ- ;
().RSb Š ;ixM!J C 1#WEfWK 92^*² k"÷Ef!(EÉ4õ,X€;ASb Š ;ixM!J C 1#W ‡ äMÿ:b ;
(%Ÿ2ÏZ-"ë-ÿ 34õO Z- ,&'Sb Š +dWK6+;ÔXÃ*™Ef"ëeÅ#« :2 O Z-OK\ "4õ"ëeÅ#« :2
O Z- ;
(“)# O Z-2Ï ù2Ï7G ;
(I) œ@f6+;ÔJ+ ŸE} ""@ Ÿ6`EfXÃ*,*øSb Š ;ixM!J C 1#W2Ï\ vZÈZ» ;
() k"÷IBI XÃ*™Ef u ŐOK6B <

Article 53 The board of supervisors or, in the absence thereof in a company, the supervisors shall exercise the following powers:

- (1) Conducting inspection of the financial issues of the company;
- (2) Supervising the performance of duties by the directors~~senior~~ and management personnel, and submitting a proposal on the removal of any director or senior management person who violates laws or administrative regulations, the company's articles of association, or any resolution of the shareholders' meeting;
- (3) Requiring the directors or senior management personnel to correct their conducts that prejudice the interests of the company;
- (4) Proposing to convene interim shareholders' meetings, and convening and presiding over shareholders' meetings when the ~~board~~ of directors fails to perform the duties of convening and presiding over shareholders' meetings as specified in this Law;
- (5) Putting forward proposals to the shareholders' meeting;
- (6) Filing actions against the directors or senior management ~~personnel~~ in accordance with Article 151 of this Law; and
- (7) Exercising other powers specified in the company's articles of association.

J-•"B%Ü6b ED Š"î ä! -,Sb Š Z- , -u*øSb Š ²Z- Šgx2Ï ù\Zá1 O -ùZ- <
ED Š ; Z½ED Š Ef k"÷EfED Š"DB- k"÷MÍ\$/\$Ä ´. -7 , "î ä^ÚWK[6ä; .ÄX€4õ"î äOWZö Z - Š
! 1?JH"N!" u,ä [,8 D'D0 k"÷1~1Ä <

Article 54 The supervisors of a company may attend the meetings of the board of directors as

non-voting participants, and may raise questions or suggestions on the matters decided by the board of directors.

The board of supervisors or, in the absence thereof in a company, the supervisors may conduct investigation when discovering any abnormality in the operating conditions of the company, and, where necessary, may engage an accounting firm and others to provide assistance, with expenses borne by the company.

J- •"B •6b ED Š :Î-s-¥Pò+ "ë-ÿ ÿ: Z- ,ED Š"î ä2İZ-"ë-ÿ 34õED Š Z- <
ED Š EfZ- Š4,. #◊Wg 2l -Ž ,ec6+;Ô6 XÃ*™Ef(D0 k"÷Ißl XÃ*™ <
ED Š 2Z--"RMÎ"l4o ä ED Š_ ^Æ <
ED Š -".R*ø1?Z- ŠgxEf 2*™ [1 Z-Z.T ,ù-, Z-EfED Š-".R&' Z-Z.T J)# <

Article 55 The board of supervisors shall convene a meeting at least once a year, and the supervisors may propose to convene an interim meeting of the board of supervisors.

The rules of procedure and voting procedures of the board of supervisors of a company shall be set forth in the company's articles of association, unless otherwise specified in this Law.

A resolution of the board of supervisors shall be passed by more than half of all the supervisors.

Minutes shall be prepared by the board of supervisors for the decisions on the matters discussed [at each of the meetings of the board of supervisors]. The supervisors present at such meetings shall affix their signatures thereto.

J- •"B n6b ED Š ; Z½ED Š Ef k"÷EfED ŠWK ~OK6B1?.ÄeyEf\8D'o D0 k"÷1~1Ä <

Article 56 The necessary expenses incurred by the board of supervisors or, in the absence thereof in a company, the supervisors for exercise of their powers shall be borne by the company.

J+ Q• ÿ '6 eO\" ú k"÷EfAx!*XÃ*™

Section 3: Special Provisions on One Person Limited Liability Companies

J- •"B 6b ÿ '6 eO\" ú k"÷EfZ½lÊ#◊MÃMÆ696fD'6+Q•XÃ*™;B+Q•; 6 XÃ*™Ef_ D'6+IßJ+ ÿ Q• ;J+ ◊Q•EfXÃ*™ <

6+;Ô1?Hï ÿ '6 eO\" ú k"÷ ,5.2 "é6 ÿ)Pé@5 'O 1 O ÿ);Ô 'O Ef6 eO\" ú k"÷ <

Article 57 This Section shall be applicable to the establishment and the organizational structure of a one-person limited liability company. In the absence of pertinent provisions in this Section, Section 1 and Section 2 of this Chapter shall apply.

For the purpose of this Law, a one-person limited liability company shall refer to a limited liability company comprising only one natural person shareholder or one legal person shareholder.

J- •"B l6b ÿ)Pé@5 ' "éOü1"\"CZ½lÊ ÿ) ÿ '6 eO\" ú k"÷ <Zä ÿ '6 eO\" ú k"÷ Oü1"\"CZ½lÊ 4Ef ÿ '6 eO\" ú k"÷ <

Article 58 One natural person can only establish one person limited liability company which is prohibited from investing in the establishment of another person limited liability company.

J- •"B ^6b ÿ '6 eO\" ú k"÷-".R&' k"÷EzZ- ,;ç5 Pé@5 'Aë\C1 O ;Ô 'Aë\C , -u&' k"÷S\$ 1f @f ,^| 5 <

Article 59 A one-person limited liability company shall indicate, in its company registration,

whether it is wholly owned by a natural person or a legal person. The same shall also be stated in the business license of the company.

J- n"B6b ÿ '16 eO\" ú k"÷Ißl D0O !5*™ <

Article 60 The articles of association of a ~~one~~person limited liability company shall be formulated by the shareholder.

J- n"B 6b ÿ '16 eO\" ú k"÷ Z½O <O [ù6+;ÔJ+ " @ 6` J+ ÿ:=1?! 2*™4õ ,-.R`ÆD'
efa.a. ,uD0O J}# # Nm(• k"÷ <

Article 61 A one-person limited liability company has no shareholders' meeting. Where the shareholder makes a decision listed in Paragraph 1 of Article 37 of this Law, the decision shall be made in writing, and shall be prepared and made available at the company ~~any~~ if the shareholder has affixed his/her signature thereto.

J- n"B •6b ÿ '16 eO\" ú k"÷-“.R&:Î ÿ Z -s-¥MÇ ...4õN !5!! Z 1¤#l , -uMÎ Z - Š! 1?
* Z <

Article 62 A one-person limited liability company shall prepare financial and accounting reports at the end of each fiscal year, and such reports shall be audited by an accounting firm.

J- n"B 6b ÿ '16 eO\" ú k"÷EfO OÜZÀ5 k"÷\! !AëIÊ •O Pé,ðEf\! !Efo -“.R*ø k"÷ 9
! 1~1Ä^Ý-%\" ú <

Article 63 Where the shareholder of a ~~one~~person limited liability company is unable to prove that the property of the company is independent of his/her own property, the shareholder shall bear joint and several liabilities for the debts of the company.

J+%ÚQ%ü6 Aë\C k"÷EfAx!*XÃ*™

Section 4: Special Provisions on Wholly StateOwned Companies

J- n"B%Ü6b %ü6 Aë\C k"÷EfZ½IÊ#MÄMÆ69Df6+Q•XÃ*™;6+Q•; 6 XÃ*™Ef D'6+IßJ+ ÿQ• ;J+
(Q•EfXÃ*™ <

6+;Ô1?Hï%ü6 Aë\C k"÷5.2 %ü*µ"TAë ùC D0%ü! ea1 O &/4, 1; 4>->2±6B6+M! 1; 4>->%ü6 \C !
EÐFbJ C 696f+dWK ùC 1OK\"Ef6 eO\" ú k"÷ <

Article 64 This Section ~~shall~~ be applicable to the establishment and the organizational structure of a wholly Stateowned company. In the absence of pertinent provisions in this Section, Section 1 and Section 2 of this Chapter shall apply.

For the purpose of this Law, a wholly Stateowned company shall refer to a limited liability company to which the capital contribution is solely made by the State and for which the State Council or the Stateowned assets supervision and administration authority, authorized by the local'speople government at the same level, performs the duties of the capital contributing party.

J- n"B •6b %ü6 Aë\C k"÷Ißl D0%ü6 \C !EÐFbJ C 696f!5*™l O D0Sb Š !5Z;1¤%ü6 \C !EÐFb
J C 696f1x Å <

Article 65 The articles of association of a wholly Stateowned company shall be formulated ~~by~~ b the relevant Stateowned assets supervision and administration authority, or be formulated by the board of directors and be reported to the relevant Stateowned assets supervision and administration authority

for approval.

J- n"B n6b %ü6 Aë\C k"÷ Z½O ,D0%ü6 \C !EĐFbJ C 696fWK ~O OK6B <%ü6 \C !EĐFbJ C 696f"i ä2†6B k"÷Sb Š WK ~O Ef_ç! OK6B , 2*™ k"÷Ef`ì(& Šgx , E k"÷Ef# -u ! IÊ Xâ4b ;• !Y1 O Î+ ;ç \C6+#("ĐWK k"÷ 9!7 ,.ÄgzD0%ü6 \C !EĐFbJ C 696f 2*™u , ,`İX€Ef%ü6 Aë\C k"÷# -u ;! IÊ ;Xâ4b ;D2ZöG3 !Ef ,-.RD0%ü6 \C !EĐFbJ C 696f* 77# ,1¤6+M! 1; 4>->1x Å < !L:=1?Hî`İX€Ef%ü6 Aë\C k"÷;2 @f%ü! eaEfXÃ*™Gm*™ <

Article 66 A wholly Stateowned company has no shareholders' meeting, and the relevant Stateowned assets supervision and administration authority shall exercise the powers of the shareholders' meeting. The Stateowned assets supervision and administration authority authorize the board of directors of the company to exercise part of the powers of the shareholders' meeting, and to make decisions on material matters of the company. However, the merger, division, and dissolution of the company, the increase or reduction of the registered capital, or issuance of corporate bonds shall be subject to the decision of the Stateowned supervision and administration authority. The merger, division, and dissolution of, or application for bankruptcy by, an important wholly Stateowned company shall, after the examination and verification of the Stateowned assets supervision and administration authority, be reported to the people's government at the same level for approval.

For the purpose of the preceding Paragraph, an important wholly Stateowned company shall be determined in accordance with relevant provisions of the State Council.

J- n"B 6b %ü6 Aë\C k"÷Z½Sb Š , œ@f6+;ÔJ+%Ú"@ I6` ;J+ I"@ I6`EfXÃ*™WK ~OK6B <Sb Š:Î+I ü6 .-,^Æ -s <Sb Š 1 #W ,-.R6 k"÷OK,ä âWg < Sb Š 1 #WD0%ü6 \C !EĐFbJ C 696f(Óç-E5. ,Sb Š 1 #W ,EfOK,ä âWgD0 k"÷OK,ä âWg(& _ = !D < Sb Š Z½Sb Šd~ ý 1,"î äZ½!nSb Šd~ <Sb Šd~ ;!nSb Šd~D0%ü6 \C !EĐFbJ C 696f ÍSb Š 1 #W , 2 *™ <

Article 67 A wholly Stateowned company shall have a board of directors which shall exercise its powers in accordance with Article 46 and Article 66 of this Law. The term of office of a director shall not exceed three years. The members of the board of directors shall include representatives of the staff members of the company.

The members of the board of directors shall be appointed by the relevant Stateowned assets supervision and administration authority. However, the representatives of the staff members in the board of directors shall be elected by the staff members of the company through a general meeting of the representatives of the staff members.

The board of directors shall have one chairman and may have several vice chairmen. The chairman and vice chairmen of the board of directors shall be appointed from among the members of the board by the relevant Stateowned assets supervision and administration authority.

J- n"B I 6b %ü6 Aë\C k"÷Z½MÎCD0Sb Š OW ú1 O XâOW <MÎC œ@f6+;ÔJ+%Ú"@ \6`XÃ*™WK ~OK 6B <

MÎ%ü6 \C !EĐFbJ C 696f# 0,Sb Š 1 #W"î ä { úMÎC <

Article 68 A wholly Stateowned company may have a manager whose employment or dismissal shall be at the decision of the board of directors. The manager shall exercise powers pursuant to Article 49 of this Law.

Subject to the consent of the relevant Stateowned assets supervision and administration authority, a

member of the board of directors may concurrently hold the post of the manager of the company.

J- n"B ^6b %ü6 Aë\C k"÷EfSb Šd~ ;!nSb Šd~ ;Sb Š ;xM!J C 1#W ,6)M!%ü6 \C !EDFbJ C 696f # 0 , .-&' u Ō6 eO\ " ú k"÷ ;O ü6 eO k"÷1 O u ŌM!<MMÄMÆ {OK <

Article 69 The chairman, vice chairmen, and directors of the board of directors and the senior management personnel of a wholly State-owned company shall not, without the consent of the relevant State-owned assets supervision and administration authority, concurrently hold any position at any other limited liability company, company limited by shares, or any other economic organization.

J- "B6b %ü6 Aë\C k"÷ED Š 1 #W .→ • " 'o u ,OK,ä âWgEf:Ó Š .- M • ! J ŷo v R :Ó ŠD0 k"÷!B! XÄ*TM <

ED Š 1 #WD0%ü6 \C !EDFbJ C 696f(Ō-5.oED Š 1 #W ,EfOK,ä âWgD0 k"÷OK,ä âWg(& _ = !D <ED Š :-,D0%ü6 \C !EDFbJ C 696f ÍED Š 1 #W ,2 *TM <

ED Š WK ~6+;ŌJ+ "" @ 6`J+o ŷo gxPòJ+o o gxXÄ*TM EfOK6B#,%ü! eaXÄ*TM Ef u ŌOK6B <

Article 70 The board of supervisors of a wholly State-owned company shall comprise at least five members, among whom the proportion of the representatives of the staff members shall not be less than one third, and the specific proportion shall be specified in the company's articles of association. The members of the board of supervisors shall be appointed by the relevant State-owned assets supervision and administration authority, provided that the representatives of the staff members in the board of supervisors shall be elected through a general meeting of the representatives of the staff members.

The chairman of the board of supervisors shall be appointed from among the members of the board of supervisors by the State-owned assets supervision and administration authority.

The board of supervisors shall exercise the powers specified in Item (1) through to Item (3) of Article 53 of this Law and other powers provided for by the State Council.

J+ !B 6 eO\ " ú k"÷EfO 6B^kZ"

Chapter 3: Equity Transfer of a Limited Liability Company

J- "B 6b 6 eO\ " ú k"÷EfO Jdó"î äE÷ ' ^kZ" u g_ç1 O _ç! O 6B <
O # O ä(Ef 1^kZ"O 6B ,-" .RM! u ŌO ^Æ"l4o# 0 <O -"+0 uO 6B^kZ" Šgx efa_ Fä u Ō
O .€;A# 0 , u ŌO Pé2æ! / efa_ Fä J4ä\ v=à "@4ä6)JS(Ef ,XÄ 9# 0 ^kZ" <u ŌO "l4o ä #
0 ^kZ"Ef, # 0 EfO -".R\, oZä^kZ"EfO 6B ; \, oEf ,XÄ 9# 0 ^kZ" <
M!O # 0 ^kZ"EfO 6B, &# JH6` õ , u ŌO 6 G\, o6B <#) ä O .: WK ~ G\, o6BEf ,
"N\$EGm*TM# PéEf\, o:Ó;Š\$E 1 Ef, 2 @f^kZ"4õ# PéEf ùC:Ó ŠWK ~ G\, o6B <
k"÷!B! *øO 6B^kZ""â6 XÄ*TM Ef, Í uXÄ*TM <

Article 71 The shareholders of a limited liability company may transfer all or part of their equity among each other.

The proposed transfer of equity by a shareholder to any shareholder party shall be subject to the consent of more than half of the other shareholders. The shareholder shall notify the other shareholders in writing of the matters on the proposed equity transfer for their consent. Failure to reply by any of the other shareholders within 30 days upon receipt of the written notice shall be deemed as consent to the transfer. Where more than half of the other shareholders do not consent to the transfer, such non-consenting shareholders shall purchase the equity to be transferred; failure to purchase the equity shall be deemed as consent to the transfer.

With respect to any equity to be transferred with the consent of the shareholders, those shareholders

other than the transferring party shall have the preemptive right under the same conditions. Where two or more shareholders claim to exercise their preemptive right, they shall determine the proportional ratio for purchase through consultation. Where the consultation fails, the preemptive right shall be exercised in proportion to their respective capital contribution at the time of the transfer.

The provisions on equity transfer otherwise prescribed by the articles of association of a company shall prevail.

J- "B •6b 1; ;Ôea œ@f;Ô.ŠXÃ*™Ef.9!51fWKI -Ž^kZ"O EfO 6B4ř".R_ Fä k"÷"É g RO

If the shareholder fails to reach an agreement with the company equity acquisition within 60 days after the resolution of the shareholders' meeting is adopted, the shareholder may file an action with a competent people's court within 90 days after the resolution of the shareholders' meeting is adopted.

J- "B • 6b Pé@5 'O :z # o u# ;ÔMæ1~ 1"î äMæ1~O \C7; ; E5.o k"÷Ißl "å6 XÃ*™Efec(<

Article 75 After the death of a natural person shareholder of a company, the lawful successor thereof may succeed to the shareholder capacity, unless otherwise specified in the company's articles of association.

J+%ÚIßO ü6 eO k"÷EfZ½IÊ#MÃMÆ696f

J+ yQ• Z½IÊ

Chapter 4: Establishment and Organizational Structure of a Company Limited by Shares Section 1: Establishment

J- "B n6b Z½IÊO ü6 eO k"÷-“.R v(! 6` õ :

(y)"Ð\ v 1J%# ;Ô*™ 14o ;

(<)6 J%# k"÷Ißl XÃ*™Ef g R"Ð\ v 1ZÆ\,EfO 6+/: gœ1 O !PeÅEf*•45O 6+/:gœ

()O ü"ÐWK ;Jx!• ŠgxJ%# ;Ô.ŠXÃ*™

(%ÚJÐ\ v 1!5Z; k"÷Ißl , ÆD"!PeÅ4, Z½IÊEfMÎ! IÊ(& _ ^Æ;

(“)6 k"÷# Hï , -ùIÊJ%# O ü6 eO k"÷X€;AEfMÃMÆ696f

(l)6 k"÷ N1? <

Article 76 To establish a company limited by shares, the following conditions shall be satisfied:

- (1) The number of promoters meets the statutory quorum;
- (2) The total share capital subscribed to by all promoters or total amount of paid share capital raised meets the requirements of the company's articles of association
- (3) The issuance of shares and the preparatory work are in compliance with the law;
- (4) The company's articles of association is formulated by the promoters, or is adopted at the inaugural meeting if the company is established by means of stock flotation;
- (5) The company has a name, and has established an organization structure that conforms to the requirements on a company limited by shares; and
- (6) The company has a domicile

J- "B 6b O ü6 eO k"÷EfZ½IÊî ä`Æ"Ô"Ð\ vZ½IÊ1 O !PeÅZ½IÊEf4, . <

"Ð\ vZ½IÊ5.2 D0"Ð\ v 1ZÆ\, k"÷-""ÐWKEf g_çO üO Z½IÊ k"÷ <

!PeÅZ½IÊ5.2 D0"Ð\ v 1ZÆ\, k"÷-""ÐWKO üEf y_ç! , u XO ü# H= k-y!PeÅ1 O # Ax*™*ø[!P eÅO Z½IÊ k"÷ <

Article 77 A company limited by shares may be established through promotion or stock flotation.

Establishment of a company through promotion shall mean that the promoters of a company establish the company by subscribing for all of the shares that shall be issued by the company.

Establishment of a company through stock flotation shall mean the promoters of a company establish the company by subscribing for part of the shares that shall be issued by the company and offering the remaining shares to the public or particular investors for subscription.

J- "B l6b Z½IÊO ü6 eO k"÷-“.R6 < 1 ä <E} 1 ä 9"Ð\ v 1 , u ,gz6 "l4o ä Ef"Ð\ v 1

&' ,%ü', „6 N1? <

Article 78 To establish a company limited by shares, there shall be not less than two but not more than 200 promoters, of whom more than half shall have domiciles within the territory of China.

J- "B ^6b O ü6 eO k"÷"Đ\ v 1~1Ä k"÷Jx!• Š! <

"Đ\ v 1-“:RJ}Zi"Đ\ v 1"NZ- ,5 Gm# Pé&' k"÷Z½lÊ^Æl ,Ef6B!(# H! <

Article 79 The promoters of a company limited by shares shall be responsible for the establishment preparatory work of the company.

They shall conclude a promoters' agreement to clarify their respective rights and obligations during the course of establishment of the company.

J- l"B6b O ü6 eO k"÷`Æ"Ö"Đ\ vZ½lÊ4, . Z½lÊEf;ç \C6+ 9&' k"÷EzZ`69 rEzZ`Ef g R"Đ\ v 1 Zf\,EfO 6+/:gœ <&"Đ\ v 1Zf\,EfO üN3?lL , .-# Ö 1!p eÄO ü <

O ü6 eO k"÷`Æ"Ö!PeÄ4, . Z½lÊEf;ç \C6+ 9&' k"÷EzZ`69 rEzZ`Ef*•45O 6+/:gœ <
;Ô.Š;WK4>;ÔXÄ äÉ%ü! ea 2*™*øO ü6 eO k"÷;ç \C6+*•N3 ;;ç \C6+5ÿ MeOgœ"â6 XÄ*™Efí u
XÄ*™ <

Article 80 Where a company limited by shares is established by way of promotion, its registered capital shall be the total amount of share capital subscribed to by all promoters as registered with the relevant company registration authority. The said company is not allowed to offer shares to others for subscription before the shares subscribed to by its promoters are fully paid up.

Where a company limited by shares is established through stock flotation, the registered capital thereof shall be the actual total paid share capital registered at the relevant company registration authority.

The provisions otherwise prescribed by laws, administrative regulations and the decisions of the State Council on the actual payment of registered capital and the minimum registered capital of a company limited by shares shall prevail.

J- l"B 6b O ü6 eO k"÷lßl -“.R^|5 ! Šgx :

(Ÿ) k"÷# Hí# N1? ;

(<) k"÷MÎ\$R %ó

() k"÷Z½lÊ4, . ;

(%Űk"÷O ü/:4o ;;lO `Đgœ#<;ç \C6+ ;

(“)"Đ\ v 1Ef(Ö# 1 O # Hí ;Zf\,EfO ü4o ; ù\C4, . #< ù\C4ôdó ;

(l)Sb Š EfMÄ1 ;OK6B#<Z- ŠXÄ!;

() k"÷;Ô*™ âWg 1;

(j)ED Š EfMÄ1 ;OK6B#<Z- ŠXÄ!;

(\) k"÷!(<¥! `L!•;Ô ;

("@ k"÷EfXâ4b ŠD0 = J-!•;Ô ;

("@ Ÿ) k"÷Ef_ Fâ#< k#l!•;Ô ;

("@ <)O (& Z-Zf 9eÿX€XÄ*™Ef u Ö Šgx <

Article 81 The articles of association of a company limited by shares shall set forth the following matters:

- (1) Name and domicile of the company;
- (2) Business scope of the company;

- (3) Form of establishment of the company;
- (4) Total shares, price per share, and registered capital of the company;
- (5) Names of the promoters, number of shares they have subscribed and forms and schedule of their capital contributions;
- (6) Composition, authorities and rules of procedure of the board of directors;
- (7) Legal representative of the company;
- (8) Composition, authorities and rules of procedure of the board of supervisors;
- (9) Methods for profit distribution of the company;
- (10) Causes for dissolution, and methods for liquidation, of the company;
- (11) Methods of notification and public announcement by the company; and
- (12) Any other matters deemed as necessary to be specified by the general meeting.

J- l"B •6b "Đ\ v 1Ef ù\ C4. , _ D'6+; ÔJ+ ' "@ 6` Ef XÃ*™ <

Article 82 Article 27 of this Law shall be applicable to the forms of capital contribution by promoters.

J- l"B 6b ä"Đ\ v Z½ IÊ4. Z½ IÊO ü6 eO k" ÷ Ef, "Đ\ v 1- " .R efaZ£² k" ÷ IßI XÃ*™ uZ£\, EfO
 ü , -u2 @f k" ÷ IßI XÃ*™ N3M² ù\ C < äf\ &- \! ! ù\ CEf , - " .R æ; Ô! • C u\ ! 6BEf ^kHú1JMì <
 "Đ\ v 1 æ@f! L:= XÃ*™ N3M² ù\ CEf " .R2 @f "Đ\ v 1 "NZ-1~1Ä^ÜM¥" ú <
 "Đ\ v 1 Z£² k" ÷ IßI XÃ*™ Ef ù\ C # , - " .R_ =Sb Š # ÷ EĐ Š , D0Sb Š # k" ÷ EzZ⁻69 r1æ_ k" ÷ Iß
 I ä"É; Ô. Š ;WK4>; ÔXÃXÃ*™ Ef u Ō4†, Đ2ZöZ½ IÊEzZ⁻ <

Article 83 Where a company limited by shares is established by way of promotion, its promoters shall subscribe, in writing, to all shares that they are required to subscribe to under the company's articles of association, and make capital contributions pursuant to the company's articles of association. Where capital contributions are made with ~~monetary~~ assets, the promoters shall go through the procedures for transfer of property ~~sign~~ pursuant to the law.

In the event of a promoter's failure to make capital contributions in accordance with the preceding Paragraph, the promoter shall bear the liabilities for breach of contract pursuant to the promoters' agreement.

After the promoters have fully subscribed to the capital contribution prescribed by the company's articles of association, the board of directors and the board of supervisors of the company shall be elected, and the board of directors shall apply for registration ~~of establishment~~ of the company by submitting the company's articles of association and other documents prescribed by laws and administrative regulations to the relevant company registration authority.

J- l"B %Ü6b ä!PeÅZ½ IÊ4. Z½ IÊO ü6 eO k" ÷ Ef, "Đ\ v 1 Z£\, EfO ü .-+ • k" ÷ O ü: 4oEfE)
 ! J " @ " ; E5. ;, Ô. Š ;WK4>; ÔXÃ" ä6 XÃ*™, ĒfuXÃ*™ <

Article 84 Where a company limited by shares is established through stock flotation, the shares subscribed for by the promoters shall not be less than 35 percent of the total shares of the company, unless otherwise prescribed by laws or administrative regulations.

J- l"B •6b "Đ\ v 1# H= k-ŷ!PeÅO ü ,. Ägz k#11ÚO Zó5 e, -u!5 [Z£O e -Z£O e- " .R^]5 6+; Ô
 J+ j" @ I6¹? ! Šgx , D0Z£O 1' j ~Z£\, O 4o ; Đgœ ; N1? , -uJ}# ; EŌIß <Z£O 12 @f1? Z£\, O 4oN3M²O
 := <

Article 85 The promoters of a company limited by shares shall announce a prospectus and

prepare a share subscription form if they publicly offer shares for subscription. The share subscription form shall state the items listed in Article 86 of this Law. The subscribers shall fill out the number and value of their subscribed shares and their domiciles, accompanied by their signatures or seals. The subscribers shall pay for the shares according to the number of their subscribed shares.

J- l"B n6b 1ÚO Zó5 e-".ReC6 "Đ\ v 1!5ZjEf k"÷lßl , -u^|5 ! Šgx :
 (ÿ)"Đ\ v 1Z£\,EfO ü4o ;
 (¸):ÎO EfHgfa`Đgœ#`"ĐWK ö7;
 ()4ßZ`# O HgEf"ĐWK/:4o
 (%Ÿ)PeÅ\C`ĐEfD' _;
 (")Z£O 1Ef6B!(; H! ;
 (l)6+: !PO Ef\ v:a6 eO"É_ =6 6)!P²4öZ£O 1"i ä3£%Ý1?Z£O üEfZó5 <

Article 86 The prospectus shall be accompanied by the company's articles of association formulated by the promoters, and shall set forth the following matters:

- (1) Number of shares subscribed for by the promoters;
- (2) Par value and issuing price per share;
- (3) Total number of bearer stocks issued;
- (4) Purposes of the funds raised;
- (5) Rights and obligations of the subscribers; and
- (6) Commencement and ending dates of the share offering, and a statement that the subscribers may withdraw their subscriptions if the shares are not fully subscribed upon the expiry of the share offer.

J- l"B 6b "Đ\ v 1# H= k-ÿ!PeÅO ü , -".RD0 œ;ÔZ½lÊEfZÀ!7 k"÷1~cÿ}Zj1~cÿ"NZ- <

Article 87 The public share offering of promoters shall be underwritten by a lawfully-established securities company, and an underwriting agreement shall be concluded.

J- l"B l6b "Đ\ v 1# H= k-ÿ!PeÅO ü , -".R# cõWKJ}Zj â45O := "NZ- <
 â45O :=Ef cõWK-".R2 @f"NZ- â45# Ü*WO :# N3M²O :=EfZ£O 1 ü v45:= "T2m- u\ 6 # 6 r_ç
 dç ü v45:=ZÀ5 Ef H! <

Article 88 When conducting a public share offering, the promoters shall conclude an agreement with a bank whereby the latter shall collect the payment for shares on behalf of the former.

The receiving bank shall collect and make the payments for shares in accordance with the agreement, issue receipts to subscribers who have paid for their share subscriptions, and is under the obligation to provide the relevant department with the certificates for payment receipt.

J- l"B ^6b "ĐWKO üEfO :=N3½#,.ÄgzMÎ œ;ÔZ½lÊEf i\C696fi\C-u ü vZÀ5 <"Đ\ v 1-".RPéO
 :=N3½ J4ä\ v "@4ä , :2 "ë-ÿ k"÷! IÊ(& <! IÊ(& D0"Đ\ v 1 ;Z£O 1MÄ1 <

"ĐWKEfO ü\, ^Æ1ÚO Zó5 eXÄ*™Ef1):a6 eO+ 6)!P²4öZ£O "ĐWKO üEfO :=N3½#,"Đ\ v 1&' "@
 4ä ,6)"ë-ÿ! IÊ(& Ef ,Z£O 1"i ä2 @f1?N3O :=-u!ÿJ-cõWK# 6 *W:=!(/n ,X€;A"Đ\ v 1^Ó^x <

Article 89 The payments for the issued shares shall, after being made, be subject to capital verification and issuance of a certification by a lawfully established capital verification agency. The promoters shall convene a meeting to found the company within 30 days after the payments for the shares are fully made. The attendees at the inaugural meeting shall comprise the promoters and subscribers.

If the shares issued are not fully subscribed upon the expiry of the time limit specified in the

prospectus, or if the promoters fail to convene an inaugural meeting 30 days after the payments for the issued shares are fully made, the subscribers may require the promoters to refund their payments for the shares plus the interest calculated according to the bank deposit interest rate for that corresponding period.

J- ^"B6b "Đ\ v 1- "R&! IÊ(& "ë-ÿ"@ "4ä!L+ Z-4ä6 _ Fä# Z£O 11 O ‡ ä k#l <! IÊ(&
 -"6 âWgO ü:/4o^Æ"I4oEf"Đ\ v 1 ;Z£O 1 ü-, ,4, "î =WK <
 ! IÊ(& WK ~ ! OK6B :
 (ÿ) * Z- "Đ\ v 1 r • k" ÷ Jx! • Ä 'Ef 1 ¢#l ;
 (¸) _ ^Æ k" ÷ lßl ;
 () _ =Sb Š 1 #W ;
 (%Ÿ _ =EĐ Š 1 #W ;
 (") *ø k" ÷ Ef Z½ IÊ 8D' ^ÚWK* 77 ;
 (l) *ø "Đ\ v 1 D' • l' [O :=Ef! !Ef [ö^ÚWK* 77 ;
 () "ĐD "î1-!š1 O MÎS\$6` õ"ĐD `l(&"x" Eó2 ¢.p#l k" ÷ Z½ IÊ Ef , "î ä [ù Z½ IÊ k" ÷ Ef 2Z- <
 ! IÊ(& *ø!L:=1?! Šgx [ù 2Z- ,.ÄgzMî ù-, Z-EfZ£O 11?2 Wg 26B^Æ"I4o_ ^Æ <

Article 90 The promoters shall notify each and every subscriber of the date of the inaugural meeting or make a public announcement thereon 15 days before the meeting is held. Only when the promoters and subscribers representing more than half of the total shares are present may the inaugural meeting be held.

The inaugural meeting shall exercise the following powers:

- (1) Deliberating the report of the promoters on the establishment preparatory work of the company;
- (2) Adopting the company's articles of association;
- (3) Electing the members of the board of directors;
- (4) Electing the members of the board of supervisors;
- (5) Examining and verifying the expenses incurred for the establishment of the company;
- (6) Examining and verifying the valuation of the property contributed by the promoters in lieu of payments for shares; and
- (7) Reaching a resolution on establishment of the company, as permitted in the occurrence of any force majeure event or material change to operating conditions that directly affects the establishment of the company.

The resolutions on any of the matters listed in the preceding Paragraph shall be adopted by the subscribers who represent more than half of the voting rights of all subscribers present at the meeting.

J- ^"B 6b "Đ\ v 1 ;Z£O 1N3M²O :=1 O £ x1' [O :=Ef ù\C# ,ec6)2 6 !P²O ü ;"Đ\ v 16)2
 6 "ë-ÿ! IÊ(& 1 O ! IÊ(& 2Z- Z½ IÊ k" ÷ Ef/Ä.a(, .-1¼%Ý uO 6+ <

Article 91 The promoters and subscribers shall not withdraw their share capital after making payments for the shares or otherwise making capital contributions in lieu of payments for shares, except where the issued shares are not fully subscribed by the specified deadline, the promoters may convene the inaugural meeting as scheduled, or the inaugural meeting reaches a resolution on establishment of the company.

J- ^"B •6b Sb Š -" •! IÊ(& MÒ6^# " @4ä , ,# k" ÷ EzZ 69 r1 ¢_ ! 4† õ ,D2ZöZ½ IÊ EzZ
 (ÿ) k" ÷ EzZ D2Zö e;
 (¸) ! IÊ(& Ef Z-Z.T ;

failure to establish the company; and

(3) the liability for compensation to the company, in the event that the interests of the company are prejudiced due to the negligence of the promoter during the course of establishment of the company.

J- ^"B •6b 6 eO\ " ú k"÷"x5ó 9O ü6 eO k"÷4õ ,1—# Ef*•45O 6+/:gœ .-ix • k"÷ ÷\C !gœ <6 eO\ " ú k"÷"x5ó 9O ü6 eO k"÷ , 9'•!Ÿ\C6+ k-Ÿ"ĐWKO ü4õ ,-.R œ;Ô!•C <

Article 95 Where a limited liability company converts to a company limited by shares, the total actual paid up capital converted shall not be more than the company's net assets. Where a limited liability company converts to a company limited by shares, the public offering of shares for capital increase purpose shall be conducted in accordance with the law.

J- ^"B n6b O ü6 eO k"÷-".R+ k"÷lßl ;O # < ; k"÷ 9!7*W78 ;O (& Z-Z.T ;Sb Š Z-Z.T ;ED Š Z-Z.T ;\!! Z 1#INm(•6+ k"÷ <

Article 96 A company limited by shares shall make available, at the company, its articles of association, shareholder register, counterfoils of corporate bonds, minutes of the general meetings, minutes of the meetings of the board of directors, minutes of the meetings of the board of supervisors, and financial and accounting reports.

J- ^"B 6b O 6 6B6äe k"÷lßl ;O # < ; k"÷ 9!7*W78 ;O (& Z-Z.T ;Sb Š Z- ²Z- ;ED Š Z- ²Z- ;\!! Z 1#lo *ø k"÷EfMÎS\$2Ī ù-ùZ-1 O \Zá <

Article 97 The shareholders of a company shall be entitled to inspect the company's articles of association, shareholder register, counterfoils of corporate bonds, minutes of the general meetings, minutes of the meetings of the board of directors, minutes of the meetings of the board of supervisors, and financial and accounting reports, and to put forward proposals or raise questions concerning the business operations of the company.

J+ <Q• O (&

Section 2: General Meeting

J- ^"B l6b O ü6 eO k"÷O (& D0 g RO MÃ1 <O (& 5. k "÷Ef6B!š696f œ@f6+;ÔWK ~OK 6B <

Article 98 The general meeting of a company limited by shares shall be composed of all the shareholders. The general meeting is the company's governing body, and shall exercise powers in accordance with this Law.

J- ^"B ^6b 6+;ÔJ+ "@ 6`J+ Ÿ:= r •6 eO\ " ú k"÷O OK6BEfXÃ*™ ,_ D' •O ü6 eO k"÷O (& <

Article 99 The provisions on the powers of the shareholders' meeting of a limited liability company under Paragraph 1 of Article 37 of this Law shall be applicable to the general meeting of a company limited by shares.

J- E•6b O (& -".R:Î-s"ë-Ÿ Ÿ: -s < !/Ä.a J ŸEf ,-.R&' #)6 „ë-Ÿ 34õO (& : (Ÿ)Sb Š 14o \26+;ÔXÃ*™ 14o1 O k"÷lßl 1?*™ 14oEf ! J <4õ ; (<) k"÷6).\$WdEf Ž2^½*•45O 6+/:gœ ! J Ÿ4õ ; ()"TAë1 O # Z 2 6 k"÷E)! J"@ ä O üEfO Zö;A4õ ;

(%)Sb Š Z£ 9.ÄX€4õ;
(“)ED Š 2İZ-"ë-ÿ4õ ;
(I) k"÷İßİ XÄ*™Ef u Ö/Ä.a <

Article 100 The general meeting of a company shall hold an annual meeting once every year. An extraordinary general meeting shall be held within two months in the event of any of the following circumstances:

- (1) Where the number of directors is less than two thirds of the number specified in this Law or the company's articles of association;
- (2) Where the unrecovered losses of the company amount to one third of the total paid-up capital;
- (3) Where the extraordinary general meeting is requested by one shareholder who holds, or several shareholders who jointly hold, at least ten percent of the shares of the company;
- (4) Where the board of directors deems it necessary to hold the extraordinary general meeting;
- (5) Where the extraordinary general meeting is proposed by the board of supervisors; or
- (6) Where there are any other circumstances set forth in the company's articles of association.

J- E•e÷ 6b O (& Z-D0Sb Š "ëeÅ ,Sb Šd~ :2 ;Sb Šd~ Oü+dWKOK! 1 O +dWKOK! ,Df
InSb Šd~ :2 ;InSb Šd~ Oü+dWKOK! 1 O +dWKOK! EfD0"I4o ä Sb Š p# 2§ = ÿ# Sb Š :2 <
Sb Š Oü+dWK1 O +dWK"ëeÄO (& Z-OK"Ef ,ED Š -".R"É4õ"ëeÄ#< :2 ;ED Š "ëeÄ#<
:2 Ef ,^ÝMì \ "@4ä ä "TAë1 O # Z 2 6 k"÷E)! J"@ ä O üEfO "î äPéWK"ëeÄ#< :2 <

Article 101 The general meeting of a company shall be convened by the board of directors and presided over by the chairman of the board of directors. If the chairman is unable to or fails to perform his/her duties, the meeting shall be presided over by the vice chairman of the board of directors. If the vice chairman is unable to or fails to perform his/her duties, the meeting shall be presided over by a director jointly elected by more than half of all the directors.

If the board of directors is unable to or fails to perform its duty of convening the general meeting, the board of supervisors shall convene and preside over the meeting in a timely manner. If the board of supervisors fails to convene or preside over the meeting, one shareholder who holds, or several shareholders who jointly hold, at least ten percent of the shares of the company for at least 90 consecutive days may convene and preside over the meeting at their own discretion.

J- E•e÷ •6b "ë-ÿO (& Z- ,-.R+ Z-"ë-ÿEf4õdó ;&/? ,#* Z-Ef Šgx • Z-"ë-ÿ "<@4ä!L
_ Fä# O ; 34õO (& -".R • Z-"ë-ÿ"@ "4ä!L_ Fä# O ;"DWK4ßZ"# O HgEf.R • Z-"ë-ÿ "@
4ä!L k#l Z-"ë-ÿEf4õdó ;&/? ,#* Z- Šgx <

"TAë1 O # Z 2 6 k"÷E)! J ä O üEfO , "î ä&O (& "ë-ÿ"@4ä!L2İ ù 34õ2İ7G-u efa
2İ £Sb Š ;Sb Š -".R&'45!/2İ7G# <4ä „_ Fä u ÖO , -u+ Zä 34õ2İ7G2İ £O (& * Z- <34õ2İ7G
Ef „*, -".R+] •O (& OK6BR %ó , -u6 5 GmZ-g—#< v R ²Z- Šgx <

O (& .- *ø!L #:=_ Fä ,6)! 5 Ef Šgx [ù ²Z- <
4ßZ"# O Hg2 6 ¹ ù-,O (& Z-Ef ,-.R • Z-"ë-ÿ "4ä!LPòO (& di 4õ+ O Hg £*W • k
"÷ <

Article 102 To convene a general meeting of a company, each shareholder shall be notified, 20 days before the meeting is held, of the time and venue of the meeting and the matters to be deliberated. To convene an extraordinary general meeting, each shareholder shall be notified 15 days before the meeting is held. Where bearer stocks are to be issued, the time and venue of the general meeting and the matters to be deliberated shall be announced 30 days before the meeting is held.

One shareholder who holds, or several shareholders who jointly hold, three percent or more of the shares of the company may submit an interim proposal in writing to the board of directors ten days before the general meeting is held. The board of directors shall, within two days upon receipt of the proposal, notify the other shareholders, and submit the said interim proposal to the general meeting for deliberation. The contents of the interim proposal shall fall within the scope of powers of the general meeting and the proposal shall have a clear agenda and specific matters on which resolutions are to be made.

The general meeting shall not make resolutions on matters that are not clearly listed in the notices mentioned in the preceding two paragraphs.

If holders of bearer stocks attend a general meeting, they shall have their stocks kept at the company from five days before the meeting is held till the conclusion of the meeting.

J- E•e÷ 6b O ù,O (& Z- ,1?2 :Î ŷO ü6 ŷWg ²6B <E5. , k"÷2 6 Ef6+ k"÷O ü; 6 Wg ²6B <

O (& [ù ²Z- „ÄgzMÎ ù-, Z-EfO 1?2 Wg ²6B^Æ"l4o_ ^Æ < E5. ,O (& [ù í48 k"÷lß l ;!Ÿ1 O Î+ ;ç \C6+Ef ²Z- , ä"É k"÷# -u † lÊ Xâ4b1 O "x5ó k"÷.a. Ef ²Z- „ÄgzMÎ ù-, Z-EfO 1?2 Wg ²6BEf ! J ‹ ä _ ^Æ <

Article 103 A shareholder of a company present at a general meeting shall have one voting right for each share held, provided that the company shall have no voting right for the shares held by itself.

Any resolution of the general meeting shall be passed by the shareholders representing more than half of the voting rights of all shareholders present at the meeting. However, a resolution of the general meeting on modification of the articles of association, increase or reduction of the registered capital, merger, division or dissolution, or the conversion of the company shall be passed by the shareholders representing more than two thirds of the voting rights of all shareholders present at the meeting.

J- E•e÷%Ü6b 6+;Ô#‹ k"÷lßl XÃ*™ k"÷^kZ" ;"ÖZ""l(&C !1 O *ø(2l š1Ä ÜJH Šgx.ÄgzMÎO (& [ù ²Z-Ef ,SbŠ -"R"É4ô"ëeÄO (& Z- ,D0O (& +0 ^l Šgx^ÚWKWg ² <

Article 104 With regard to any matter that shall be subject to a resolution by the general meeting of a company as specified in this Law and the company's articles of association, such as the company's transfer of any substantial assets to, or acceptance of the transfer of the same from, another party, or the company's provision of guarantee for an external party, the board of directors shall convene a general meeting in a timely manner for the latter to vote on such matter.

J- E•e÷ •6b O (& _ =Sb Š ED Š ,lî ä œ@f k"÷lßl EfXÃ*™1 O O (& Ef ²Z- ,*•WKL.Hî1" Hg!5 <

6+;Ô1?HlL.Hî1"Hg!5,5.2 O (& _ =Sb Š1 O ED Š4ô ,lŷO ü1ä6 -" _ Sb Š1 O ED Š ¹4oE÷ # EfWg ²6BO 1ä6 EfWg ²6B"l äeÄ , ~D' <

Article 105 The general meeting of a company shall elect directors and supervisors and may, accordance with the company's articles of association or a resolution of the general meeting, adopt a cumulative voting system.

For the purpose of this Law, a cumulative voting system shall mean that, in the election of directors or supervisors by the general meeting, the number of voting rights under each share is the same as the number of directors or supervisors to be elected, and that the shareholders may cast all of their votes for a single candidate.

J- E•e÷ n6b O "î ä(Ó1W âC 1 ù-,O (& Z- , âC 1-“.R# k"÷2Ï £O 2±6B(Ó1W e , -u &'2±6BR %ó „WK ~Wg ²6B <

Article 106 A shareholder of a company may authorize a proxy to attend a general meeting. The proxy shall submit to the company a power of attorney issued by the shareholder, and shall exercise voting rights within the authorized scope.

J- E•e÷ 6b O (& -“.R*ø1?Z- ŠgxEf ²*™ [1 Z-Z.T. To :2 ¹ ; ù-, Z-EfSb Š-“.R&' Z-Z.T J)# < Z-Z.T-“.R ù-,O EfJ)# <'É âC ù-,Ef(Ó1W e ÿ-u Ü*W <

Article 107 Minutes shall be prepared by the general meeting for the decisions on the matters discussed [at each of the general meetings]. The chairman of the meeting and the directors present at the meeting shall affix their signatures thereto. The minutes shall be kept together with the book of signatures of the shareholders present as well as the documents of the power of attorney proxies present.

J+ Q• Sb Š ;MîC Section 3: Board of Directors; Managers

J- E•e÷ l6b O ü6 eO k"÷Z½Sb Š , u1 #W 9 " ¹Pò"@ \ ¹ <
Sb Š 1 #W , "î ä6 k"÷OK, ä âWg <Sb Š ,EfOK, ä âWgD0 k"÷OK, ä_ ^ÆOK, ä âWg(& ;OK, ä(&
1 O u Œ.a. ; :_ = !D <
6+;ŒJ+%Ú"@ "6` r •6 eO\ " ú k"÷Sb Š ú6 EfXÃ*™, _ D' •O ü6 eO k"÷Sb Š <
6+;ŒJ+%Ú"@ l6` r •6 eO\ " ú k "÷Sb Š OK6BEfXÃ*™D' •O ü6 eO k"÷Sb Š <

Article 108 A company limited by shares shall have a board of directors that is to be composed of 5 to 19 members.

The board of directors may include representatives of the staff members of the company who shall be elected democratically through a general meeting of the representatives of the staff members, a general meeting of staff members, or in other forms.

The provisions of Article 45 of this Law on the term of office of the directors of a limited liability company shall be applicable to the directors of a company limited by shares.

The provisions of Article 46 of this Law on the powers of the board of directors of a limited liability company shall be applicable to the board of directors of a company limited by shares.

J- E•e÷ ^6b Sb Š Z½Sb Šd~ ŷ ¹, "î äZ½!nSb Šd~ <Sb Šd~#!nSb Šd~D0Sb Š ä g RSb ŠEf^Æ "l4o_ = !D <
Sb Šd~"ëeÅ# :2 Sb Š Z- ,7¿6äSb Š ²Z-Ef*•4¼/Ä ´ 4nSb Šd~"N!"Sb Šd~,ä [,Sb Šd~ Oü+d WKOK! 1 O +dWKOK! D0!nSb Šd~+dWKOK!nSb Šd~ Oü+dWKOK! 1 O +dWKOK! D0"l4o ä Sb Š p# 2§ = ŷ# Sb Š+dWKOK! <

Article 109 The board of directors shall have a chairman and may have one or more vice chairmen. The chairman and vice chairmen of the board of directors shall be elected by more than half of all the directors.

The chairman of the board of directors shall convene and preside over the meetings of the directors to inspect the implementation of the resolutions of the board of directors. The vice chairmen shall assist the chairman's work. If the chairman is unable to or fails to perform his/her duties, a vice chairman shall perform the duties instead. If the vice chairman is unable to or fails to perform his/her

duties, a director jointly elected by more than half of all the directors shall perform the duties.

J- E• "B6b Sb Š :Î-s-¥Pò+ "ë-ÿ #: Z- ,:Î: Z--".R • Z-"ë-ÿ"@4ä!L_ Fä g RSb Š#
ED Š <

âWg"@! J ÿ ä Wg ²BEfO ; ! J ÿ ä Sb Š1 O ED Š , "î ä2ÏZ-"ë-ÿSb Š 34õ Z- <Sb
Šd~-.RPé2¤!/2ÏZ-# "@4ä „ , "ëeÅ# :2 Sb Š Z- <

Sb Š "ë-ÿ 34õ Z- , "î ä"â*TM"ëeÅSb Š Ef_ Fä4, . #_ Fä4õeO <

Article 110 The board of directors shall convene at least two meetings annually. All the directors and supervisors shall be notified ten days before a meeting is held.

Shareholders representing more than one tenth of the voting rights, more than one third of all directors, or the board of supervisors may propose to convene an interim meeting of the board of directors. The chairman of the board of directors shall convene and preside over an interim meeting of the board of directors within ten days upon receipt of proposal.

The ways and time limit of notification for convening an interim meeting of the board of directors may be decided separately.

J- E• "B 6b Sb Š Z--"6 ^Æ"l4oEfSb Š ù-4, "î =WK <Sb Š [ù ²Z- ,.ÄgzMî g RSb ŠEf
^Æ"l4o_ ^Æ <

Sb Š ²Z-EfWg ² , *WK ÿ ¹ ÿHg <

Article 111 A meeting of the board of directors may be held only when more than half of all the directors are present. A resolution of the board of directors shall be passed by more than half of all the directors.

In voting on a resolution of the board of directors, one person shall be entitled to only one vote.

J- E• "B •6b Sb Š Z- ,-"D0Sb Š6+ ¹ ù-, ;Sb Š%ß4D Oü ù-, "î ä efa(Ó1W u ŌSb Š â 9 ù
-, ,(Ó1W e ,-"^|5 2±6BR %ó <

Sb Š -".R*ø Z-1?Z- ŠgxEf ²*TM [1 Z-Z.T , ù-, Z-EfSb Š-".R&' Z-Z.T J)# <

Sb Š-".R*øSb Š Ef ²Z-1~1Ä" ú <Sb Š Ef ²Z-^Ü"î;Ô.Š ;WK4>;ÔXÃ1 O k"÷|ßl ;O (& ²
Z-,Pó ~ k"÷_l"Ö \$î2^(0Ef , "Á ²Z-EfSb Š*ø k"÷\S ~\ " ú <EMîZÀ5 &'Wg ²4õ5ÿWg5 . Z--uZ^| •
Z-Z.TEf ,ZäSb Š"î ä Lec\ " ú <

Article 112 The directors shall attend the meetings of the board of directors in person. Any director who is unable to attend a meeting for a certain reason may authorize, in writing, another director to attend the meeting as a proxy, and the scope of authority shall be stated in the power of attorney.

Minutes shall be prepared by the board of directors for the decisions on the matters discussed [at each of the meetings of the board of directors]. The directors present at the meeting shall affix their signatures thereto.

The directors shall be liable for the resolutions of the board of directors. If a resolution of the board of directors is in violation of laws, administrative regulations, the company's articles of association or a resolution of its general meeting, and causes heavy losses to the company, the directors who participate in adopting the resolution shall be liable for compensation, provided that a director may be exempted from liabilities if it is proved that he/she has expressed objections at the time of which such objections are recorded in the meeting minutes.

J- E• "B 6b O ü6 eO k"÷Z½MîC,D0Sb Š ²*TMOW ú1 O XâOW <

6+;ÔJ+%Ú"@ \6` r •6 eO\" ú k"÷MÎC OK6BEfXÃ*™D' •O ü6 eO k"÷MÎC <

Article 113 A company limited by shares shall have a manager whose employment and dismissal shall be decided by the board of directors.

The provisions of Article 49 of this Law on the authorities of the manager of a limited liability company shall apply to the manager of a company limited by shares.

J- E• "B%Ü6b k"÷Sb Š "î ä 2*™D0Sb Š 1 #W { úMÎC <

Article 114 The board of directors of a company may decide to appoint a member of the board of directors to concurrently hold the post of the manager of the company.

J- E• "B •6b k"÷ .-Eó2¤1 O _ ^Æ*O k"÷# Sb Š ;EĐ Š ;ixM!J C 1#W2ĩ š := <

Article 115 A company shall not, either directly or through any of its subsidiaries, provide loans to any director, supervisor or senior management personnel.

J- E• "B n6b k"÷-„R*™6 # O 1ªf1Sb Š ;EĐ Š ;ixM!J C 1#W Í k"÷R¶.-1¤`kEf/Ã ´ <

Article 116 A company shall regularly disclose to its shareholders information on the remunerations obtained by the directors, supervisors and senior management personnel from the company.

J+%ÚQÆĐ Š

Section 4: Board of Supervisors

J- E• "B 6b O ü6 eO k"÷Z½EĐ Š , u 1 #W .→ • 1 <

EĐ Š -„.R" 1ëO âWg#(_ .R:Ó ŠEf k"÷OK,ä âWg , u ,OK,ä âWgEf:Ó Š .- M • ! J ŷ , v R :Ó ŠD0 k"÷|B! XÃ*™ <EĐ Š ,EfOK,ä âWgD0 k"÷OK,ä _ ^ÆOK,ä âWg(& ;OK,ä(& 1 O u Œ.a. ; : _ = |D <

EĐ Š Z½ :-, ŷ 1 , "î äZ½!n :-, <EĐ Š :-, #!n :-, D0 g REĐ Š ^Æ"l4o_ = |D <EĐ Š :-, "ë eÅ# :2 EĐ Š Z- ;EĐ Š :-, Oü+dWKOK! 1 O +dWKOK! Ef,D0EĐ Š !n :-, "ëeÅ# :2 EĐ Š Z-;EĐ Š !n :-, Oü+dWKOK! 1 O +dWKOK! Ef,D0"l4o ä EĐ Š p# 2§ = ŷ# EĐ Š "ëeÅ# :2 EĐ Š Z- <

Sb Š ;ixM!J C 1#W .- { úEĐ Š <

6+;ÔJ+ ""@ \6` r •6 eO\" ú k"÷EĐ Š ü6 EfXÃ*™ , _ D' •O ü6 eO k"÷EĐ Š <

Article 117 A company limited by shares shall have a board of supervisors that is to be composed of at least three members.

The board of supervisors shall include representatives of the shareholders and an appropriate proportion of representatives of the staff members of the company. The specific proportion of the representatives of the staff members shall be specified in the company's articles of association, subject to a minimum of one third. The representatives of the staff members on the board of supervisors shall be elected democratically by the staff members through a general meeting of the representatives of the staff members, a general meeting of staff members or in other forms.

The board of supervisors shall have one chairman and one or more vice chairmen. The chairman and vice chairmen of the board of supervisors shall be elected by more than half of all the supervisors. The chairman of the board of supervisors shall convene and preside over the meetings of the board of supervisors. If the chairman of the board of supervisors is unable to or fails to perform his/her duties, the meeting may be convened and presided over by a vice chairman. If the vice chairman is

fails to perform his/her duties, the meeting may be convened and presided over by a supervisor jointly elected by more than half of all the supervisors.

No director or senior management personnel may concurrently hold the post of supervisor.

The provisions on the term of office of the supervisors of a limited liability company as specified in Article 52 of this Law shall be applicable to the supervisors of a company limited by shares.

J- E• "B l6b 6+;ÔJ+ ""@ 6` ;J+ ""@%Ú6` r •6 eO\ " ú k"÷ED Š OK6BEfXÃ*™D' •O ü6 eO k"÷ED Š <

ED Š WK ~OK6B1?.ÄeyEf\8D0 k"÷1~1Ä <

Article 118 The provisions on the powers of the board of supervisors of a limited liability company under Article 53 and Article 54 of this Law shall be applicable to the board of supervisors of a company limited by shares.

The necessary expenses incurred by the board of supervisors for exercise of its powers shall be borne by the company.

J- E• "B ^6b ED Š :Î l)6 Pò+ "ë-ÿ ÿ: Z- <ED Š"î ä2İZ-"ë-ÿ 34öED Š Z- <

ED Š EfZ- Š4, . #\Wg ²l -Žo ec6+;Ô6 XÃ*™Ef(o D0 k"÷lßl XÃ*™ <

EDŠ ²Z--"RMÎ"l4o ä ED Š _ ^Æ <

ED Š -".R*ø1?Z- ŠgxEf ²*™ [1 Z-Z.To ù-, Z-EfED Š-"R&' Z-Z.T J)# <

Article 119 The board of supervisors of a company shall hold at least one meeting every six months. The supervisors may propose to convene interim meetings of the board of supervisors.

The rules of procedure and voting procedures of the board of supervisors shall be set forth in the company's articles of association, unless otherwise specified in this Law.

A resolution of the board of supervisors shall be passed by more than half of all the supervisors.

Minutes shall be prepared by the board of supervisors for the decisions on the matters discussed [at each of the meetings of the board of supervisors]. The supervisors present at the meeting shall affix their signatures thereto.

J+ "Q• - k"÷MÄMÆ696fEfAx!*XÃ*™

Section 5: Special Provisions on the Organizational Structure of a Listed Company

J- E• •"B6b 6+;Ô1?Hï - k"÷ ,5.2 uO Hg&'ZÀ!7 £5 1? - £5 EfO ü6 eO k"÷ <

Article 120 For the purpose of this Law, a listed company shall refer to a company limited by shares whose stocks are listed and traded on a securities exchange.

J- E• •"B 6b - k"÷&'ÿ-s „\, o ; ù\$-`l(&\C l1 O 1Ä Ü`Ðgœ\, ^Æ k"÷\C l/:gœE)! J "@Ef".RD00 (& [ù ²Z- , -uMÎ ù-, Z-EfO 1?2 Wg ²6BEf ! J ‹ ä _ ^Æ <

Article 121 Where the value of the purchase or sale of any substantial assets by a listed company or the provision of guarantee exceeds 30 percent of the total asset value of the listed company within a given year, a resolution shall be made by the general meeting, and passed by the shareholders representing more than two thirds of the voting rights of all the shareholders present at the meeting.

J- E• •"B •6b - k"÷Z½AëIÊSb Š , v R!•;ÔD0%ü! eaXÃ*™ <

Article 122 A listed company shall have independent directors. It shall take measures in this

regard shall be specified by the State Council.

J- E••B 6b - k"÷Z½Sb Š Hx e ,\\" k"÷O (& #Sb Š Z-EfJx(;4† õ ÜJ ä"É k
"÷O \C4~EfJ C ,!•C à/n1#f1 Š! JH Š*) <

Article 123 A listed company shall have a secretary of the board of directors to be responsible for such matters as preparing for general meetings and the meetings of the board of directors, properly keeping documents, managing the data on the company's shareholders, and disclosing relevant information.

J- E••B%Ü6b - k"÷Sb Š Sb Š Z- ²Z- Šgx1?<""ÉEf 6 rOS r KúEfo .- *øZägx ²
Z-WK ~Wg ²6Bo ^ .- âC u ŌSb ŠWK ~Wg ²6B <ZäSb Š Z-D0^Æ"I4oEf4ß rOS rKúSb Š ù-,"r"î =
WKO Sb Š Z-1? [²Z-gzMÎ4ß rOS rKúSb Š^Æ"I4o_ ^Æ < ù-,Sb Š Ef4ß rOS rKúSb Š ¹4o ¹² ¹
Efo -"+ Zä Šgx2İ £ - k"÷O (& * Z- <

Article 124 Any director of a listed company who is affiliated with any enterprise involved in the matters under any resolution made at a meeting of the board of directors shall be prohibited from exercising voting rights concerning that resolution, nor may that director vote on behalf of any other directors. The meeting of the board of directors may be held with the presence of more than half of all the nonaffiliated directors. A resolution made at such meeting of the board of directors shall be passed by more than half of all the nonaffiliated directors. If the number of nonaffiliated directors present is less than three, the matter shall be submitted to the general meeting of the listed company for deliberation.

J+ "lß O ü6 eO k"÷EfO ü"ĐWK#^kZ"
J+ ŷQ• O ü"ĐWK

Chapter 5: Issuance and Transfer of Shares Held of a Company Limited by Shares

Section 1: Issuance of Shares

J- E••B •6b O ü6 eO k"÷Ef\C6+!! 9O ü ,:Î ŷO Ef`ĐgœE÷JH <
k"÷EfO ü"Æ"ŌO HgEf.a. <O Hg5. k"÷J}"ĐEfZÅ5 O 1?2 O üEf ìZÀ <

Article 125 The capital of a company limited by shares shall be divided into shares, and each share shall have the same value.

The shares of the company are represented in stocks. Stocks are certificates issued by the company to certify the shares held by its shareholders.

J- E••B n6b O üEf"ĐWK•WK k-r ; k:bEf"Ž! ,# HìKzEf:Î ŷO ü-"R v6 # JH6B!(<
#: "ĐWKEf# HìKzO HgŌO Ef"ĐWK6` õ#õ7;-".RE÷# ; ú T"T L1 O) ¹1?Z£\,EfO ü ,:ŌO -".R
4. xE÷# ögœ <

Article 126 Shares shall be issued in accordance with the principles of fairness and impartiality. Each share of the same class shall be entitled to the same rights.

With regard to the shares of the same class that are issued at the same time, the issuing conditions and price for each share shall be the same. Any entity or individual shall pay the same price for the shares subscribed for.

J- E••B 6b O Hg"ĐWK õ7;"î ä2 Hgfa`Đgœ^"î ä,,^ÆHgfa`Đgœ, E .- M •Hgfa`Đgœ <

Article 127 The issuing price of a share may be at or above the par value, but shall not be below

the par value.

J- E• "B l6b O Hg`ÆD'M·fa.a. 1 O %ü! eaZÄ!7EDFbJ C 696fXÃ*™Ef u Ö.a. <
O Hg-"R^|5 ! :X€ Šgx :
(Ÿ) k"÷# Hĩ ;
(¸) k"÷1 lÊ4ä6 ;
() O HgHìKz ;Hgfa`Đgœ"É âWgEfO ü4o
(%)Ö HgEfN "ö <
O HgD0;Ô*™ âWg 1J}#k"÷EÖlß <
"Đ\ v 1EfO Hg,-".R7 5 "Đ\ v 1O Hg*V76 <

Article 128 Stocks shall be in paper form or in other forms specified by the securities regulatory authority of the State Council.

A stock shall set forth the following major matters:

- (1) Name of the company;
- (2) Date of establishment of the company;
- (3) Class and par value of the stock, and the number of shares that it represents; and
- (4) Serial number of the stock.

Stocks shall bear the signature of the legal representative and the seal of the company.

The stocks for promoters shall be marked with the characters "O Hg" (promoters' stocks).

J- E• "B ^6b k"÷"ĐWKEfO Hg ä 9Z# O Hg , ^"î ä 94ßZ# O Hg <
k"÷# "Đ\ v 1 ;;Ô 1"ĐWKEfO Hg , -".R 9Z# O Hg,-u-".RZ^|Zä"Đ\ v 1 ;;Ô 1Ef# Hĩ1 O (Ò# , -
"älÊ16# 1 O ä âWg 1(Ò# Z# <

Article 129 The shares issued by a company may be either registered stocks or bearer stocks.

The stocks issued by a company to a promoter or a legal person shall be registered stocks, with the name of the promoter or legal person recorded thereon. Such stocks shall not be registered under any other name or in the name of a representative.

J- E• "B6b k"÷"ĐWKZ# O HgEf".RNm(O # ¸ ,Z^| ! Šgx :
(Ÿ) O Ef(Ò# 1 O # Hĩ"É N1? ;
(¸) # O 1?2 O ü4o ;
() # O 1?2 O Hg EfN "ö
(%)# O "Ö.-O üEf4ä6 <
"ĐWK4ßZ# O HgEf"÷-".RZ^| uO Hg4o`Î ;N "ö"É"ĐWK4ä6 <

Article 130 A company that issues registered stocks shall prepare and make available a shareholder register to record the following matters:

- (1) Names and domiciles of the shareholders;
- (2) Number of shares held by each shareholder;
- (3) Serial numbers of the stocks held by each shareholder; and
- (4) Date on which each shareholder obtains the shares.

A company that issues bearer stocks shall record the volume and the serial numbers of the stocks issued, and the issuance date of each of the stocks.

J- E• "B 6b %ü! ea"î ä*ø k"÷"ĐWK6+;ÔXÃ*™ ä(Ef u ÖHìKzEfO ,üWK [üXÃ*™ <

Article 131 The State Council may separately formulate provisions on the issuance of shares of

classes other than those provided for in this Law.

J- E• "B •6b O ü6 eO k"÷1 IÊ# , "r# O :b. £ xO Hg < k"÷1 IÊ!L .-# O £ xO Hg <

Article 132 Once a company limited by shares is established, its stocks shall be formally delivered to the shareholders. No stocks may be delivered to the shareholders prior to the establishment of the company.

J- E• "B 6b k"÷"ÐWK4-O, O (& -"R*ø ! Šgx [ù ²Z-

(ÿ)4-O HìKz"É4ogœ

(¸)4-O "ÐWK ö7;

()4-O "ÐWKEf\w:a4ä6;

(%Ń# "ž6 O "ÐWK4-O EfHìKz"É4ogœ <

Article 133 Where a company issues new shares, a resolution on the following matters shall be made by the general meeting:

- (1) Type and number of the new shares;
- (2) Issuing price of the new shares;
- (3) Commencement and ending dates for issuance of the new shares; and
- (4) Class and number of the new shares to be issued to the existing shareholders.

J- E• "B%Ü6b k"÷MÎ%ü! eaZÀ!7EĐFbJ C 696f77 Å k-ÿ"ÐWK4-O 4Ägz k#l4-O 1ÚO Z65 e #\!! Z 1¤#l , -u!5 [Z£O e <

6+;ÔJ+ j"@ 6` ;J+ j"@ j6`EfXÃ*TM_ D' • k"÷ k-ÿ"ÐWK4-O <

Article 134 Where a company issues new shares to the public upon verification and approval of the securities regulatory authority of the State Council, the company shall release the prospectus for the new shares and its financial and accounting report and prepare a share subscription form.

Article 87 and Article 88 of this Law shall be applicable to the public offering of new shares by a company.

J- E• "B •6b k"÷"ÐWK4-O,"î ä782m k"÷MÎ\$/\$Ä ' #\!! Aµ ´ , Gm*TM u [ö4,7G <

Article 135 A company that issues new shares may, according to its operational and financial conditions, determine a plan for the pricing of the shares.

J- E• "B n6b k"÷"ÐWK4-O !p²O :=# o .Ägz# k"÷EzZ-69 r!•C "x56EzZ-o -u k#l <

Article 136 A company shall, upon receipt of all the payments for newly issued shares, go through the formalities for change of registration with the relevant company registration authority and make public the same.

J+ <Q• O ü^kZ"

Section 2: Transfer of Shares

J- E• "B 6b O 2 6 EfO ü"î ä œ;Ô^kZ" <

Article 137 The shares held by shareholders are transferrable under the law.

J- E• "B l6b O ^kZ" uO ü , -"R&' œ;ÔZ½lÊEfZÀ!7 £5 &91?^ÚWK1 O 2 @f%ü! eaXÃ*TM Ef u Ō4, . ^ÚWK <

Article 138 Shareholders shall transfer their shares at lawfully established securities exchanges or by other means provided for by the State Council.

J- E• "B ^6b Z# O Hg,D0O äOË e4,. 1 O ;Ô.Š WK4>;ÔXÃXÃ*TM Ef u Ô4,. ^kZ";^kZ"# D0 k
"+ "ÖZ" 1Ef(Ô# 1 O # H"É N1?Z" ^| •O # < <

O (& "ë-ÿ!L <"@4ä „1 O k"÷ 2*TM! `LO !(Ef&ù Å4ä!L “ 4ä „, .-^ÚWK!L:=XÃ*TM EfO # <
Ef"x5óEzZ< E5.,;Ô.Š*ø - k"÷O # <"x5óEzZ"â6 XÃ*TM Ef , Í uXÃ*TM <

Article 139 Registered stocks shall be transferred through endorsement by the relevant shareholder or by any other means specified in laws or administrative regulations. After the transfer, the company concerned shall record the transferee's name and domicile in the shareholder register.

Within 20 days before the general meeting is held, or within five days prior to the benchmark date determined by the company for dividend distribution, formalities for change of registration of the shareholder register specified in the preceding Paragraph shall not be effected, unless otherwise prescribed by laws on the change of registration of the shareholder register of a listed company.

J- E•%Ü"B6b4ßZ# O HgEf^kZ'D0O + ZäO Hg £ xMØ"ÖZ" 1# "r"ÐD ^kZ"Ef4G!š <

Article 140 The transfer of bearer stocks shall become valid upon the delivery of the said stocks to the transferee by the relevant shareholder.

J- E•%Ü"B 6b "Ðv 12 6 Ef6+ k"÷O ü ,Pé k"÷1 IE J4älv ÿ-s „ .-^kZ" <k"÷ k-ÿ"ÐWKO ü
!L,ñ "ÐWKEfO ,Ðé k"÷O Hg&'ZÄ!7 £5 1? - £5 J4älv ÿ-s „ .-^kZ" <

k"÷Sb Š ;ED Š ;ixM!J C 1#W-“.R# k"÷D21±1?2 6 Ef6+ k"÷EfO ü"É u"x!§/Ä ´ ,&' úOK6 dó:Î
-s^kZ"EfO ü .-„^E u1?2 6 6+ k"÷O ü:4oEfE)! J <"@ “ ;1?2 6+ k"÷O üPé k"÷O Hg - £5
J4älv ÿ-s „ .-^kZ" < ^! 1#WH°OK# "I-s „ , .-^kZ" u1?2 6 Ef6+ k"÷O ü <k"÷IßI "î ä*ø k"÷
Sb Š ;ED Š ;ixM!J C 1#W^kZ" u1?2 6 Ef6+ k"÷O ü [ù u ÔeO!5/&XÃ*TM <

Article 141 The shares of a company by the promoters thereof shall not be transferred within one year of the date of establishment of the company. The shares issued before the public offering of shares by the company shall not be transferred within one year of the date on which the stock company are listed and traded on a securities exchange.

The directors, supervisors, and senior management personnel of the company shall declare, to the company, information on their holdings of the shares of the company and the changes thereof. Their shares transferrable by them during each year of their term of office shall not exceed 25 percent of their total holdings of the shares of the company. The shares that they held in the company shall not be transferred within one year of the date on which the stocks of the company are listed and traded. The aforesaid persons shall not transfer their shares of the company within six months of their departure from the company. The company's articles of association may set forth other restrictive provisions on the transfer of the shares of the company held by the directors, supervisors, and senior management personnel.

J- E•%Ü"B •6b k"÷ .-45\,6+ k"÷O ü < E5. ,6 !/Ä.a J ÿEfec(:
(ÿ) Î+ k"÷;ç \C6+ ;
(<) 2 6 6+ k"÷O üEf u Ô k"÷# -u ;
()+ O üD' •#W,ä2 O Z! 1 O O 6B>ç!° ;
(%)Ü %ß*øO (& [ùEf k"÷# -u;! IE 2Z-2 . Z- ,X€;A k"÷45\, uO ü ;
(“)+ O üD' •^k2a - k"÷"ÐWKEf"î^k2a 9O HgEf k"÷ 9!7 ;

(l) - k"÷ 9Mó1£ k"÷ ö ;"ÉO 6BEE1?.Äeÿ <
k"÷%ß!L:=J+(ÿ)gxJ+ (¸)gxXÃ*TMef/Ä.a45\,6+ k"÷O üEf“.RMÎO (& ²Z- ; k"÷%ß!L:=J+()
gx ;J+ (“)gx ;J+ (l)gxXÃ*TMef/Ä.a45\,6+ k"÷O üEf“î ä œ@f k"÷lßl EfXÃ*TM1 O O (& Ef2‡6B ,MÎ
! J ¸ ä Sb Š ù-,EfSb Š Z- ²Z- <
k"÷ œ@f6+6`J+ ÿ:=XÃ*TM45\,6+ k"÷O ü# ,+] •J+ (ÿ)gx/Ä.aEf,-“.RPé45\, J4äv"@4ä „;çcÿ ;+]
•J+ (¸)gx ;J+ (%ŷ)gx/Ä.aEf,-“.R&' l)6 „^kZ“1 O ;çcÿ ;+] •J+ ()gx ;J+ (“)gx ;J+ (l)gx/Ä.aEf, k
"÷# Z 2 6 Ef6+ k"÷O ü4o .-„^Æ6+ k"÷,ñ"ÐWKO ü:gœEfE)! J"@ , -u-“.R&' -s „^kZ“1 O ;çcÿ <
- k"÷45\,6+ k"÷O üEf , -“.R œ@f C , "M 1; p#‹%üZÀ!7;Ô DEfXÃ*TM+dWK à/n1ªf1 H! < - k
"÷%ß6+6`J+ ÿ:=J+()gx ;J+ (“)gx ;J+ (l)gxXÃ*TMef/Ä.a45\,6+ k"÷O üEf,-“.R_ ^Æ k-ÿEfeÅ , £5 4,
. ^ÚWK <
k"÷ .-2ª"Ö6+ k"÷Ef O Hg [9\1»6BEf7 Ef <

Article 142 A company may not acquire its own shares, except under any of the following circumstances:

- (1) Where the company reduces its registered capital;
- (2) Where the company merges with other companies that hold shares;
- (3) Where the company acquires its own shares for employee stock ownership plans or equity incentives;
- (4) Where a shareholder of the company has objections to the resolution on the merger or division of the company as adopted at the general meeting and requires the company to acquire its shares;
- (5) Where the company is listed and acquires its own shares to convert the corporate bonds issued thereby that are convertible to shares; or
- (6) Where the company is listed and needs to acquire its own shares to maintain its value and the rights and interests of shareholders.

Where the company acquires its own shares under Item (1) or Item (2) of the preceding Paragraph, a resolution thereon shall be adopted by the general meeting. Where the company acquires its own shares under Item (3), Item (5) or Item (6) of the preceding Paragraph, the company may, pursuant to its articles of association or according to the authorization granted by the general meeting, proceed with such acquisition upon a resolution adopted at a meeting of the board of directors that is attended by at least two-thirds of all directors.

After acquiring its own shares under Item (1) of Paragraph 1 of this Article, the company shall deregister the acquired shares within days from the date of acquisition; after acquiring its own shares under Item (2) or Item (4) of Paragraph 1 of this Article, the company shall transfer or deregister the acquired shares within six months; and, after acquiring its own shares under Item (5) or Item (6) of Paragraph 1 of this Article, the company shall ensure that the total number of its own shares held thereby is not in excess of 10% of its total outstanding shares and shall transfer or deregister the acquired shares within the years.

A listed company that acquires its own shares shall perform information disclosure obligations in accordance with the Securities Law of the People's Republic of China. A listed company that acquires its own shares under Item (3), Item (5) or Item (6) of Paragraph 1 of this Article shall conduct such acquisition by way of open centralized trading.

A company shall not accept its own shares as the subject matter for pledges.

J- E•%Ü"B 6b Z`# O HgWªEÖ ;_V(01 O ?l(0,O "î ä œ@f C , "M 1; p#‹%ü; ŠZÈZ»;Ô DXÃ*TM
Ef kH9 «#lI -Ž ,Zö;A 1; ;Ôea*ç#lZäO Hg(04G <1; ;Ôea*ç#lZäO Hg(04G# ,O "î ä# k"÷D2ZöWd"ÐO

Hg <

Article 143 Where any registered stocks are stolen, lost or damaged, the shareholder concerned may, pursuant to the procedures of public notice for assertion of claim provided for in the Civil Procedure Law of the People's Republic of China, request a competent people's court to declare the stocks invalid. After the people's court has so declared, the said shareholder may apply to the company concerned for reissuance of the stocks.

J- E•%Ü"B%Ü6b - k"÷EfO Hg , œ@f6 r;Ô.Š ;WK4>;ÔXÃ"ÉZÀ!7 £5 1? £5 XÃ! - £5 <

Article 144 The stocks of a listed company shall be listed and traded in accordance with relevant laws, administrative regulations and the trading rules of the securities exchange concerned.

J- E•%Ü"B•6b - k"÷.Ägz œ@f;Ô.Š ;WK4>;ÔXÃEfXÃ*™o k-ÿ u\\! Aµ ´ ;MÎS\$/Ä "É`ì(&ZÈ Z»o &:Î Z -s-¥ „"l-s k- ÿ: \\! Z 1¤#l <

Article 145 A listed company shall, in accordance with laws and administrative regulations, disclose its financial position, operational conditions and material lawsuits, ~~and its~~ financial and accounting reports once every six months in each accounting year.

J+ lIß k"÷Sb Š ;EĐ Š ;ixM!J C 1#WEf\C7;#¢ H!

Chapter 6: Qualifications and Obligations of the Directors, Supervisors, and Senior Management Personnel of a Company

J- E•%Ü"B n6b 6 !/Ä.a J ÿEf , -1Ä ú k"÷EfSb Š ;EĐ Š ;ixM!J C 1#W :
(ÿ)4ß; ŠWK 9Oü!š1 O eO!5; ŠWK 9Oü!š
(¸)%ß);` ;>A ; " _! ! ;2)D\! !1 O G3&NH= : H- &9MÎ<MHè-Ž ,Wª!#(! NY ,1fWK6 =à6)_=
“-s ,1 O %BA@NiWª!d(94>;°6B!(1fWK6 =à6)_= “-s;
()1Ä úG3 != J-Ef k"÷ ; EfSb Š1 O "•d~ ;MÎC ,*øZä k"÷ ; EfG3 !\ 6) 1" úEf ,PéZä
k"÷ ; G3 != J-•MÒ J4ä\6)_= -s ;
(%Ü! Ä ú%ß^Ü;ÔWª# cÿS\$ 1f@f }" ã rdEf k"÷ ; Ef;Ô*™ âWg 1 , -u\ 6) 1" úEf ,PéZä k"÷ ;
Wª# cÿS\$ 1f@f J4ä\6)_= -s ;
(“)) 11? \ 4ogœ^,(&Ef 9! !/6 6)= ~ <
k"÷^Ü"!L:=XÃ*™_ = ;(Ó<=Sb Š ;EĐ Š1 O OW úixM!J C 1#WEf,Zä_ = ;(Ó<=1 O OW ú4ß4G <
Sb Š ;EĐ Š ;ixM!J C 1#W&! úOK6 dó ùB`6+6`J+ ÿ:=1?! /Ä.aEf , k"÷-“.RXâec uOK! <

Article 146 Whoever is under any of the following circumstances is not allowed to assume the post of a director, supervisor, or senior management person of a company:

- (1) He/she has no or limited civil capacity;
- (2) He/she has been sentenced to criminal punishments due to corruption, bribery, embezzlement of property, misappropriation of property, or disrupting the order of the socialist market economy, and less than five years have elapsed since the punishments are fully executed; or he/she has been deprived of political rights due to any criminal offense, and less than ~~five~~ years have elapsed since the punishment is fully executed;
- (3) He/she has served as a director, factory manager or manager of a company or enterprise that is bankrupt and liquidated, and is personally liable for the bankruptcy of the company or ~~enterprise~~ ~~enterprise~~ and less than three years have elapsed since the date of completion of the bankruptcy liquidation of the company or enterprise;
- (4) He/she has served as the legal representative of a company or enterprise that has its business

license revoked and is ordered to close down due to violations of the law, and is personally liable for such punishment, and less than three years have elapsed since the date of revocation of the business license of the company or enterprise; or

(5) He/she has a relatively large amount of overdue debts.

If the company elects or appoints any director or supervisor, or engages any senior management personnel in violation of the preceding Paragraph, the election, appointment or engagement shall be invalid.

The company shall remove a director, supervisor or senior management person from his/her post if he/she falls under any of the circumstances described in Paragraph 1 of this Article during the term of office.

J- E•%Ü"B 6b Sb Š ;ED Š ;ixM!J C 1#W-".R_t*±;Ô.Š ;WK4>;ÔXÃ#(k"÷IBI ,*ø k"÷\ 6 .B*•
H! #!â!È H! <

Sb Š ;ED Š ;ixM!J C 1#W .-!(D'OK6B45"Ö\>A1 O u Öfj;Ô45 d , .- " k"÷Ef\! ! <

Article 147 The directors, supervisors and senior management personnel of a company shall abide by laws, administrative regulations and the company's articles of association. They shall be faithful and diligent to the company.

No director, supervisor or senior management personnel may, by abusing their powers, take any bribe or other illegal gains, or encroach on the property of the company.

J- E•%Ü"B 16b Sb Š ;ixM!J C 1#W .-6 ! WK 9 :
(ÿ)2)D' k"÷\C`Ð ;
(<)+ k"÷\C`Ð ä u) 1# H1 O ä u Ö) 1# H-ÿ!È\%16*W § ;
()^Ü"i k"÷IBI EfXÃ*TM,6)MÎO ;O (& 1 O Sb Š # 0 ,+ k"÷\C`Ð \6MØ Ö 11 O ä k"÷
\\! 9 Ö 12! š1Ä Ü ;
(%NÜ"i k"÷IBI EfXÃ*TM1 O 6)MÎO ;O (& # 0 , 6+ k"÷Z;IÊ# # 1 O ^ÚWK £5 ;
(")6)MÎO 1 O O (& # 0 ,!(D'OK! ¾!(9Pé,ð1 O Ö 1["Ö+] • k"÷Ef\$E 69 ,PéS\$1
O 9 Ö 1MÎS\$ 1? úOK k"÷# KzEf ! ;
(l)2π"Ö Ö' k"÷ £5 Ef b`Ð.Q 9,ð6 ;
()3ÄPé1af1 k"÷Hx*Ä
(j)^Ü"i*ø k"÷.B*• H! Ef u ÖWK 9 <
Sb Š ;ixM!J C 1#W^Ü"i!L:=XÃ*TM1?-Ef45 d-".R.Q k"÷1?6 <

Article 148 A director or senior management person of a company is prohibited from any of the following acts:

- (1) Misappropriating the funds of the company;
- (2) Opening an account in his/her own name or the name of any other individual to deposit the funds of the company;
- (3) Without the consent of the shareholders' meeting, the general meeting or the board of directors, loaning the funds of the company to others or using the company's property to provide guarantee for others in violation of the company's articles of association;
- (4) Concluding contracts or making deals with the company in violation of the company's articles of association or without the consent of the shareholders' meeting or the general meeting;
- (5) Without the consent of the shareholders' meeting or the general meeting, seeking, for the benefit of his/her own or others, any business opportunity that belongs to the company by taking advantage of his/her powers, and operating for his/her own or for others any business that is of the same type with

that of the company that he/she serves;

(6) Accepting, and keeping in his/her possession, commissions from transactions between others and the company;

(7) Disclosing the company's secrets without authorization; or

(8) Committing other acts in violation of his/her obligation of loyalty to the company.

The income gained by the director or senior management person from any of the acts listed in the preceding Paragraph shall belong to the company.

J- E•%Ü"B ^6b Sb Š ;ED Š ;ixM!J C 1#W1fWK k"÷OK! 4ö^Ü"İ;Ô.Š ;WK4>;ÔXÃ1 O k"÷İİ Ef XÃ*TMØ k"÷_ 1 2^(0Ef,-.R1~1Ä\S ~\ " ú <

Article 149 Where any director, supervisor or senior management person of a company violates laws, administrative regulations or the company's articles of association during the performance of duties, he/she shall be liable for compensation if any loss is caused to the company.

J- E••"B6b O 1 O O (& X€;ASb Š ;ED Š ;ixM!J C 1#W! -, Z-Ef ,Sb Š ;ED Š ;ixM! J C 1#W-".R! -, -u2α"ÖO Ef\Zá <

Sb Š ;ixM!J C 1#W-".R(••# ED Š 1 O Z½ED Š Ef6 eO\ " ú k"÷EfED Š2İ š6 r/Ä ' #\C4~ ,
.-(\$GÖED Š 1 O ED ŠWK ~OK6B <

Article 150 Where a director, supervisor or senior management person of a company is required to attend a shareholders' meeting or a general meeting as a participant, the director, supervisor or senior management person shall do so and accept the inquiries from shareholders.

The directors and senior management personnel shall fully provide relevant information and materials to the board of supervisors or, in the absence thereof in a limited liability company, to the supervisors, and shall not hinder the board of supervisors or the supervisors from exercising their powers.

J- E••"B 6b Sb Š ;ixM!J C 1#W6 6+;ÔJ+ ŸE}%Ú"@ \6`XÃ*TMef/Ä.aEf6 eO\ " ú k"÷EfO ;
O ü6 eO k"÷^YMi ŸE} j"@4ä ä "TAë1 O # Z 2 6 k"÷E}! J Ÿ ä O üEfO , "î ä efaZö;AED Š
1 O Z½ED Š Ef6 eO\ " ú k"÷EfED Š# 1; ;Ôea2İ\ vZÈZ» ;ED Š6 6+;ÔJ+ ŸE}%Ú"@ \6`XÃ*TMef/Ä.a
Ef;!L^iO "î ä efaZö;ASb Š 1 O Z½Sb Š Ef6 eO\ " ú k"÷Ef1fWKSb Š# 1; ;Ôea2İ\ vZÈZ» <

ED Š ; Z½ED Š Ef6 eO\ " ú k"÷EfED Š ,1 O Sb Š ;1fWKSb Š45!/!L:=XÃ*TMefO efaZö;A#
1ÑMÜ2İ\ vZÈZ» O Pé45!/Zö;A J4ä\ v "@4ä „6)2İ\ vZÈZ» ,1 O /Ä `L&/\$;İÊ"r2İ\ vZÈZ»+ ~ k"÷!(
EÉ"Ö! /e½ ä.\$WdEf2^*EJL:=XÃ*TMefO 6 6B 9 ... k"÷Ef!(EÉ äPé,ðEf# HEó2α# 1; ;Ôea2İ\ vZÈZ» <

Ö 1 `A@ k"÷# ;Ô6BEÉ ,MØ k"÷_ 1 2^(0Ef,6+6`J+ Ÿ:=XÃ*TMefO "î ä œ@f!L #:=EfXÃ*TM# 1; ;Ô
ea2İ\ vZÈZ» <

Article 151 Where a director or senior management person falls under any of the circumstances specified in Article 149 of this Law, the shareholder(s) of a limited liability company, or one shareholder of a company limited by shares who holds, or several shareholders thereof who jointly hold, at least one percent stake in the company for at least 180 consecutive days may submit a written request to the board of supervisors or, in the absence thereof in the limited liability company, to the supervisors, to file an action with the competent people's court. Where a supervisor falls under any of the circumstances specified in Article 149 of this Law, the aforesaid shareholder(s) may submit a written request to the board of directors or, in the absence thereof in the limited liability company, to the executive directors to file an action with the competent people's court.

Where the board of supervisors or, in the absence thereof in the limited liability company, the

supervisors refuse to, or if the board of directors or the executive directors refuse to file an action upon receipt of the shareholders' written request specified in the preceding Paragraph, or fail to file an action within 30 days upon receipt thereof, or where the failure to immediately file an action in an emergency case will cause irreparable damage to the interests of the company, the shareholder(s) specified in the preceding Paragraph may, in their own name, directly file an action to the competent people's court for the interest of the company.

Where any other person infringes upon the legitimate rights and interests of the company and causes losses thereto, the shareholder(s) specified in Paragraph 1 of this Article may file an action with the competent people's court pursuant to the provisions of the preceding two paragraphs

J- E • • "B • 6b Sb Š jxM!J C 1#W^Ü"İ;Ô.Š ;WK4>;ÔXÃ1 O k"÷İİİ EfXÃ*TMo 2^*2O !(EÉEfo
O "İ ä# 1; ;Ôea2İvZÈZ» <

Article 152 Where a director or senior management person of a company violates laws, administrative regulations or the company's articles of association, thereby damaging the interests of the shareholder(s), the shareholder(s) may file an action with the competent people's court.

J+ İİ k"÷ 9!7

Chapter 7: Corporate Bonds

J- E • • "B 6b 6+;Ô1?Hİ k"÷ 9!7 ,5.2 k"÷ œ@f;Ô*TMİ -Ž"ĐWK ;M¥*TM&' Ÿ*TM6 eO^x6+ x/nEf6 ö
ZÀ!7 <

k"÷ "ĐWK k"÷ 9!7 -"RJ%# C ,"M 1; p#ç%üZÀ!7;Ô DXÃ*TMEf"ĐWK6` õ <

Article 153 For the purpose of this Law, corporate bonds shall refer to the marketable securities issued by a company pursuant to statutory procedures whose principal plus interest shall be serviced within a specific time limit as agreed upon.

To issue corporate bonds, a company shall satisfy the issuing conditions provided for in the Securities Law of the People's Republic of China

J- E • • "B%Ü6b "ĐWK k"÷ 9!7EfD2ZöMİ%ü! ea2†6BEf_çdç77 Å#R k#İ k"÷ 9!7!İeÄ!•;Ô <

k"÷ 9!7!İeÄ!•;Ô ,-"R^|5 ! :X€ Šgx :

(Ÿ) k"÷ # Hİ ;

(ç) 9!7!İeÄ!C`ĐEfD' _ ;

() 9!7/:gœ#ç 9!7EfHgfa`Đgœç

(%Ÿ9!7!(B†EfGm*TM4,.;

(")^x6+ x/nEf6 eO#ç4,.; ;

(İ) 9!71Ä Ü/Ä ´ ;

() 9!7Ef"ĐWK ö7; ;"ĐWKEf\ v:a4ä6;

(j) k"÷ ç\C !gœ ;

(\),ñ"ĐWKEf+ 6)!/6 Ef k"÷ 9!7/:gœ ;

("@ k"÷ 9!7Ef1~çy696f <

Article 154 After the application of a company for issuing corporate bonds is approved by a department authorized by the State Council, the company shall announce the methods for offering the bonds.

The methods for offering the corporate bonds shall set forth the following major matters:

(1) Name of the company;

- (2) Purpose of the funds raised through bond issuance;
- (3) Total amount of the corporate bonds and the par value thereof;
- (4) Method for determining the interest rate of the bonds;
- (5) Time limit and method for servicing the principal and interest;
- (6) Information on the guarantee of the bonds;
- (7) Issuing price of the bonds, and commencement and ending dates of the issuance;
- (8) Net asset value of the company;
- (9) Total amount of the outstanding corporate bonds; and
- (10) Underwriters of the corporate bonds.

J- E••B •6b k"÷ ä•Ah!74, "ĐWK k"÷ 9!7Ef ,.Ägz&' 9!7 ^|5 k"÷# Hï ; 9!7Hgfa`Đgœ ;
!(B† ; ~^x6 eOJH Šgx , -uD0;Ô*™ âWg 1J)#, k"÷EÖIß <

Article 155 Where a company issues corporate bonds in the form of physical bonds, such matters as the company name, the par value, interest rate and time limit for repayment of the bonds, etc. shall be stated on the bonds which shall be signed by the legal representative and affixed with the seal of the company.

J- E••B n6b k"÷ 9!7 , "î ä 9Z`# 9!7 , ^"î ä 94ßZ`# 9!7 <

Article 156 Corporate bonds may be registered bonds or bearer bonds.

J- E••B 6b k"÷"ĐWK k"÷ 9!7-"RNm(k"÷ 9!7*W78K> <
"ĐWKZ`# k"÷ 9!7Ef,-"R&' k"÷ 9!7*W78K> ^|5 ! Šgx :
(ÿ) 9!72 6 1Ef(Ò# 1 O # Hï"É N1? ;
(¸) 9!72 6 1"Ö.- 9!7Ef4ä6 "É 9!7EfN "ö ;
() 9!7/:gœ , 9!7EfHgfa`Đgœ ;!(B† ; ^x6+ x/nEf6 eO#4, . ;
(%Ų9!7Ef"ĐWK4ä6 <
"ĐWK4ßZ`# k"÷ 9!7Ef,-"R&' k"÷ 9!7*W78K> ^|5 9!7/:gœ ;!(B† ; ~^x6 eO#4, . ;"ĐWK4ä6
"É 9!7EfN "ö <

Article 157 Where a company issues corporate bonds, it shall prepare and make available a book of counterfoils for the corporate bonds.

If the company issues registered corporate bonds, its book of counterfoils for the corporate bonds shall record the following matters:

- (1) Names and domiciles of the bondholders;
- (2) Dates on which the bondholders obtain the bonds and the serial numbers of the bonds;
- (3) Total value, par value and interest rate of the bonds, as well as the time limit and method for servicing the principal and interest; and
- (4) Issuance date of the bonds.

Where a company issues bearer corporate bonds, its book of counterfoils for the corporate bonds shall record the total value and interest rate of the bonds, the time limit and method for repayment, issuance date, and the serial numbers of the bonds.

J- E••B l6b Z`# k"÷ 9!7EfEzZ`MÒJ-696f-"R-ùlÊ 9!7EzZ` ,*WJ ; x/n ; P xJHE÷ r!5-¥ <

Article 158 The registration and settlement institutions for registered corporate bonds shall establish relevant systems for the registration, custody, interest payment and redemption of the bonds.

J- E• n"B 6b k"÷ 9!7"î ä^kZ" ,^kZ" ö7;D0^kZ" 1 "ÖZ" 1M¥*™ <
k"÷ 9!7&'ZÄ!7 £5 1? - £5 Ef ,2 @fZÄ!7 £5 1?Ef £5 XÄ! ^kZ" <

Article 159 Corporate bonds are transferable, and the transfer price shall be agreed upon by and between the transferor and the transferee.

Corporate bonds listed and traded on a securities exchange shall be transferred in accordance with the trading rules of the securities exchange.

J- E• n"B 6b Z# k"÷ 9!7 ,D0 9!72 6 1 äOË e4, 1 O ;Ô.Š ;WK4>;ÔXÄXÄ*™Ef u Ö4, ^kZ" ;
^kZ"# D0 k"÷+ "ÖZ" 1Ef(Ô# 1 O # H"É N1?Z" ^| • k"÷ 9!7*W78K> <
4ßZ# k"÷ 9!7Ef^kZ" ,D0 9!72 6 1+ Zä 9!7 £ xMØ"ÖZ" 1# "r"ÐD ^kZ"Ef4G!š <

Article 160 Registered corporate bonds shall be transferred through endorsement by the relevant bondholder or by any other means provided for by laws or administrative regulations. After the transfer, the company concerned shall record the name and domicile of the transferee in its book of counterfoils for the corporate bonds.

The transfer of bearer corporate bonds shall come into effect upon the delivery of the said bonds to the transferee by the relevant bondholder.

J- E• n"B 6b - k"÷MÎO (& ²Z-"î ä"ÐWK"î^k2a 9O HgEf k"÷ 9!7 , -u&' k"÷ 9!7!PeÄ
!;Ô ,XÄ*™ v REf^k2a!;Ô < - k"÷"ÐWK"î^k2a 9O HgEf k"÷ 9!7 , -".R1¤%ü! eaZÄ!7EÐFbJ C 696f77
Ä <

"ÐWK"î^k2a 9O HgEf k÷ 9!7 , -".R&' 9!7 7 5 "î^k2a k"÷ 9!7*V76 , -u&' k"÷ 9!7*W78K> ^|5
"î^k2a k"÷ 9!7Ef4ogœ <

Article 161 A listed company may, subject to a resolution of the general meeting, issue corporate bonds that can be converted to shares, and shall specify the conversion methods in the offering plan of the corporate bonds. The issuance by a listed company of corporate bonds that can be converted to shares shall be subject to the verification and approval of the securities regulatory authority of the State Council.

In the event of issuance of corporate bonds that can be converted to shares, such characters as "2a k"÷ 9!7 " (convertible corporate bonds) shall be indicated thereon, and the number of convertible corporate bonds shall be recorded in the company's book of counterfoils for corporate bonds.

J- E• n"B •6b "ÐWK"î^k2a 9O HgEf k"÷ 9!7Efo k"÷-".R2 @f u^k2a!;Ô# 9!72 6 12a"ÐO
Hgo E 9!72 6 1*ø^k2aO Hg1 O ^k2aO Hg6 _ 1è6B <

Article 162 Where corporate bonds that can be converted to shares are issued, a company shall issue shares in exchange for the bonds of the bondholders in accordance with the conversion methods, provided that the bondholders shall have the option as to whether or not to convert their bonds into shares.

J+ j|ß k"÷\!! ; Z

Chapter 8: Finance and Accounting of a Company

J- E• n"B 6b k"÷-".R œ@f;Ô.Š ;WK4>;ÔXÄ#¤%ü! ea\4>_çdçEfXÄ*™-ülÊ6+ k"÷Ef\!! ; Z
!5-¥ <

Article 163 A company shall establish its own financial and accounting systems in accordance with laws, administrative regulations and the provisions of the finance department of the State Council.

J- E• n"B%Ü6b k"÷-“.R&:Î ÿ Z -s-¥MÇ ...4õN I5\!! Z 1#I , -u œ;ÔMÎ Z - Š! 1? Z < \!! Z 1#I-“.R œ@f;Ô.Š ;WK4>;ÔXÃ#<%ü! ea\!4>_çdçEfXÃ*TM!5 [<

Article 164 A company shall, at the end of each accounting year, prepare a financial and accounting report which shall be audited by an accounting firm in accordance with the law.

The financial and accounting report shall be prepared in accordance with laws, administrative regulations and the provisions of the finance department of the State Council.

J- E• n"B •6b 6 eO\ " ú k"÷-“.R œ@f k"÷!ÎI XÃ*TM Ef6 eO+ \!! Z 1#I_ £# O < O ü6 eO k"÷Ef\!! Z 1#I-“.R&""ë-ÿO (& -s Ef <'@4ä!LNm(•6+ k"÷ , šO 6äe ; k-ÿ "ĐWKO HgEfO ü6 eO k"÷.Ägz k#I u\!! Z 1#I <

Article 165 A limited liability company shall submit its financial and accounting report to each shareholder within the time limit specified in the company's articles of association.

The financial and accounting report of a company limited by shares shall be made available at the company 20 days before the annual general meeting is held for inspection by ~~shareholder~~ company limited by shares that publicly offers shares shall announce its financial and accounting report.

J- E• n"B n6b k"÷! `L.R-sl # !(<¥4õ , -“.R2İ"Ö!(<¥EfE)! J"@! d k"÷;Ô*TM kHî`Đ <k"÷;Ô*TM kHî`ĐL.Z gœ 9 k"÷;ç \C6+EfE)! J""@ ä Ef , "î ä Æ2İ"Ö < k"÷Ef;Ô*TM kHî`Đ `2 ä.\$Wd ä!L-s-¥ Ž2^Ef ,&' œ@f!L:=XÃ*TM2İ"Ö;Ô*TM kHî`Đ J!L-“.R GD'.R-s !(<¥.\$Wd Ž2^ <

k"÷ ÎI # !(<¥ ,2İ"Ö;Ô*TM kHî`Đ# ,MÎO 1 O O (& 2Z- ,^x"î ä ÎI # !(<¥ ,2İ"Ö úO k Hî`Đ <

k"÷.\$Wd Ž2^#<2İ"Ö kHî`Đ# 1? XI # !(<¥ ,6 eO\ " ú k"÷ œ@f6+;ÔJ+ "@%Ú6`EfXÃ*TM! ;Đ ü6 eO k"÷2 @fO 2 6 EfO ü:Ó Š! `L , EO ü6 eO k"÷!ÎI XÃ*TM 2 2 O :Ó Š! `LEfec(<

O ,O (& 1 O Sb Š ^Ü"Î!L:=XÃ*TM ,&' k"÷.\$Wd Ž2^#<2İ"Ö;Ô*TM kHî`Đ J!L# O !`L!(<¥ Ef,O .Ägz+ ^Ü"ÎXÃ*TM! `LEf!(<¥^ÿ^x k"÷ < k"÷2 6 Ef6+ k"÷O ü .-! `L!(<¥ <

Article 166 When a company distributes its ~~after~~ profit of the current year, ten percent of the profit shall be allocated to its statutory common reserve fund. The company is not required to do so once the cumulative amount of the ~~statutory~~ common reserve fund reaches 50 percent or more of the company's registered capital.

If the statutory common reserve fund of the company is not sufficient to cover its losses in previous years, the company shall use the profit of the current year ~~over~~ the losses before accruing the statutory common reserve fund in accordance with the preceding Paragraph.

After the company has accrued the statutory common reserve fund from its ~~after~~ profit, it may, subject to a resolution of the shareholders' meeting or the general meeting, accrue discretionary common reserve fund from the ~~after~~ profit.

After having been used to cover the losses and make allocation to the common reserve fund, the remaining ~~after~~ profit shall be distributed in accordance with Article 34 of this Law, in the case of a limited liability company; or in proportion to the ~~shares~~ held by each shareholder, in the case of a company limited by shares, unless otherwise specified in its articles of association.

Where the shareholders' meeting, general meeting or board of directors violates the preceding Paragraph and distributes profit to shareholders before the company covers the losses and accrues the statutory common reserve fund, the shareholders shall return to the company the profit distributed in

violation.

A company shall not distribute profits to its holdings of its shares.

J- E• n"B 6b O ü6 eO k"÷ ä\,^ÆO HgHgfa`ĐgœEf"ĐWK ö7;"ĐWKO ü1?.-Ef=i ö:= ä"É%ü! ea
\\4>_çdçXÃ*™! d\Ç6+ kHî`ĐEf u Ō45 d,-"R! 9 k"÷\Ç6+ kHî`Đ <

Article 167 Both the premium obtained by a company limited by shares from issuing shares at a price above the par value thereof, and other ~~monies~~ that shall be included in the capital reserve fund of the company as required by the finance department of the State Council shall be included in the capital reserve fund of the company.

J- E• n"B l6b k"÷Ef kHî`ĐD' •.\$Wd k"÷Ef Ž2^ ;1h(& k"÷D !MİS\$1 O ^k 9'•!Ÿ k"÷\Ç6+ <
E5. ,\Ç6+ kHî`Đ .- D' •.\$Wd k"÷Ef Ž2^ <
;Ô*™ kHî`Đ^k 9\Ç6+4q1?DX*WEfZägx kHî`Đ .-+ •^k'•!L k"÷;ç \Ç6+EfE)! J ('@ " <

Article 168 The common reserve fund of a company shall be used to cover the losses of the company, expand the production operations of the company, or be converted to increase the company's capital. The capital reserve fund shall not be used to cover the losses ~~of the company~~.

Where the statutory common reserve fund is converted into capital, the amount thereof remaining after the conversion shall not be less than 25 percent of the registered capital of the company before the increase.

J- E• n"B ^6b k"÷OWD' ;XâOW1•k"÷* Z !Ef Z - Š! 1? , œ@f k"÷lB! EfXÃ*™!D0O
;O (& 1 O Sb Š 2*™ <
k"÷O ;O (& 1 O Sb Š +0XâOW Z - Š! 1?^ÚWKWg 24ō ,-"R @Z. Z - Š! 1?eG^i0
XÀ <

Article 169 The engagement of any accounting firm undertaking the audit of a company, and the termination of the engagement shall, pursuant to ~~the company's~~ articles of association, be decided by the shareholders' meeting, the general meeting or the board of directors.

Where the shareholders' meeting, general meeting or board of directors votes on the termination of the engagement of an ~~accounting~~ firm, the accounting firm shall be allowed to present its opinions.

J- E• "B6b k"÷-"R# OWD'Ef Z - Š! 1?2İ šF *•;*4sEf Z iZÀ ; Z \%K> ;!! Z
1q#l"É u Ō Z \C4~ , .-1ŃMÜ ;e•"> ;[1q <

Article 170 A company shall provide the accounting firm engaged with truthful and complete accounting proofs, account books, financial and accounting reports and other accounting materials, and may not refuse to provide or conceal any required information or make any false statements.

J- E• "B 6b k"÷ec;Ô*™Ef Z \%K>(o .-"âlÊ Z \%K> <
*ø k"÷\C lo .- ä ú T) 1# H -ÿlÊ%16*W § <

Article 171 A company shall not establish any account books other than the statutory ones. No company assets may be deposited under any account opened in any individual's name.

J+ \B k"÷# -u ;! ÎÊ ;'•\C ; ÎC

Chapter 9: Merger, Division or Capital Increase or Reduction of a Company

J- E• "B •6b k"÷# -u"î ä`Æ"Ō#745# -u1 O 4`Z½# -u <

ÿ) k"÷#745 u Õ k"÷ 9#745# -u ,W#745Ef k"÷Xâ4b <#) ä k"÷# -uZ½IÊ ÿ)4Ef k"÷ 94Z½
-u ,# -u# 4,Xâ4b <

Article 172 Merger of companies may either be merger by consolidation or merger by incorporation.

Merger by consolidation shall mean that a company absorbs other companies while the absorbed companies shall be dissolved. Merger by incorporation shall mean ~~that two~~ ^{that more} companies merge into a newly incorporated company while all the merged parties shall be dissolved.

J- E• "B 6b k"÷# -u ,-.RD0# -u# 4,J)Zj# -u"NZ- , -uN !5\C \ 9Wg"É\ != "T <k"÷-".R
Pé [ù# -u 2Z- J4ä\ v"@4ä „ Fä 96B 1 , -u • "@4ä „&'1M• k#l <96B 1Pé2M/_ Fä e J4ä\ v "@
4ä „ ,6)2M/_ Fä eEfPé k#l J4ä\ v%Ú"@ "4ä „ , "î äX€;A k"÷= ~ 9! 1 O 2Ī šE÷-"Ef1Ä Ü <

Article 173 In the case of a merger of companies, the parties thereto shall conclude a merger agreement and prepare the balance sheet and a list of property. The companies shall notify their creditors within ten days after the resolution on ~~merger~~ ^{merger} is made, and shall publish an announcement in newspapers within 30 days. The creditors may, within 30 days upon receipt of the written notice or, in the case of failure to receive the written notice, within 45 days of the public announcement, ~~request~~ ^{request} the company to repay the debts or provide the corresponding guaranty.

J- E• "B%Ü6b k"÷# -u4ö ,# -u# 4,Ef 96B ; 9! ,-.RD0# -u# *WMiEf k"÷1 O 4Z½Ef k"÷1~
Mæ <

Article 174 In the case of a merger of companies, the claims and debts of each of the companies to the merger shall be succeeded to by the company continuing to exist after the merger or the newly incorporated company.

J- E• "B •6b k"÷! IÊ , u\ ! [E÷-"Ef! !q <
k"÷! IÊ ,-.RN !5\C \ 9Wg"É\ != "T <k"÷-".RPé [ù! IÊ 2Z- J4ä\ v"@4ä „ Fä 96B 1 , -u •
"@4ä „&'1M• k#l <

Article 175 In the case of the division of a company, the property thereof shall be divided accordingly.

The balance sheet and a list of property of the company shall be prepared for the division thereof. The company shall notify its creditors within ten days after the resolution on ~~division~~ ^{division} is made, and shall publish an announcement in newspapers within 30 days.

J- E• "B n6b k"÷! IÊ!LEf 9! D0! IÊ# Ef k"÷1~1Ä^Y-%" ú <E5. , k"÷&'! IÊ!L 96B 1+0
9! = ~^½1 Ef efa"NZ-"â6 M¥*TMefec(<

Article 176 The companies after the division shall bear joint and several liabilities for the debts of the company prior to the division, unless otherwise agreed upon prior to the division by the company and its creditors in a written agreement concerning the ~~settlement~~ ^{settlement} of debts.

J- E• "B 6b k"÷eyX€ Î+ ;ç \C6+4ö „ÄgzN !5\C \ 9Wg"É\ != "T <
k"÷-".RPé [ù Î+ ;ç \C6+ 2Z- J4ä\ v"@4ä „ Fä 96B 1 , -u • "@4ä „&'1M• k#l <96B 1Pé
2M/_ Fä e J4ä\ v "@4ä „ ,6)2M/_ Fä eEfPé k#l J4ä\ v%Ú"@ "4ä „ ,6 6BX€;A k"÷= ~ 9! 1 O 2Ī š
E÷-"Ef1Ä Ü <

Article 177 Where it is necessary for a company to reduce its registered capital, it shall prepare the balance sheet and a list of property.

The company shall notify its creditors within ten days after the resolution on the reduction of the registered capital is made, and shall publish an announcement in newspapers within 30 days. The creditors shall, within 30 days upon receipt of the written notice, or in the case of the failure to receive the written notice, within 45 days after the public announcement, be entitled to request the company to repay the debts or provide the corresponding guaranty.

J- E• "B l6b 6 eO\ " ú k"÷!•!Ÿ;ç \C6+4õ ,O Z£N34"•\C6+E f ù\C , œ@f6+;ÔZ½lÊ6 eO\ " ú k"÷N3M² ù\CEf6 rXÃ*™1fWK <

O ü6 eO k"÷ 9!•!Ÿ;ç \C6+"ĐWK4"O 4õ ,O Z£\,4"O , œ@f6+;ÔZ½lÊO ü6 eO k"÷N3M²O :=Ef6 rXÃ*™1fWK <

Article 178 Where a limited liability company increases its registered capital, the capital contribution subscribed for by its shareholders for the newly increased capital shall be governed by the provisions of this Law on the capital contribution for the establishment of a limited liability company.

Where a company limited by shares issues new shares to increase its registered capital, the subscription of the new shares by its shareholders shall be governed by the provisions of this Law on the payment for shares for the establishment of a company limited by shares.

J- E• "B ^6b k"÷# -u1 O ! lÊo EzZ" Šgx"ĐD "x5óEfo -".R œ;Ô# k"÷EzZ"69 r!•C "x5óEz Z"; k"÷Xâ4bEfo -".R œ;Ô!•C k"÷;çcŸEzZ" ;Z½lÊ4" k"÷Efo -".R œ;Ô!•C k"÷Z½lÊEzZ" < k"÷!•!Ÿ1 O Î+ ;ç \C6+o -".R œ;Ô# k"÷EzZ"69 r!•C "x5óEzZ" <

Article 179 In the event of merger or division of a company, the formalities for change of registration shall be completed with the relevant company registration authority for changes of any registered item in accordance with the law; the company deregistration formalities shall be completed in accordance with the law if the company is dissolved; and the company establishment registration formalities shall be completed in accordance with the law if a new company is established.

In the case of any increase or reduction of a company's registered capital, the formalities for change of registration shall be completed with the company registration authority concerned in accordance with the law.

J+"@lß k"÷Xâ4b#<= J-

Chapter 10: Dissolution and Liquidation of a Company

(5) A people's court decides to dissolve the company pursuant to Article 182 of this Law.

J- E• I" B 6b k"÷6 6+;ÔJ+ ŸE} j"@6`J+ (Ÿ)gx/Ä.aEf,"i ä_ ^Æ í48 k"÷IßI O *WMi <
æ@f!L:=XÃ*™ í48 k"÷IßI ,6 eO\" ú k"÷gzMî2 6 ! J ‹ ä Wg ²6BEfO _ ^Æ,O ü6 eO k"÷
gzMî ù-,O (& Z-EfO 1?2 Wg ²6BEf ! J ‹ ä _ ^Æ <

Article 181 A company under Item (1) of Article 180 of this Law may continue to exist by modifying its articles of association.

The modification of the company's articles of association in accordance with the preceding Paragraph shall be passed, in the case of a limited liability company, by the shareholders representing more than two thirds of the voting rights or, in the case of a company limited by shares, by the shareholders representing more than two thirds of the voting rights of all shareholders present at the general meeting.

J- E• I" B •6b k"÷MîS\$J C "ÐD \$`ì%ie½,MæMi*WMi ~O !(ÉÉ"Ö!/^(&2^(0 ,_ ^Æ u Ö_.f
OüXâ ²Ef,

- (2) Informing the creditors of the company by notice or public announcement;
- (3) Handling the outstanding liquidation-related business of the company;
- (4) Paying off the due and payable taxes and the taxes incurred during the liquidation;
- (5) Liquidating the claims and the debts of the company;
- (6) Handling the property remaining after the full repayment of the debts of the company;
- (7) Participating in civil litigations on behalf of the company.

J- E•I"B •6b = J-MÃ-" .RPé1 IÊ J4älv" @4ä „_ Fä 96B 1 , -u •I" @4ä „&'1M- k#I < 96B 1
 -" .RPé2!/_ Fä e J4älv " @4ä „ , 6)2!/_ Fä eEfPé k#I J4älv%Ú" @ "4ä „ , # = J-MÃD21 u 96B <
 96B 1D21 96B, - .RZó5 96BEf6 r Šgx , -u2İ šZÀ5 6O4~ <= J-MÃ-" .R*ø 96B^ÚWKEzZ~ <
 &'D21 96B6 dó= J-MÃ -.*ø 96B 1^ÚWK= ~ <

Article 185 The liquidation group of a company shall notify the creditors within ten days upon its formation, and publish an announcement on newspapers within 60 days. The creditors shall declare their claims to the liquidation group within 30 days upon receipt of written notice or in the case of the failure to receive the written notice, within 45 days of the public announcement.

When declaring the claims, the creditors shall clarify the matters related thereto and provide supporting materials. The liquidation group shall register the claims.

During the period for declaration of claims, the liquidation group shall not make any repayment to any of the creditors.

J- E•I"B n6b = J-MÃ&'= C k"÷\! ! N !5\C \ 9Wg#^! ! = "T# , -" .R!5*TM= J-4, 7G, -u1M O
 ;O (& 1 O 1; ;ÔeaGmZ£ <
 k"÷\! ! &'! ! *4. x= J-8D' ; OK, äEf, ä\C H= Üeh\8D' #; Ô*TMWd ~`DN3M²1?: I := , = ~ k" ÷ 9
 ! # Ef!h X\! ! , 6 eO" ú k" ÷2 @fO Ef ù\C: Ó Š! `L , O ü6 eO k" ÷2 @fO 2 6 EfO ü: Ó Š! `L <
 = J-6 dó, k" ÷ *WMì, E .-ÿ+T = J-4ß rEfMîSS<: !š < k" ÷\! ! &'6) œ@f!L:= XÃ*TM= ~!L , .-!
 `LMØO <

Article 186 The liquidation group of a company shall, after having liquidated the property of the company and prepared the balance sheet and a list of property, formulate a liquidation plan which shall be submitted to the shareholders' meeting, the general meeting or the competent people's court for confirmation.

After paying off the liquidation expenses, the salaries, social insurance premiums and the statutory compensations of the staff members, the due and payable taxes and the debts of the company, the liquidation group shall distribute the remaining property, in the case of a limited liability company, proportion to the shareholders' capital contribution or, in the case of a company limited by shares, in proportion to the shares held by each shareholder.

During the liquidation, the company shall continue to exist, but shall not carry out business irrelevant to the liquidation. The property of the company shall not be distributed to any shareholder before full payments have been made out of the property in accordance with the preceding Paragraph.

J- E•I"B 6b = J-MÃ&'= C k"÷\! ! ; N !5\C \ 9Wg#^! ! = "T# , "DB~ k"÷\! ! \²= ~ 9
 ! Ef , -" .R œ; Ô# 1; ;ÔeaD2Zö*ç#IG3 ! <
 k" ÷ Mî 1; ;ÔeaWÃ*TM*ç#IG3 !# , = J-MÃ-" .R+ = J- Š! Hú £MØ 1; ;Ôea <

Article 187 Where the liquidation group of a company discovers, after having liquidated the property of the company and prepared the balance sheet and a list of property, that the property of the company is not sufficient for debt repayment in full, it shall apply to the competent people's court for

bankruptcy declaration in accordance with the law.

After the people's court rules to declare the company bankrupt, the liquidation group shall hand over the liquidation matters to the people's court.

J- E• l" B l6b k"÷= J-MÔ6^# ,= J-MÃ-".R!5 [= J-1#I ,1#O O (& 1 O 1; ;ÔeaGmZ£ ,
-u1#_ k"÷EzZ`69 r ,D2Zö;çcÿ k"÷EzZ` , k#l k"÷MÇ:a <

Article 188 After the completion of the liquidation of a company, the liquidation group shall prepare a liquidation report which shall be submitted to the shareholders' meeting, the general meeting or the competent people's court for confirmation, and to the relevant company registration authority for the purpose of applying for the deregistration of the company and the public announcement on the termination of the company.

J- E• l" B ^6b = J-MÃ1 #W-".R.ß •OK*† œ;Ô+dWK= J- H! <
= J-MÃ1 #W .-!(D'OK6B45"Ö\>A1 O u Ōfj;Ô45 d , .- " _ k"÷\! ! <
= J-MÃ1 #W%ß4D0 1 O `l(&^Æ(0MØ k"÷1 O6B 1_ 1 2^(0Ef ,-" .R1~1Ä\S ~\ " ú <

Article 189 The members of a liquidation group shall devote themselves to their duties and perform liquidation obligations in accordance with the law.

The members of a liquidation group shall not take advantage of their position to accept bribes or other illegal gains, nor shall they encroach on the property of the company concerned.

A member of a liquidation group who has caused any losses to the company or its creditors intentionally or by gross negligence shall be liable for compensation.

J- E• ^" B6b k"÷W^ œ;Ô*ç#lG3 !Efo œ@f6 r G3 !Ef;Ô.Š*•4¼G3 != J- <

Article 190 Where a company is declared bankrupt pursuant to the law, bankruptcy liquidation shall be carried out in accordance with the laws on enterprise bankruptcy.

J+ " @ ŷlß (%ü k"÷Ef! 4.696f

Chapter 11: Branches of a Foreign Company

J- E• ^" B 6b 6+;Ô1?Hĩ(%ü k"÷5.2 œ@f(%ü;Ô.Š' ,%ü',(Z½lÊEf k"÷ <

Article 191 For the purpose of this Law, a foreign company shall refer to a company established outside the territory of China under a foreign law.

J- E• ^" B •6b (%ü k"÷&' ,%ü' , „Z½lÊ! 4.696f ,.Ägz# ,%ü :J 69 r2l ùD2Zö , -u2l £ u k"÷
lßl ;1?+;%üEf k"÷EzZ`ZÀ eJH6 r4† õ ,Ml1x Å# ,# k "÷EzZ`69 r œ;Ô!•C EzZ` ,g..."ÖS\$ 1f@f <
(%ü k"÷! 4.696fEf* 1x!•;ÔD0%ü! ea"âWKXÃ*™ <

Article 192 To establish a branch within the territory of China, a foreign company shall file an application with the competent authority of China and submit relevant documents such as its certificate of incorporation and the company registration certificate issued by the authority of the country where it is registered. Upon approval, the foreign company shall go through the registration formalities with the relevant company registration authority in accordance with the law and collect the business license for the branch.

Measures for examination and approval of the branches of a foreign company shall be formulated separately by the State Council.

J- E• ^"B 6b (%ü k"÷&' ,%ü', „Z½IÊ! 4.696f „Ägz&' ,%ü', „2 *TM\ \"Zä! 4.696fEf âWg
11 O âC 1 , -u# Zä! 4.696f1ç x u1? Í ŠEfMÎS\$<:!\$E÷_ -“Ef\C`Đ <
*ø(%ü k"÷! 4.696fEfMÎS\$C`ĐeyXEXÃ*TM5y MeOgDf%ü! ea"âWKXÃ*TM <

Article 193 A foreign company shall, in establishing a branch within the territory of China, designate a representative or an agent within the territory of China responsible for the branch, and allocate to the branch the funds commensurate with the business activities in which the branch engages.

Other necessary provisions on the minimum amount of the operational funds for a branch of a foreign company shall be separately formulated by the State Council.

J- E• ^"B%Ü6b (%ü k"÷Ef! 4.696f-“.R&' u# Hï ,7 5 Zä(%ü k"÷Ef%üKL"É\" ú.a. <
(%ü k"÷Ef! 4.696f-“.R&'6+696f ,Nm(Zä(%ü k"÷Ißl <

Article 194 A branch of a foreign company shall include, in its name, the country of origin and the form of liability of the foreign company.

A branch of a foreign company shall make available, at the branch's premises, the articles of association of the foreign company.

J- E• ^"B •6b (%ü k"÷&' ,%ü', „Z½IÊEf! 4.696f v6 ,%ü;Ô 1\C7; <
(%ü k"÷*ø u! 4.696f&' ,%ü', „ÚWKMÎS\$<:!\$1~1Ä; Š\" ú <

Article 195 A branch established within the territory of China by a foreign company is not qualified as a Chinese legal person.

A foreign company shall bear civil liabilities for the business activities carried out by its branches within the territory of China.

J- E• ^"B n6b MÎ1x ÅZ½IÊEf(%ü k"÷! 4.696f,&' ,%ü', „Í Š ! <:!\$ „Ägz_t*‡ ,%üEf;Ô.Š,
.-2^*2 ,%üEfH= k p!(EÉ , u# ;Ô6BEÉ"Ö ,%ü;Ô.Š Ü1£ <

Article 196 When conducting business activities within the territory of China, branches of foreign companies that are established upon approval shall comply with Chinese laws, and shall not prejudice the social and public interest of China. Their legitimate rights and interests are protected by Chinese laws.

J- E• ^"B 6b (%ü k"÷3£cÿ u&' ,%ü', „Ef! 4.696f4õo .Ägz æ;Ô= ~ 9! o æ@f6+;Ô6 r k
"÷= J-I -ŽEfXÃ*TM^ÚWK= J- <6)= ~ 9! J!Lo .-+ u! 4.696fEf\! !HúPò ,%ü',(<

Article 197 Where a foreign company removes any of its branches within the territory of China, it shall pay off its debts pursuant to the law, and carry out liquidation in accordance with the company liquidation procedures under this Law. The property of the branch shall not be transferred outside the territory of China before the debts are repaid in full.

J+ "@ «Iß ;Ô.Š\" ú

Chapter 12: Legal Liabilities

J- E• ^"B I6b ^Ü"l6+;ÔXÃ*TMUY1¤;ç \C6+ ,2İ £UY F6O4~1 O `Æ"Ö u Ö:9ZÇ1J:´e•F`ÌX€ Š*•
"Ö.- k"÷EzZ`Ef,D0 k"÷EzZ`69 r\" ä48:b ,*øUY1¤;ç \C6+Ef k"÷,(äUY1¤;ç \C6+`ĐgœE)! J “ ä
E)! J"@ “ ä EfNY:= ;*ø2İ £UY F6O4~1 O `Æ"Ö u Ö:9ZÇ1J:´e•F`ÌX€ Š*•Ef k"÷ ,(ä “ B ä “
"@ B ä EfNY:= ;/ÄQ• \$`İEf ,3£cÿ k"÷EzZ`1 O # cÿS\$ 1f@f <

Article 198 Where, in violation of this Law, a company has been registered by false reporting

of the registered capital, submission of false materials, or concealment of any important fact by other fraudulent means, the company registration authority concerned shall order correction ~~to make~~. Where a company falsely reports its registered capital, a fine of not less than five percent but not more than 15 percent of the ~~reported~~ falsely reported registered capital shall be imposed. Where a company submits false materials or conceals any important ~~facts~~ by other fraudulent means, a fine of not less than RMB 50,000 but not more than RMB 500,000 shall be imposed. Under grave circumstances, the company shall be deregistered or its business license shall be revoked.

J- E•^B^6b k"÷Ef"Đ\ v¹;O UY F ù\ C ,6) £ x1 O 6)2 6 £ x [9 ù\ CEf\&- 1 O f)\&-
!\ !Ef ,D0 k"÷EzZ⁻⁶⁹ r\ " ä48:b ,(äUY F ù\ C`ĐgœE)! J " ä E)! J"@ " ä EfNY:= <

Article 199 Where a promoter or shareholder of a company makes false capital contribution, fails to deliver the monetary amount or the ~~monetary~~ property used as capital ~~contribution~~, or fails to deliver the same as scheduled, the relevant company registration authority shall order the promoter or shareholder to make correction, and impose thereon a fine of not less than five percent but not more than 15 percent of the amount ~~to be~~ falsely made capital contribution.

J- •E•6b k"÷Ef"Đ\ v¹;O &' k"÷1 IÊ# ,1¼_ u ù\ CEf,D0 k"÷EzZ⁻⁶⁹ r\ " ä48:b ,(ä1?1¼_
ù\ C`ĐgœE)! J " ä E)! J"@ " ä EfNY:= <

Article 200 Where a promoter or shareholder of a company illegally withdraws its capital contribution after the company is ~~established~~, the relevant company registration authority shall order the promoter or shareholder to make correction, and impose thereon a fine of not less than five percent but not more than 15 percent, of the capital contribution withdrawn.

J- •E•e÷ 6b k"÷^U"İ6+;ÔXÃ*TM;& ;Ô*TM Ef Z \ %K> ä("äİÊ Z \ %K>Ef,D0"¼M! ä 1; 4>->!\!
4>_çdç\ " ä48:b ,(ä " B ä ""@ B ä EfNY:= <

Article 201 Where a company violates this Law and establishes account books other than the statutory ones, the finance department of the relevant people's government at ~~the above~~ county level shall order the company to make correction, and impose thereon a fine of not less than RMB 50,000 but not more than RMB 500,000.

J- •E•e÷ •6b k"÷&' œ;Ô# 6 r :J _çdç2İ šEf\!! Z 1#IJH6O4~ [UY FZ^|1 O e•F`İX€
Š*Ef,D06 r :J _çdç*øÉó2¤\ "Ef :J 1#W#(u ŌÉó2¤\ " ú 1#W(ä B ä "@ B ä EfNY
:= <

Article 202 Where a company makes any false record or conceals any important fact in such materials as the financial and accounting reports that are submitted to the competent authority in accordance with the law, the competent authority shall ~~impose~~ fine of not less than RMB 30,000 but not more than RMB 300,000 on the primary ~~persons~~ in charge subject to direct liabilities and other personnel subject to direct liabilities.

J- •E•e÷ 6b k"÷ œ@f6+;ÔXÃ*TM2İ"Ō;Ô*TM kHî ĐEY0"¼M! ä 1; 4>->!\!4>_çdç\ " ä(•4oWd
İ²-.R2İ"ŌEf`Đgœ,"İ ä*ø k"÷(ä " @ B ä EfNY:= <

Article 203 Where a company fails to accrue the statutory common reserve fund in accordance with this Law, the finance department of the relevant people's government at or above the county level shall order the company to make good ~~the~~ accrual, and may impose thereon a fine of up to RMB 200,000.

J-•E•e÷%Ü6b k"÷&# -u;! IÊ; Î+;ç \C6+1 O ^ÚWK= J-4õ , œ@f6+;ÔXÃ*™_ Fä1 O k#1 9 6B 1Ef,D0 k"÷EzZ`69 r\` ä48:b ,*ø k"÷(ä ÿ B ä "@ B ä EfNY:= < k"÷&^ÚWK= J-4õœ">! ! ,*ø\C \ 9Wg1 O \! != "T [UY FZ^|1 O &'6)= ~ 9! !L! `L k"÷ \! !Ef ,D0 k"÷EzZ`69 r\` ä48:b ,*ø k"÷(äœ">! !1 O 6)= ~ 9! !L! `L k"÷\! !`ĐgœE)! J " ä E)! J"@ ä EfNY:=;*øEó2¤\`Ef :J 1#W# u ÖEó2¤\` ú 1#W(ä ÿ B ä "@ B ä EfNY:= <

Article 204 During the merger, division, reduction of registered capital or liquidation of a company, where the company fails to inform its creditors by notice or public announcement in accordance with this Law, the relevant company registration authority shall order the company to make correction, and impose thereon a fine of not less than RMB 10,000 but not more than RMB 100,000.

During the liquidation of a company, where the company conceals property or makes any false record in the balance sheet or list of property, or distributes its property prior to the repayment of the debts in full, the relevant company registration authority shall order the company to make correction, impose thereon a fine of not less than five percent but not more than 10 percent of the value of the property that the company has concealed or distributed prior to the repayment of debts in full, and impose a fine of not less than RMB 10,000 but not more than RMB 100,000 on the primary persons in-charge subject to direct liabilities or other personnel subject to direct liability.

J-•E•e÷ •6b k"÷&'= J-6 dó-ÿ+T = J-4ß rEfMÎS\$<:!\$Ef ,D0 k"÷EzZ`69 r ‡ äZe#l ,; 45^Ü;Ô 1?.- <

Article 205 Where a company carries out any business activity irrelevant to the liquidation during the liquidation period, the relevant company registration authority shall issue a warning to the company and confiscate the illegal gains.

J-•E•e÷ n6b = J-MÃ œ@f6+;ÔXÃ*™# k"÷EzZ`69 r1¤_ = J-1¤#l O 1¤_ = J-1¤#le•F^`ÎX€ Š*•1 O 6 `ì(&_V> Ef ,D0 k"÷EzZ`69 r\` ä48:b < = J-MÃ1 #W!(D'OK6B.†HÀQ . { "Öfj;Ô45 d1 O " _ k"÷\! !Ef ,D0 k"÷EzZ`69 r\` ä^ÿ^x k"÷\! ! ,; 45^Ü;Ô1?.-,-u"† ä(ä^Ü;Ô1?.- ÿ ä " ä EfNY:= <

Article 206 Where a liquidation group fails to submit a liquidation report to the relevant company registration authority pursuant to this Law, or where any important facts are concealed or any material omission is found in the liquidation report submitted, the relevant company registration authority shall order the liquidation group to make correction.

Where any member of a liquidation group takes advantage of his powers to practice favoritism for personal gains, seek for illegal gains or encroach on any property of the company, the relevant company registration authority shall order the member to return such property of the company, confiscate his/her illegal gains and may impose thereon a fine of not less than one time but not more than five times the illegal gains.

J-•E•e÷ 6b 1~1Ä\C !ZÄ / i;\C1 O i\ZÄEf696f2İ šUY F6O4~Ef ,D0 k"÷EzZ`69 r; 45^Ü;Ô1?.- , (ä^Ü;Ô1?.- ÿ ä " ä EfNY:= , -u"† äD06 r :J _çdç œ;Ô\` äZä696f [# cÿEó2¤\` ú 1#W Ef\C7;ZÄ e# cÿS\$ 1f@f <

1~1Ä\C !ZÄ / i;\C1 O i\ZÄEf696f%ß^Æ(02İ š6 `ì(&_V> Ef1¤#IEfD0 k"÷EzZ`69 r\` ä48:b ,/ÄQ• ^,`ìEf , (ä1?.-45 d ÿ ä " ä EfNY:= , -u"† äD06 r :J _çdç œ;Ô\` äZä696f [# cÿEó2¤\` ú 1#WEf\C7;ZÄ e# cÿS\$ 1f@f <

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Article 207 Where an institution that undertakes capital valuation, capital verification or certificate verification provides any false materials, the relevant company registration authority shall confiscate the illegal gains of the institution, and impose thereon a fine of not less than one time but not more than five times the illegal gains. The competent authority may also, pursuant to the law, order the institution to terminate its business operations, and revoke the qualification certificates of its personnel subject to direct liabilities and the business license of the institution.

Where an institution that undertakes capital valuation, capital verification or certificate verification provides a report with material omission out of negligence, the relevant company registration authority shall order the institution to make correction and, under grave circumstances, impose thereon a fine of not less than one time but not more than five times the illegal gains. The competent authority may also, pursuant to the law, order the institution organization to terminate its business operations, and revoke the qualification certificates of its personnel subject to direct liabilities and the business license of the institution.

Where the valuation results, capital verification certification or certificate verification issued by an institution that undertakes capital valuation, capital verification or certificate verification is not truthful, thus causing losses to the creditors of the company concerned, the institution shall bear the liability for compensation to the extent of the value affected by its untruthful valuation or certification, unless it can prove that it is not at fault.

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Article 208 Where a company registration authority approves a registration application that fails to satisfy the conditions hereunder, or fails to approve a registration application that satisfies the conditions hereunder, administrative disciplinary measures shall be taken in accordance with the law, against the primary persons in charge subject to direct liabilities and other personnel subject to direct liabilities.

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Article 209 Where a superior department of a company registration authority orders the latter to approve a registration application that fails to satisfy the conditions hereunder or not to approve a registration application that satisfies the conditions hereunder, where the superior department covers up any illegal registration by the latter, administrative disciplinary measures shall be taken, in accordance with the law, against the primary persons in charge subject to direct liabilities and other personnel subject to direct liabilities of the superior department.

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Article 210 Where an entity not registered as a limited liability company or a company limited by shares in accordance with the law fraudulently names itself as such, or where an entity not registered as a branch company of a limited liability company or a company limited by shares in accordance with the law fraudulently names itself as such, the relevant company registration authority shall order the

entity to make correction or ban the entity, and may concurrently impose thereon a fine of up to RMB 100,000.

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Article 211 Where a company fails to commence business within six months after its establishment without justifiable reasons, or where a company suspends its business for at least six consecutive months at its own discretion after the commencement of business, the relevant company registration authority may revoke its business license.

Where a company fails to go through the formalities for change of registration of the changes in its registered items in accordance with this Law, the relevant company registration authority shall order the company to go through the registration formalities within a specified time limit; if the company fails to do so by the specified deadline, a fine of not less than RMB 10,000 but not more than RMB 100,000 shall be imposed thereon.

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Article 212 Where a foreign company violates this Law and establishes a branch within the territory of China without authorization, the relevant company registration authority shall order the foreign company to make correction or close down the branch, and may concurrently impose thereon a fine of not less than RMB 50,000 but not more than RMB 200,000.

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Article 213 The business license of a company shall be revoked if grave illegalities that endanger State security or prejudice social and public interests are committed in the name of the company.

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Article 214 A company that violates this Law shall bear civil liabilities for compensation and pay relevant fines, and shall, in the event that its property is not sufficient to make all payments, bear civil liabilities for compensation first.

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Article 215 Whoever violates this Law shall be investigated for criminal liabilities pursuant to the law if the violation constitutes a criminal offense.

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Chapter 13: Supplementary Provisions

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Article 216 For the purpose of this Law:

(1) "senior management personnel" shall refer to the manager, vice managers and the person in charge of financial matters of a company, the secretary of the board of directors of a listed company, and any other personnel specified in the articles of association of a company;

(2) "controlling shareholder" shall refer to a shareholder whose capital contribution accounts for 50 percent or more of the total capital of a limited liability company, a shareholder whose shares account for 50 percent or more of the total share capital of a company limited by shares, or a shareholder whose voting rights corresponding to the capital contribution or shares thereof are sufficient to exert a material influence on the resolutions of the shareholders' meeting or the general meeting, despite the fact that the shareholder's capital contribution or shares account for less than 50 percent of the total capital or total share capital;

(3) "actual controller" shall refer to a person who is not a shareholder of a company but who is able to actually control the acts of the company through investment relations, agreements or other arrangements; and

(4) "affiliation" shall refer to the relationship between a controlling shareholder, actual controller, director, supervisor or senior management person of a company with enterprises under the direct or indirect control thereof, or any other relationship that may lead to the transfer of the interests of the company, provided that the enterprises in which the State is the controlling shareholder are not necessarily affiliated to each other solely on the ground that the State controls the shares thereof.

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Article 217 This Law shall be applicable to foreign-invested limited liability companies and companies limited by shares. The provisions otherwise prescribed by the laws on foreign investment shall prevail.

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Article 218 This Law shall come into effect on January 1, 2006.

Special Provisions of the State Council Concerning Issuing and Listing of Shares Overseas by Joint Stock Limited Company

:
Promulgating Institution: State Council

: 160
Document Number: Decree No. 160 of the State Council

: 08/04/1994
Promulgating Date: 08/04/1994

: 08/04/1994
Effective Date: 08/04/1994

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Validity Status: Valid

Article 1 These Provisions are formulated in accordance with the provisions of Article 85 and Article 155 of the Company Law of the People's Republic of China in order to satisfy the needs of issuing and listing of shares overseas by joint stock limited companies.

Article 2 A joint stock limited company may, after being approved by the Securities Commission of the State Council, issue shares to designated or non-designated investors overseas and its shares may be listed overseas.

Listing of shares overseas referred to in these Provisions means the transfer of shares issued to investors overseas by joint stock limited companies on overseas public securities exchanges.

Article 3 The shares issued to overseas investors and listed overseas (hereinafter referred to as foreign capital shares listed overseas) by joint stock limited companies shall be in the form of registered shares, with the face value indicated in Renminbi and subscribed for in foreign currencies.

Listing overseas of foreign capital shares listed overseas may adopt the form of overseas shares depository receipts or other derivative forms of shares.

Article 4 The Securities Commission of the State Council or its supervisory agency, the China Securities Regulatory Commission, may, through mutual understanding or entry into an agreement with overseas securities supervisory agencies, cooperatively supervise the issuing of shares to overseas investors and listing overseas by joint stock limited companies limited by shares.

Article 5 A joint stock limited company wishing to issue shares to overseas investors and list those shares overseas shall, in accordance with the requirements of the Securities Commission of the State Council, submit a written application, together with relevant documents, to the Securities Commission of the State Council for approval.

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Article 6 Where a State-owned enterprise or an enterprise with State-owned assets occupying a dominant position, pursuant to relevant State provisions, is restricted as a joint stock limited company and incorporated by means of sponsorship, which is to issue shares to overseas investors and list those shares overseas, the number of sponsors may be less than five; once the joint stock limited company is incorporated, it may issue new shares.

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Article 7 Shares issued to domestic investors (hereinafter referred to as domestic capital shares) by a joint stock limited company which issue shares to overseas investors and list overseas (hereinafter referred to as a company) shall be in the form of registered shares.

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Article 8 The board of directors of a company may make executive arrangements for the respective issue of shares in respect of the plan of the company to issue foreign capital shares listed overseas and domestic capital shares approved by the Securities Commission of the State Council.

The company's plan for respective issuance of foreign capital shares listed overseas and domestic capital shares pursuant to the provisions of the preceding paragraph may be separately executed within 15 months after the date of approval by the Securities Commission of the State Council.

Article 9 Where a company respectively issues foreign capital shares listed overseas and domestic capital shares within the total amount of shares fixed in a company's issue plan, the shares shall respectively be fully subscribed for at one time. Under special circumstances where the total amount of shares of each issue cannot be subscribed for in full at one time, such shares may, subject to the approval of the Securities Commission of the State Council, be issued in installments.

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Article 10 Where a company fails to have the shares fixed in its issue plan fully subscribed for, it may not issue new shares outside the original issue plan. Where the share issue plan needs to be adjusted, the company's shareholders' general meeting shall make a resolution on the adjustment which, after examination and approval by the company examining and approving department authorized by the State Council, shall be reported to the Securities Commission of the State Council for approval.

The interval between the date of a company's issuance of foreign capital shares listed overseas to increase its capital and the date of the previous issue may be less than 12 months.

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Article 11 Where a company issues foreign capital shares listed overseas within the total amount of shares fixed in the share issue plan, the company may, subject to the approval by the Securities Commission of the State Council, agree with the firm commitment institution in the firm commitment agreement to retain not more than 15% of the intended total amount of foreign capital shares listed overseas to be issued for offer, outside the amount of shares underwritten. The issue of shares retained shall be regarded as part of the total shares issued under the original issue plan.

Article 12 A company's plan for issuing foreign capital shares listed overseas and domestic capital shares company's respectively shall be disclosed completely and exhaustively in the respective prospectus for share offer. Any adjustments to the approved and disclosed issue plan shall be disclosed anew.

Article 13 The Securities Commission of the State Council may, in conjunction with the company examining and approving department authorized by the State Council, formulate provisions relating to certain essential clauses of the company's articles of association.

A company's articles of association shall clearly specify the contents required by the essential clauses of the company's articles of association. A company may not amend or delete the contents of the essential clauses in its articles of association.

Article 14 A company shall specify the term of business operations in the company's articles of association. The term of business operations of a company may be perpetual.

Article 15 The articles of association of a company shall have binding force on the company and its shareholders, directors, supervisors, managers and other senior management personnel.

A company and its shareholders, directors, supervisors, managers and other senior management personnel may, in accordance with the company's articles of association, put in a claim, apply for arbitration or bring a law suit.

Other senior management personnel referred to in the first and second paragraphs of this Article includes persons responsible for the company's financial affairs, the secretaries of the board of directors and other personnel as stipulated in the company's articles of association.

Article 16 Overseas investors who legally hold foreign capital shares listed overseas and whose names are recorded in the register of shareholders of the company shall enjoy the same rights and bear the same obligations as domestic investors who legally hold domestic capital shares listed in the domestic market.

verify the holding of a company's shares by the holders of foreign capital shares listed overseas, unless there is contradictory evidence.

Article 17 A company may, in accordance with the mutual understanding and agreement as referred to in Article 4 of these Provisions, deposit the original copy of the register of shareholders of foreign capital shares listed overseas and entrust an overseas agency for its management. A duplicate copy of the company's register of shareholders of foreign capital shares listed overseas prepared by the overseas agency shall be kept at the business domicile of the company. The entrusted overseas agency shall ensure at any time the consistency of the original and duplicate copies of the register of shareholders of foreign capital shares listed overseas.

Article 18 Where any correction to the original copy of a company's register of shareholders of foreign capital shares listed overseas needs to be based on a judicial ruling, it may be ruled by the court having jurisdiction in the place where the original copy of the register is kept.

Article 19 Where a shareholder of foreign capital shares listed overseas loses his shares and applies for re-issuance of the shares, the case may be handled in accordance with the law or rules of the securities exchanges or other relevant provisions of the place where the original copy of the register of shareholders of foreign capital shares listed overseas is deposited.

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Article 20 In case of convening a shareholders' general meeting, a company shall send a written notice 45 days prior to the commencement of the meeting to all registered shareholders, informing them of the agenda, date and place of the meeting.

Shareholders intending to attend the shareholders' general meeting shall make a written reply to the company 20 days prior to the commencement of the meeting.

The specific forms of the written notice and written reply shall be stipulated by the company in its articles of association.

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Article 21 Where a company convenes an annual shareholders' general meeting, shareholders who hold the company's shares representing more than 5 % of the voting rights may raise new proposals to the company in written form. The company shall include those matters in such proposals which fall under the functions and powers of the shareholders' general meeting into the agenda of the said meeting.

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Article 22 A company shall count the number of voting shares represented by the shareholders intending to attend the meeting based on the written reply received by the company 20 days prior to the date of the shareholders' general meeting. A shareholders' general meeting may be convened as the number of voting shares represented by the shareholders intending to attend the meeting amounts to one half of the total amount of voting shares; if not, the company shall, within 5 days, inform the

shareholders once again by way of public notice which shall include the agenda, date and place of the meeting. A shareholders' general meeting may be convened after a public notice has been made.

Article 23 The directors, supervisors, managers and other senior management personnel of a company shall bear the obligations of fidelity and diligence to the company.

Those personnel mentioned in the preceding paragraph shall abide by the company's articles of association and carry out their duties faithfully, protect the rights and interests of the company, and may not seek personal gains by taking advantage of their positions and powers in the company.

Article 24 A company shall engage an independent accounting firm, which is qualified according to relevant provisions of the State, to audit the annual report of the company and review other financial reports whereof.

A company shall provide relevant information to the engaged accounting firm and answer its inquiries.

The period of engagement of an accounting firm by a company shall commence from the date of conclusion of the current annual shareholders' general meeting and end at the conclusion of the subsequent annual shareholders' general meeting.

Article 25 A company shall inform the accounting firm in advance when disengaging or not re-engaging the firm. The accounting firm shall have the right to state its opinions on the matter to the shareholders' general meeting.

An accounting firm shall, when resigning from the engagement, make a statement to the shareholders' general meeting whether or not there is anything inappropriate in respect of the company.

Article 26 The engagement, disengagement or non re-engagement of an accounting firm by a company shall be decided by the shareholders' general meeting and reported to the China Securities Regulatory Commission for the record.

Article 27 Dividends or other payments which are to be paid by the company to the shareholders of the company's foreign capital shares listed overseas shall be calculated and declared in Renminbi and paid in foreign currencies. The exchange settlement of the capital raised by a company in foreign currencies and the foreign exchange needed by a company to pay share dividends and make other payments to its shareholders shall be handled in accordance with the provisions of the State relating to foreign exchange control.

Where the articles of association of a company provide that the aforesaid payments shall be converted into foreign currencies and paid to shareholders by other agencies on the company's behalf, the case may be handled according to the provisions of the company's articles of association.

Article 28 The contents of the documents prepared by a company to disclose relevant information published within and outside the territory of China shall not be contradictory.

Where there are discrepancies between the information disclosed within and outside the territory of China or those between the information disclosed in different foreign countries and regions due to respective laws and statutory regulations, rules of the securities exchanges, such discrepancies shall be disclosed in the relevant securities exchanges simultaneously.

Article 29 Disputes in relation to the contents of a company's articles of association and other matters between the shareholders of foreign capital shares listed overseas and the company, between the shareholders of foreign capital shares listed overseas and the company's directors, supervisors and managers, or between the shareholders of foreign capital shares listed overseas and shareholders of domestic capital shares shall be resolved in accordance with the provisions of the company's articles of association.

The settlement of disputes mentioned in the preceding paragraph shall apply the laws of the People's Republic of China.

Article 30

Official Reply of the State Council regarding Adjusting the Application of Provisions to Matters Including the Notice Period for Convention of Shareholders' Meetings by Overseas Listed Companies

国务院关于调整适用在境外上市公司召开股东大会通知期限等事项规定的批复
Official Reply of the State Council regarding Adjusting the Application of Provisions to Matters Including the Notice Period of Overseas Listed Companies for Convening Shareholders' Meetings

(No. 97 [2019] of the State Council)

China Securities Regulatory Commission:

Your Request for Adjusting the Application of Provisions to Matters Including the Notice Period of Overseas Listed Companies for Convening a Shareholders' Meeting (No. 71 [2019], CSRC) has been received. The following official reply is hereby put forward:

It is approved that, for those joint stock companies registered in China but listed outside China, the requirements for the notice period for convening a shareholders' meeting, shareholders' proposal right, and the procedures for convening a shareholders' meeting shall be collectively governed by the relevant provisions of the Company Law of the People's Republic of China, and no longer be governed by the provisions of Article 20 through Article 22 of the Special Provisions of the State Council on the Overseas Offering and Listing of Shares of Joint Stock Companies.

State Council

October 17, 2019

**The Mandatory Provisions for Articles of Association of
Companies to Be Listed Overseas**

Promulgating Institution:	但利 China Securities Regulatory Commission; 别别 Securities Committee of the State Council
只 Document Number:	[1994]21 只 Zheng Wei Fa [1994] No. 21
Promulgating Date:	08/27/1994 08/27/1994
Effective Date:	08/27/1994
Validity Status:	Valid

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Chapter I General Provisions

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Article 1"The company" refers to the company limited by shares established in accordance with the Company Law of the People's Republic of China (hereinafter referred to as the Company Law), the Special Provisions of the State Council concerning Public offering and Listing of Shares Overseas by Companies Limited by Shares (hereinafter referred to as the Special Provisions) and other laws and administrative regulations of the State.

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Subject to approval by [name of approval authority and documents of approval], the company is established on [date of establishment] by way of promotion [or public share offer] and registered with [name of the place where the company registration authority is located] administration for industry and commerce on [date of registration], and has obtained a business license.

The number of the company's business license is: [number].

The promoters of the company are: [full names of the promoters].

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Article 2 The registered name of the company: [full name in Chinese] and [full name in English].

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Article 3 The company's address: [full details of the company address, post code, telephone number(s) and telex number].

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Article 4 The legal representative of the company is the chairman of the board of directors of the company.

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Article 5 The duration of operations of the company is [number] of years, [or the company is a perpetual company limited by shares].

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Article 6 The Articles of Association of the company shall take effect from the date of the company's establishment.

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Once the Articles of Association have taken effect, it shall become a legally binding document to regulate the organization and activities of the company and the rights and obligations between the company and its shareholders and among its shareholders.

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Article 7 The Articles of Association of the company shall be binding on the company and its shareholders, directors, supervisors, managers and other senior officers, and the aforesaid personnel shall be entitled to assert their rights on matters in relation to the company in accordance with the Articles of Association of the company.

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A shareholder may take any legal action against the company in accordance with the Articles of Association of the company; the company may take any legal action against a shareholder in accordance with the Articles of Association of the company; a shareholder may take any legal action against other shareholders in accordance with the Articles of Association of the company; a shareholder may take any legal action against a director, supervisor, manager or other senior officers in accordance with the Articles of Association of the company.

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"Take legal action" as mentioned in the preceding paragraph shall include the filing of a lawsuit with the court or the filing of an application for arbitration with an arbitral body.

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Article 8 The company may invest in other limited liability companies or companies limited by shares and shall assume an amount of liability toward the invested company equivalent to the amount of the investment.

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Subject to approval by the company examination and approval authority authorized by the State Council, the company may, according to the requirements of business management, operate as a holding company as stated in paragraph 2 of Article 12 of the Company Law.

Chapter II Purpose and Scope of Business

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Article 9 The company's business purpose is: [details of the purpose].

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Article 10 The scope of business of the company shall be based on the projects examined and approved by the company registration authority.

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The scope of business in which is primarily engaged by the company shall include [projects examined and approved by the company registration authority].

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The scope of business in which is concurrently engaged by the company shall include [projects examined and approved by the company registration authority].

Chapter III Share and Registered Capital

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Article 11 The company may, at any time, issue ordinary shares; the company may, in accordance with the requirements of and subject to approval by the company examination and approval authority authorized by the State Council, issue other categories of shares.

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Article 12 Shares issued by the company shall have a face value. The face value of each share shall be CNY1 yuan.

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Article 13 Subject to approval by the competent securities department of the State Council, the company may issue shares to domestic and foreign investors.

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The term "overseas investors" as mentioned in the preceding paragraph shall refer to investors from foreign countries or from Hong Kong, Macao and Taiwan who purchase shares issued by the company; The term "domestic investors" as mentioned in the preceding paragraph shall refer to investors within the territory of the People's Republic of China other than the aforesaid regions who purchase shares issued by the company.

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Article 14 Shares issued by the company in CNY to domestic investors shall be called domestic shares. Shares issued by the company in foreign currency to foreign investors shall be called foreign shares. Foreign shares which are listed overseas shall be called foreign shares to be listed overseas.

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Article 15 Subject to approval by the company examination and approval authority authorized by the State Council, the company may issue a total number of [number of shares] ordinary shares, with [number of shares] shares already issued to promoters at the time of the company's establishment, which constitutes [percentage]% of the total ordinary shares to be issued by the company.

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Article 16 After its establishment, the company will issue [number of shares] ordinary shares, including no less than [number of shares] and no more than [number of shares] foreign shares to be listed overseas, and which constitutes a total of [percentage]% of shares to be issued as ordinary shares by the company and [number of shares] domestic shares to be issued to the general public.

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The share capital structure of the company is: [number of shares] ordinary shares, of which [number of shares] are held by the promoters [name and title of each promoter], [number of shares] held by other domestic shareholders and [number of shares] held by holders of foreign shares to be listed overseas.

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Article 17 Where the company has a scheme approved by the competent securities department of the State Council for issuing foreign shares to be listed overseas and domestic shares, the board of directors of the company may implement arrangements to make separate issue.

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A scheme for the separate issue of foreign shares to be listed overseas and domestic shares prepared by the company in accordance with the preceding paragraph may be implemented separately within fifteen (15) months of the date on which the issue scheme is approved by the Securities Commission of the State Council.

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Article 18 If the company separately issues foreign shares to be listed overseas and domestic shares within the total amount of shares fixed in the company's issue scheme, foreign shares to be listed overseas and domestic shares shall separately be offered in full at one time. Under special circumstances, where the total amount of shares in each issue cannot be entirely offered in full at one time, such shares may, subject to approval by the Securities Commission of the State Council, be issued in installments.

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Article 19 The registered capital of the company is [amount of capital] yuan.

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Article 20 The company may, in accordance with the requirements of its business operation and development, increase its capital with approval as stipulated in the company's Articles of Association.

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The company may adopt the following methods to increase its capital:

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1. Offering new shares to non-designated investors;

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2. Conduct a rights issue of new shares to existing shareholders;

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3. Conduct a bonus issue of new shares to existing shareholders; and

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4. Other methods permitted by laws and administrative regulations.

Where the company has increased its capital through a new share issue with approval as stipulated in the company's **Articles** of Association, the matter shall be handled in accordance with the procedures as stipulated in relevant State laws and administrative regulations.

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Article 21 Except as otherwise provided in laws and administrative regulations shares of the company may be subject to free assignment and shall have no lien attached.

Chapter IV Reduction of Capital and Buy-back of Shares

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Article 22 In accordance with the provisions of its **Articles** of Association, the company may reduce its registered capital.

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Article 23 When reducing its registered capital, the company must prepare a balance sheet and an inventory of property.

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Within ten (10) days of the date on which the resolution on reducing registered capital is made, the creditors shall be notified by the company and a public announcement shall be made in the press three (3) times within thirty (30) days. A creditor shall, within thirty (30) days of receipt of such a notice or within ninety (90) days of the first public announcement where the creditor has not received the notice, have the right to require the company to settle its claim or provide a relevant debt repayment guarantee.

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The registered capital after its reduction shall not be less than the statutory minimum amount.

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Article 24 In any of the following circumstances, the company may buy back the issued and outstanding shares in accordance with procedures stipulated in the company's **Articles** of Association and after the approval of the relevant competent authority of the State:

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1. Where shares are cancelled in order to reduce its capital;

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2. Where the company merges with other companies which hold the company's shares;

or

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3. Other circumstances permitted in laws and administrative regulations.

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Article 25 Subject to approval by the relevant competent authority of the State, any of the following methods may be adopted to buy back shares:

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1. Issuing a buy back offer to all shareholders according to an equal proportion;

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2. Buying back share by way of open trading at a stock exchange; or

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3. Buying back share by way of an agreement outside the stock exchange.

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Article 26 When the company buys back shares by means of an agreement outside a stock exchange, the approval of shareholders' meeting must be obtained in advance in accordance with the provisions of the company's Articles of Association. Subject to advance approval by the meeting of shareholders to buy back shares through means of an agreement, the company may rescind or modify the contracts which have already been concluded through the procedure described above or waive any rights stipulated in those contracts.

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The aforesaid share buy-back contract shall include (but not be limited to) agreements to bear the obligation of buying back shares and to obtain share buy-back rights.

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The company shall not transfer a contract for the buy back of its shares, nor assign any rights stipulated in the contract.

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Article 27 After buying back shares in accordance with the law, the company shall, within the period of time stipulated by laws and administrative regulations, cancel that portion of shares and shall apply with the original company registration authority to make registrations for the change of registered capital.

The total face value of the cancelled shares shall be offset against the registered capital of the company.

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Article 28 For companies listed in Hong Kong, the following content shall be included in the company's **Articles** of Association.

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Unless the company has already entered into liquidation, the company shall

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(1) Where the bought back shares are issued at face value, the funds shall be deducted from the book balance of the distributable profits;

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(2) Where the bought back shares are issued at a price in excess of their face value, the funds expended shall be deducted from the book balance of distributable profits and proceeds derived from the issue of new shares for the buy back of old shares; however, the amount deducted from the proceeds derived from the issue of new shares shall not exceed the total premium on the bought back old shares at the time when those shares were issued, and shall not exceed the amount (including the premium on the issue of new shares) in the premium account [or capital accumulation fund account] at the time of buying back of those shares.

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3. Funds used for any of the following purposes shall be withdrawn from distributable profits of the company:

(1) .

(1) Obtaining buy back rights for the buying back of shares;

(2) .

(2) Amending the share buy back contract; or

(3)

(3) Canceling the obligations in the share buy-back contract.

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4. After the total face value of cancelled shares has been offset against the registered capital of the company pursuant to relevant regulations, the amount spent on buying back the face value of shares which can be deducted from the distributable profits shall be charged to the premium account [or capital accumulation fund account] of the company.

Chapter V Financial Aid for the Purchase of the Company's Shares

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Article 29 The company or its subsidiaries shall not be permitted at any time in any means to provide any financial aid to any parties buying or intending to buy the company's shares. The aforesaid parties buying the company's shares shall include parties who directly or indirectly assume obligations because of the purchase of the company's shares.

The company or its subsidiaries shall not be permitted at any time in any means to provide financial aid to the aforesaid obligated parties in order to reduce or cancel their obligations.

The provisions of this Article shall not apply in any of the circumstances described in Article 31 of this Chapter.

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Article 30 For the purposes of this Chapter, financial aid shall include (but not be limited to) the following:

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1. Giving a gift;

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2. Providing a guarantee (including an undertaking by the guarantor to bear liability or the guarantor providing property in order to ensure that the obligor fulfils an obligation), making compensation (but not including such compensation made due to the company's own fault), canceling or waiving rights;

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3. Providing loans or concluding a contract which stipulates that the company assumes obligations ahead of another party, changing the parties to these loans or contracts, or assigning rights pertaining to these loans or contracts; and

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4. Providing financial aid through any other means when the company is unable to repay its debts, has no net assets or in circumstances likely to lead to a heavy reduction in net assets.

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For the purposes of this Chapter, the phrase "assumes obligations" shall include an act whereby the obligor assumes obligations as a result of entering into a contract or making an arrangement (regardless of whether or not that contract or arrangement can be compulsorily enforced, or regardless of whether or not the obligor assumes obligations itself or jointly with others), or changing its financial position through any other means.

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Article 31 The following acts shall not be regarded as those prohibited by **Article 29** of this Chapter:

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1. Financial aid honestly provided by the company for the company's interests and where the main aim of such financial aid is not the purchase of the company's shares, or where the said financial aid is an incidental part of a certain overall plan of the company;

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2. The company uses its property as dividends for distribution in accordance with the law;

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3. Dividends distributed in the form of shares;
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4. Reducing registered capital, buying back shares or adjusting equity structure in accordance with the company's **Articles** of Association;
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5. Providing loans for its normal business operations within its scope of the business (however, this shall not result in a reduction of the company's net assets, or, where there is a reduction in its net assets, the financial aid is made from the company's distributable profits); and
() 中 (一 决 凭)
6. Providing loans to enable employees to hold shares (however, this shall not result in a reduction of the net assets of the company, or, where there is a reduction in its net assets, the financial aid is made from the company's distributable profits).

Chapter VI Share Certificates and Register of Shareholders

Article 32 The share certificates of the company shall adopt the form of registered share certificates.

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In addition to the items which shall be specified on a share certificate of the company as stipulated in the Company Law, other items as required by the stock exchange where the company's shares are listed shall also be included.

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Article 33 A share certificate shall be signed by the chairman of the board of directors. If the stock exchange on which the company's shares are listed requires other senior officers to sign the share certificates, a share certificate shall also be signed by those senior officers. A share certificate shall only become valid after it is affixed with the company seal or with the company seal in a printed format. Printed format may also be adopted for the signature of the chairman of the board of directors or other senior officers on a share certificate.

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Article 34 A register of shareholders shall be established by the company to record the following items:

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1. The name (or title), address (or residence) and occupation or nature of each shareholder;

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2. The type and amount of shares held by each shareholder;
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3. The amount paid for or amount payable for shares held by each shareholder;
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4. The serial numbers of shares held by each shareholder;
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5. The date on which each shareholder is registered as a shareholder; and
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6. The date on which each shareholder ceases to be a shareholder.
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The register of shareholders shall be sufficient evidence to verify that a shareholder holds company shares, except where evidence to the contrary exists.

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Article 35 In accordance with the mutual understanding and agreement reached between the competent securities department of the State Council and an overseas securities regulatory authority, the original copy of the company's register of shareholders holding foreign shares listed overseas may be kept overseas and managed by an overseas agency entrusted by the company. A duplicate copy of the company's register of shareholders holding foreign shares listed overseas shall be kept at the residence of the company. The entrusted overseas agency shall ensure the consistency of the original and duplicate copies of the register of shareholders of foreign shares listed overseas at all times.

If a duplicate copy is inconsistent with the original of the register of shareholders holding foreign shares listed overseas, the original copy shall prevail.

Article 36 The company shall maintain a complete register of shareholders.

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A register of shareholders shall consist of the following details:

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1. The register of shareholders other than those stipulated in items 2 and 3 of this paragraph to be kept at the residence of the company;

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2. The company's register of shareholders who hold foreign shares listed overseas to be kept at the location of the overseas stock exchange on which the company's foreign shares are listed; and

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3. The register of shareholders to be kept in another place designated by the board of directors so as to meet the requirements for listing of the company's shares.

Article 37 There shall be no overlap between the various parts of the register of shareholders. In the event of assignment of shares registered in a certain part of the register of shareholders, those shares shall not be registered in another part of the register of shareholders during the period of time in which their registration is maintained in the other part of the register.

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Modification or correction of any part of a register of shareholders shall be carried out in accordance with the laws of the places where those parts of the register of shareholders are kept.

Article 38 The procedures for registering any modification of a register of shareholders resulting from an assignment of shares shall not be gone through within thirty (30) days of the commencement of a shareholders' meeting or within five (5) days before the date on which dividends are to be distributed as decided by the company.

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Article 39 When convening a shareholders' meeting, distributing dividends, making liquidation or conducting other activities involving the confirmation of stock equity, the board of directors of the company shall fix a certain date as the stock equity confirmation date. At the end of the stock equity confirmation date, shareholders registered in the register of shareholders shall be the company's shareholders.

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Article 40 Any party which raises an objection to a register of shareholders and requires its name (or title) to be registered in the register of shareholders or requires its name (or title) to be deleted from the share of register may apply to the court having jurisdiction to amend that register of shareholders.

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Article 41 Any shareholder registered in the register of shareholders or any party who requires its name (or title) to be registered in the register of shareholders may apply with the company for reissue of share certificates (i.e. "relevant share certificates" if its share certificates (i.e. "original share certificates") have been lost. In the case of a domestic shareholder losing its share certificate and applying for reissue of share certificate, this shall be handled in accordance with the provisions of Article 150 of the Company Law.

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If a holder of foreign shares listed overseas losing its share certificate and applying for reissue of share certificate, this shall be handled in accordance with the law of the place where the original register of foreign shareholders is kept with the rules of the stock exchange or other relevant regulations.

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If a holder of foreign shares listed in Hong Kong has lost its share certificate and applies for reissue of share certificate, the reissue of share certificate shall be in compliance with the following requirements:

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1. The applicant shall lodge an application according to the standard format designated by the company and shall attach a notarial certificate or statutory statement document. The contents of the notarial certificate or statutory statement document shall include reasons for the application, details and evidence of the loss of the share certificate and a statement that no other party can request the registration of such shares as a shareholder;

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2. No declaration has been made by any party other than the applicant requesting the registration of those shares as a shareholder before the company makes a decision on reissue of share certificate;

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3. Where the company decides to make reissue of share certificate, a public announcement of the intended reissue of the share certificate shall be published in the newspaper(s) designated by the board of directors; the period for a public announcement shall be ninety (90) days and the public announcement shall be republished at least once every thirty (30) days;

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4. Before the publication of a public announcement on the intended reissue of the share certificate, a duplicate copy of the public announcement to be published shall be submitted to the stock exchange on which the company's shares are listed. The public announcement may then be published after receipt of a reply from the stock exchange confirming the display of the public announcement in the stock exchange has occurred. The period for display of a public announcement in the stock exchange shall be ninety (90) days.

If an application for the reissue of the share certificate is made without the consent of a shareholder registered in the register of shareholders who holds the relevant shares, the company shall send a copy of the public announcement to be published to the shareholder concerned;

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5. Upon the expiration of the ninety (90) day period for a public announcement or display as stipulated in items 3 and 4 of this Article and where no objection to reissue of the share certificate has been raised by any party, the new share certificate may be issued pursuant to the application.

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6. When making reissue of the share certificate pursuant to the provisions of this **Article**, the company shall promptly cancel the original share certificate and shall record such cancellation and reissue of the share certificate on the register of shareholders; and

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7. All expenses incurred by the company in the cancellation of the original share certificate and the reissue of the share certificate shall be borne by the applicant. The company shall have the right to refuse to take any action before an applicant provides a reasonable guarantee.

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Article 42 After a new share certificate has been issued by the company in accordance with the provisions of the **Articles** of Association, a good faith purchaser who obtains the said new shares or a shareholder (if a good faith purchaser) who later registers as owners of the said shares shall not have its name (or title) deleted from the register of shareholders.

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Article 43 The company shall not bear liability to compensate for any loss incurred by any party as a result of cancellation of the original share certificate or issue of the new share certificate unless the party concerned can prove that the company has committed fraud.

Chapter VII Rights and Obligations of Shareholders

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Article 44 The shareholders of the company shall be the parties who legally hold the company's shares and whose names (or titles) have been registered on the register of shareholders.

A shareholder shall enjoy rights and assume obligations according to the category and quantity of shares held; holders of the same type of share shall enjoy equal rights and assume equal obligations.

Article 45 A holder of ordinary shares of the company shall have the following rights:

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1. To receive dividends and beneficial distributions in other forms according to the quantity of shares held;

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2. To attend or entrust an proxy to attend shareholders' meetings and to exercise voting rights;

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3. To supervise and manage business activities of the company and to give suggestions or make inquiries;

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4. To assign shares pursuant to the provisions of laws, administrative regulations and the company's **Articles** of Association;

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5. To obtain information pursuant to the provisions of the company's **Articles** of Association including:

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(1) Obtaining a copy of the company's **Articles** of Association after payment of cost;

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(2) The right to inspect or copy the following materials after a reasonable fee has been paid:

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A. All parts of the register of shareholders;

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B. Personal information concerning directors, supervisors and other senior officers of the company, including:

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(a) Their current and previous names and/or alternative names;

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(b) Their principal address (residence);

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(c) Their nationality;

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(d) Their full-time position and/or other concurrent positions and posts;

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(e) Their ID documentation and numbers.

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C. company share capital position;

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D. Reports on the total face value and quantity of each type of share bought back by the company since the previous financial year, the highest buying price and the lowest buying price for such shares, and the total expenses incurred thereon;

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E. minutes of shareholders' meetings.

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6. To participate in, upon the company's termination or liquidation, the distribution of the company's remaining assets according to the quantity of shares held; and

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7. Other rights granted in laws, administrative regulations and the company's **Articles** of Association.

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Article 46 A holder of ordinary shares of the company shall assume the following obligations:

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1. To abide by the company's **Articles** of Association.

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2. To pay funds according to the quantity of subscribed shares and the method of subscription;

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3. Other obligations which shall be assumed as provided by laws, administrative regulations and the company's **Articles** of Association.

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Apart from the conditions accepted at the time of subscribing to shares, a shareholder shall not bear liability for any additional share capital.

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Article 47 In addition to obligations as required by laws, administrative regulations or the listing rules of the stock exchange on which the company's shares are listed, a controlling shareholder when exercising its shareholding rights shall not exercise its voting rights to make decisions on the following matters which harm the interests of all or some shareholders:

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1. To exempt a director or supervisor from his/her responsibility for acting in good faith for the best interests of the company;

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2. To approve the expropriation of the company's property by a director or supervisor (for his/her own interests or another's interests) through any means including (but not limited to) any opportunity which is beneficial to the company; or

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3. To approve the divestment of other shareholders' individual rights and interests by a director or supervisor (for his/her own interests or another's interests), including (but not limited to) any distribution rights and voting rights, but not including where the matter is submitted to the shareholders' meeting for adoption in accordance with the company's Articles of Association that there be reorganization of the company.

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Article 48 A controlling shareholder as stated in the preceding **Article** shall be a person who meets any of the following requirements:

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1. When taking independent action or acting in unison with others, the shareholder can elect a majority of directors;

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30% 付 (30%) .

2. When taking independent action or acting in unison with others, the shareholder exercises more than 30% (inclusive) of the company's voting rights or control the exercise of more than 30% (inclusive) of the company's voting rights;

() 力 30% 付 (30%) .

3. When taking independent action or acting in unison with others, the shareholder holds more than 30% (inclusive) of the company's issued and outstanding shares; or

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4. When taking independent action or acting in unison with others, the shareholder has actual control over the company in other ways.

Chapter VIII Shareholders' Meetings

Article 49 Shareholders' meeting is an authority of the company and shall exercise its powers in accordance with the law.

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Article 50 A shareholders' meeting shall exercise the following powers:

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1. To determine the company's business policies and investment plans;

() . 2. To elect and replace directors and determine matters concerning the remuneration of directors;

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3. To elect and replace supervisors who are representatives of shareholders and determine the remuneration of those supervisors;

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4. To deliberate and approve reports compiled by the board of directors;

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5. To deliberate and approve reports compiled by the board of supervisors;

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6. To deliberate and approve the company's annual budget and final accounting plans;
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7. To Board of Supervisors the company's profit distribution and loss recovery plans;
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8. To pass resolutions on matters such as increase or reduction of the company's registered capital;
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9. To pass resolutions on matters such as the consolidation, division, dissolution or liquidation;
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10. To pass resolutions on the issue of corporate bonds;
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11. To pass resolutions on matters such as engagement, dismissal or cease of engagement of the accounting firm;
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12. To amend the company's Articles of Association;
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13. To deliberate proposals submitted by the shareholders who represent more than 5% (including 5%) of the company's shareholders with voting rights; and
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14. Other matters on which the shareholders meeting shall make resolutions as provided by laws, administrative regulations and the company's Articles of Association.

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Article 51 Without the prior approval of a shareholders' meeting, the company shall not enter into a contract with a person other than a director, supervisor, manager or any other senior officer by which the responsibility for the management of all business or important business of the company is given to that person.

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Article 52 Shareholders' meetings shall be separated into annual and interim meetings. A shareholders' meeting shall be convened by the board of directors. Annual shareholders' meetings shall be convened once each year within six (6) months after the end of the previous fiscal year.

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The board of directors shall convene an interim shareholders' meeting within two (2) months in any of the following circumstances:

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1. Where the number of directors does not meet the number specified in the Company Law or is less than two-thirds of the number required in the **Articles** of Association of the company;

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2. Where the company's losses which have not yet been offset account for one-third of the total amount of actual share capital;

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3. Where shareholders holding more than 10% (including 10%) of the issued and outstanding shares of the company with voting rights make a written request for the convocation of an interim shareholders' meeting; or

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4. Where the board of directors believes it is necessary to hold an interim shareholders' meeting or the board of supervisors proposes that an interim shareholders' meeting be convened.

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Article 53 When convening a shareholders' meeting, written notification shall be made to the shareholders registered in the register of shareholders forty-five (45) days before the convocation of the meeting of those matters to be discussed at the meeting and the date and location of the meeting. Shareholders intending to attend the shareholders' meeting shall send their written reply to the company twenty (20) days before the convocation of the meeting.

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Article 54 When convening an annual shareholders' meeting, shareholders with more than 5% (inclusive) of the company's total shares with voting rights shall be entitled to make new proposals in writing to the company. Matters mentioned in proposals which are within the scope of the powers of the shareholders' meeting shall be included in the meeting agenda.

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Article 55 The company shall, based on the written replies received twenty (20) days before the commencement of the shareholders' meeting, calculate the shares with voting rights held by those shareholders intending to attend the meeting. A shareholders' meeting may be convened if those shareholders intending to attend have more than half of the company's shares with voting rights; if not, the company shall, within five (5) days, notify the shareholders once again through public announcement of those matters to be discussed at the meeting, and the date and location of the meeting. The company may convene the shareholders' meeting only after such public announcement has been made.

An interim shareholders' meeting shall not make a decision on matters which were not included in the notice.

Article 57 A notice of a shareholders' meeting shall be sent to shareholders (regardless of whether or not they have voting rights) by personal delivery or pre-paid mail. The addresses registered in the register of shareholders shall be the addresses used. For domestic shareholders, a notice of a shareholders' meeting may be made through public announcement.

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The aforesaid public announcement shall, within forty-five (45) to fifty (50) days before the commencement of the meeting, be published in one or more newspapers designated by the competent securities department of the State Council. Once a public announcement has been made, this shall be regarded as notice received by all domestic shareholders.

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Article 58 In the event of failure to send the notice of shareholders' meeting due to accidental omission to a certain person who has the right to obtain the notice or where the person fails to receive the notice, the meeting and resolutions passed at that meeting shall not become invalid as a result thereof.

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Article 59 Any shareholder who has the right to attend a shareholders' meeting and the right to vote shall have the right to entrust one or more persons (such persons need not be shareholders) as a proxy to attend the meeting and to exercise voting rights. An proxy of a shareholder may exercise the following rights according to the scope of authority entrusted by the shareholder:

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1. The shareholder's right to speak at the shareholders' meeting;

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2. The right to request, alone or in conjunction with others, that a matter be decided through a ballot vote; and

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3. The right to vote by a show of hands or by ballot; however, if more than one person has been entrusted as proxies, such proxies shall only be permitted to exercise the right to vote by ballot.

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Article 60 A shareholder shall use written form when entrusting a proxy. The letter of proxy shall be signed by the principal or the proxy entrusted by the principal in writing. If a principal is a corporation, the letter of proxy shall be affixed with the seal of the corporation or shall be signed by its director or the officially entrusted proxy.

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Article 61 A letter of proxy for voting shall be received and kept at the company's premises or at another place designated in the notice of the meeting at least twenty-four (24) hours prior to commencement of the relevant meeting or before the designated time of voting. If a letter of proxy is signed by another party as authorized by the principal, a power of attorney to sign the letter of proxy or other document of authorization shall be subject to notarization. The notarized power of attorney or other authorization document shall be kept with the letter of proxy at the company's premises or other place as stipulated in the notice of meeting.

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If the principal is a corporation, its legal representative or any person authorized by its board of directors or other decision-making department shall be the representative to attend shareholders' meetings of the company.

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Article 62 Any format of a letter of proxy issued by the board of directors used in appointing an proxy on behalf of a shareholder shall allow the shareholder to freely choose to instruct that proxy as to whether or not to make an affirmative or negative vote and to give instructions respectively on matters to be decided by vote at the meeting. A letter of proxy shall clearly state that if a shareholder does not give instructions, the proxy may vote according to his/her judgment.

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Article 63 Where the principal dies before voting, loses the capacity to act, withdraws a letter of proxy, withdraws the power of attorney to sign a letter of proxy or if the relevant shares have been assigned, and if the company has not received a written notice concerning this matter prior to commencement of the relevant meeting, a vote made by the shareholder's proxy according to the letter of proxy shall remain valid.

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Article 64 Resolutions of shareholders' meetings shall be divided into ordinary and special resolutions.

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An ordinary resolution at a shareholders' meeting shall require the approval of more than half of the voting rights of shareholders (including their proxies) who are present at the meeting in order to be valid.

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A special resolution at a shareholders' meeting shall require the approval of a two-third majority of the voting rights of shareholders (including their proxies) who are present at the meeting in order to be valid.

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Article 65 When voting at a shareholders' meeting, a shareholder (including the proxy of a shareholder) shall exercise voting rights according to the number of shares held. Each share held shall represent one voting right.

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Article 66 A shareholders' meeting shall make a decision on resolutions through a vote by a show of hands except where it is required either before or after they show of hands by the following personnel that a resolution be passed through a ballot vote:

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1. The chairman of the meeting;

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2. At least two 2 shareholders with voting rights or two 2 proxies of shareholders with voting rights;

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3. One or more shareholders (including proxies of shareholders) with more than 10% (inclusive) of shares with voting rights calculated alone or in consolidation present at the meeting.

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Unless a party requires that a resolution on a matter be passed through vote by ballot, the chairman of the meeting shall, based on the result of a vote by a show of hands, declare the result of the vote on a proposal and this shall be recorded in the minutes of the meeting as the final basis. It is not necessary to certify the number of affirmative or negative votes or the percentages of each.

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A request for a ballot vote may be withdrawn by the party which makes the request.

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Article 67 If it has been required that a decision to elect the chairman of the meeting or to stop the meeting be made through a ballot vote, the ballot vote shall be promptly conducted. In relation to other matters to be decided through vote by ballot as required, the chairman shall decide when the ballot vote shall be conducted. The meeting may then be continued and other matters discussed. The results of the vote shall be regarded as a resolution passed by the meeting.

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Article 68 When voting by ballot, a shareholder (including the proxy of a shareholder) with two (2) or more voting rights need not cast all of their voting rights as affirmative or negative votes.

Article 69 Should there be a tie between negative and affirmative votes on a matter, the chairman of the meeting shall have the right to cast another vote, regardless of whether or not it is a vote by show of hands or by ballot.

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Article 70 The following matters shall be passed through ordinary resolutions at a shareholders' meeting:

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1. Work reports of the board of directors and the board of supervisors;
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2. Profit distribution plan and loss recovery plan prepared by the board of directors;
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3. Dismissal of members of the board of directors and the board of supervisors and forms of their remuneration and payment methods;
- () .
4. The company's annual budget and financial accounting reports, balance sheet, profit and loss statements and other financial statements; and
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5. Matters other than those which shall be passed through special resolutions as provided by laws, administrative regulations or the company's **Articles** of Association.

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Article 71 The following matters shall be passed through special resolutions at a shareholders' meeting:

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1. Company share capital increase and reduction, and the issue of any types of share, share certificate subscription and other similar securities;

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2. The issue of corporate bonds;

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3. Company division, consolidation, dissolution and liquidation;

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4. Amendments to the company's **Articles** of Association; and

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5. Other matters which are deemed by the shareholders' meeting to have a major impact on the company and where it is passed by ordinary resolution at the shareholders' meeting that the matter be resolved by special resolution.

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Article 72 Shareholders who require the convocation of an interim shareholders' meeting or a meeting of a certain category of shareholders shall do so in accordance with the following procedures:

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1. Two (2) or more shareholders with a total of more than 10% (inclusive) of shares with voting rights at the meeting to be convened may sign one or more written request in the same format and with the same content to the board of directors to convene an interim shareholders' meeting or category shareholders' meeting and which shall also specify the meeting's agenda. After receiving the aforesaid written request, the board of directors shall promptly convene an interim shareholders' meeting or category shareholders' meeting. The aforesaid number of shares held by shareholders shall be calculated at the date on which the written request is made.

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2. If the board of directors fails to issue the notice of convening a meeting within thirty (30) days after receiving the aforesaid written request, the shareholder who makes the request may convene the meeting within four (4) months after the board of directors received that request. The procedures for convening such a meeting shall be, as much as possible, the same as the procedures for convening a shareholders' meeting by the board of directors. In the case of shareholders organizing the convocation of a meeting as a result of the failure of the board of directors to convene a meeting as requested above, reasonable expenses incurred on the meeting shall be borne by the company and shall be deducted from the money payable to those directors who were negligent in the performance of their duties.

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Article 73 The chairman of the board of directors shall convene a shareholders' meeting and serve as the chairman of the meeting. If the board chairman is unable to attend the meeting, the vice-chairman of the board of directors shall convene the meeting and serve the chairman of the meeting. If, for some reason, both the chairman and the vice-chairman are unable to attend the meeting, the board of directors may designate a director of the company to convene the meeting and to preside over the meeting on his behalf. If no chairman of the meeting is designated, shareholders at the meeting may elect a chairman. Where shareholders are unable, for any reason, to elect a chairman of the meeting, the shareholder who holds the majority of shares with voting rights shall be the chairman of the meeting (including a proxy of a shareholder).

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Article 74 The chairman of a meeting shall be responsible for making a decision on whether or not resolutions at the meeting have been passed. Decisions made shall be final and shall be declared at the meeting and recorded in the minutes of the meeting.

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Article 75 If the chairman of a meeting has any doubts as to the results of any resolutions submitted for voting at the meeting, the chairman may count the number of the votes; if the chairman of the meeting does not count the votes and a shareholder or an proxy of a shareholder attending the meeting objects to a result declared by the chairman of the meeting, the shareholder or proxy shall have the right to request a re-count of votes followed by an immediate declaration; the chairman of the meeting shall promptly count the votes.

Article 76 The result of vote counting at a shareholders' meeting shall be recorded in the minutes of the meeting.

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Minutes of a shareholders' meeting and the register of shareholders attending the meeting and letters of proxy shall be kept at the company's premises.

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Article 77 A shareholder may inspect the copy of the minutes of a shareholders' meeting free of charge during the business hours of the company. If a shareholder asks for a copy of the minutes of a shareholders' meeting from the company, the company shall send a copy to that shareholder within seven (7) days after receipt of a reasonable fee.

Chapter IX Special Procedures for Voting by Categories of Shareholders

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Article 78 Shareholders holding different categories of shares shall be regarded as different categories of shareholders.

The various categories of shareholders shall enjoy rights and assume obligations in accordance with laws, administrative regulations and the company's **Articles** of Association.

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Article 79 If the company intends to change or abolish the rights of a category of shareholders, this shall be subject to adoption of a special resolution proposed at a shareholders' meeting and at a meeting of that category of shareholder concerned, according to the provisions of Articles 81 to 85 hereof respectively.

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Article 80 In any of the following situations, the rights of a certain category of shareholders shall be regarded as having been changed or abolished:

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1. Increasing or reducing the number of shares of that category, or increasing or reducing the number of that category of shares which have equal or greater voting rights, distribution rights and other rights to the said category of shares;

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2. Exchanging all or part of the said category of shares with another category of shares, exchanging all or part of another category of shares to the said category, or granting equal conversation rights between the said category and another category of shares;

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3. Cancelling or reducing the rights of a said category of shares to obtain dividends which have been gained or accumulated;

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4. Reducing or cancelling the priority right of a said category of shares to obtain dividends or to obtain distributed property during the company's liquidation;

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5. Increasing, cancelling or reducing the conversion rights, options, voting rights, assignment rights, priority placement rights or rights to obtain company securities pertaining to the said category of shares;

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6. Canceling or reducing the right of the said category of shares to use a specific currency to collect the company's funds payable;

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7. Establishing a new category of shares which have voting rights, distribution rights or other rights equivalent to or greater than the said category of shares;

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8. Restricting assignment of or ownership rights to a said category of shares or the addition of further restrictions;

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9. Issuing the right to subscribe to the said category or to another category of shares or the right to convert shares;

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10. Increasing the rights and privileges of other categories of shares;

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11. Where the company's restructuring plan results in different categories of shareholders assuming disproportionate liabilities during the restructuring; or

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12. Amending or abolishing articles stipulated in this Chapter.

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Article 81 Regardless of whether or not an affected category of shareholders originally has voting rights, the concerned shareholders shall have voting rights at a category shareholders' meeting on those matters mentioned in items 2 to 8 and items 11 and 12 of Article 80; however, if a shareholder is an interested party, he/she shall not have voting rights at a category shareholders' meeting.

The aforesaid interested shareholder shall include the following meanings:

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1. In circumstances where, pursuant to the provisions of Article 25 of this Articles of Association, the company issues a buy back offer to all shareholders or buys back its own shares through open transactions at the stock exchange, "an interested shareholder" shall refer to the controlling shareholder as defined in Article 48 of this Articles of Association;

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2. In circumstances where the company, pursuant to the provisions of Article 25 of this Articles of Association, buys back its own shares through means of an agreement outside of the stock exchange, "an interested shareholder" shall refer to a shareholder related to such an agreement; and

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3. Where the company is undergoing restructuring, "an interested shareholder" shall refer to a shareholder who assumes liability less than that assumed by shareholders of the same category or who has interests different from other shareholders in the same category.

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Article 82 A resolution at a category shareholders' meeting shall be made only after being passed through voting by a two-thirds majority of that category of shareholders with voting rights present at the meeting, in accordance with the provisions of Article 81 of this Articles of Association.

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Article 83 When convening a category shareholders' meeting, the company shall issue a written notice forty-five (45) days in advance of the meeting to notify that category of registered shareholders of those matters to be discussed at the meeting and of the date and location of the meeting. A shareholder who intends to attend the meeting shall send a written reply to the company twenty (20) days before the commencement of the meeting.

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If the amount of shares with voting rights represented by shareholders intending to attend the meeting is more than half of the total amount of the said category of shares with voting rights, the company may convene the category shareholders' meeting. If not, the company shall, within five (5) days, notify the shareholders of those matters to be discussed at the meeting and the date and location of the meeting through a public announcement. After this public announcement is made, the company may convene a category shareholders' meeting.

Article 84 The notice of a category shareholders' meeting shall only be sent to those shareholders who have the right to vote at the meeting.
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The procedures to be followed at a category shareholders' meeting shall be, as far as possible, the same as the procedures to be followed at a shareholders' meeting. The articles in the company's Articles of Association dealing with the procedures to be followed at a shareholders' meeting shall apply to a category shareholders' meeting.

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Article 85 If the rules of the stock exchange on which the company's shares are listed so require, the company's Articles of Association shall include "apart from shareholders with other categories of shares, holders of domestic shares and holders of foreign shares listed overseas shall be recognized as different categories of shareholder" as part of its content.

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The Articles of Association which includes the content stipulated in the preceding paragraph shall also provide that "the special procedures for voting by a category of shareholders shall not be applied in the following circumstances:

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(1) subject to approval by a special resolution of a shareholders' meeting, the company issues domestic shares and/or foreign shares to be listed overseas independently or simultaneously once every twelve (12) months, and the number of domestic shares and foreign shares to be listed overseas to be issued does not exceed 20% of the shares of this category already issued and outstanding;

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2. the scheme for the issue of domestic shares and/or foreign shares to be listed overseas when establishing the company has been fulfilled within fifteen (15) months of the date of approval from the Securities Commission of the State Council".

Chapter X Board of Directors

Article 86 The company shall establish a board of directors which shall consist of [number] directors and have one chairman, [number] vice-chairmen and [number] directors.

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Article 87 Directors shall be elected by a shareholders' meeting. The term of office for a director shall be [number] years. If the term of office for a director expires and he/she is re-elected, that director may be elected for another term.

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A chairman and vice-chairman shall be elected or removed from office by the board of directors with approval of a majority of all the directors. The term of office for a chairman and vice-chairman shall be [number] of years and they may be elected for another term.

A director shall not be required to hold the company's shares.

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Article 88 The board of directors shall be responsible to the shareholders' meeting and shall exercise the following powers:

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1. To be responsible for convening shareholders' meetings and to report to those meetings on work matters;

2. To implement resolutions of a shareholders' meeting;

3. To determine the company's business plans and investment plans;
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4. To prepare the company's annual budget and final accounting plan;
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5. To prepare the company's profit distribution and loss recovery plans;
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6. To prepare the company's registered capital increase or reduction plans and corporate bond issue plans;
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7. To draft plans for such matters as the consolidation, division or dissolution of the company;
8. To determine the setup of internal administrative bodies of the company;
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9. To appoint and dismiss the managers of the company and, based on the nomination of the managers, appoint and dismiss the company's deputy managers and the financial supervisor and determine their remuneration;
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10. To formulate the company's general management system;
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11. To prepare a plan for the amendment of the company's Articles of Association.
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When the board of directors proposes resolutions on the aforesaid matters, apart from resolutions on matters in items 6, 7 and 11 which shall be approved by a two-third majority of the directors, resolutions on other matters may be approved by a majority of directors.

Article 89 When the board of directors disposes of fixed assets, if the sum of the anticipated value of the fixed assets to be disposed of and the value of fixed assets already disposed of within four (4) months prior to this proposed disposal exceeds 33% of the value of fixed assets in the balance sheet most recently examined at the shareholders' meeting, the board of directors shall not dispose of or to consent to the disposal of that fixed asset before the approval of the shareholders' meeting.

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For the purposes of this Article, disposal of fixed assets shall include assignment of certain assets and interests, but shall not include the use of the fixed assets as a guarantee.

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The validity of transactions for disposal of fixed assets shall not be affected by violation of the provisions of paragraph 1 of this Article.

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Article 90 The chairman of the board of directors shall exercise the following powers:

1. To preside over shareholders' meetings and convene and preside over meetings of the board of directors;

2. To examine the implementation of resolutions of the board of directors;

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3. To sign securities issued by the company; and

4. Other powers granted by the board of directors.

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When the chairman of the board of directors is unable to exercise his/her powers, he/she shall appoint a vice-chairman to act on his/her behalf.

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Article 91 Meetings of the board of directors shall be convened at least twice each year by the chairman of the board. When convening a meeting of the board of directors, all the directors shall be notified [number] days in advance. When urgent matters arise, upon proposal by more than [number] directors or the company manager, an interim meeting of the board of directors may be convened.

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Article 92 The method of notification for convening a meeting or interim meeting of the board of directors is: [specific method of notification] and the period of notice is [specific notice period].

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Article 93 A meeting of the board of directors shall require a majority of the directors to be present in order to be convened.

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Each director shall have one voting right. Resolutions proposed by the board of directors shall require the approval of a majority of all the directors in order to be valid.

Should there be a tie between negative and affirmative votes on a matter, the chairman of the board of directors shall have the right to cast another vote.

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Article 94 A director shall attend meetings of the board of directors in person. Where a director is unable to attend a board meeting due to any reason, he/she may entrust, in writing,

another director to attend the meeting on his/her behalf and the power of attorney shall stipulate the scope of authority.

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The entrusted director shall exercise the right of the entrusting director within the designated scope of authority. If a director does not attend a certain meeting of the board of directors, nor entrusts a representative to attend the meeting, this shall be regarded as a waiver of his/her voting rights at that meeting.

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Article 95 Minutes of meetings of the board of directors shall be kept to record decisions on matters discussed at those meetings and shall be signed by the directors and the recorder in attendance. Directors shall assume responsibility for resolutions adopted by the board of directors. If a resolution of the board of directors is in violation of the law, administrative regulations or the company's Articles of Association so as to result in any serious losses of the company, those directors who have participated in passing the resolution shall bear compensation liability towards the company. However, if a director is able to prove his/her objection to that resolution at the time of voting, and such objection has been recorded in the minutes of the meeting, that director may be exempt from liability.

Chapter XI Secretary of the Board of Directors

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Article 96 The board of directors of the company shall have a secretary. The secretary of the board of directors shall be a senior officer of the company.

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Article 97 The secretary of the board of directors shall be a natural person who has the necessary professional knowledge and experience and shall be appointed by the board of directors. The main duties of the secretary are:

1. To guarantee that the company maintains complete organizational documents and records;

2. To ensure the company, in accordance with the law, prepares and submits reports and documents required by the competent authorities; and

3. To ensure the company's register of shareholders is properly established and to

ensure that those who have the right to obtain relevant records and documents of the company are able to obtain them promptly.

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Article 98 A director or any other senior officer of the company may hold the post of secretary of the board of directors concurrently. An accountant of the accounting firm engaged by the company shall not hold the post of secretary of the board of directors concurrently.

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Where the post of secretary of the board of directors is concurrently held by a director and if a certain action shall be taken respectively by the director and the secretary of the board of directors, that director holding the post of secretary shall not do so with dual capacity.

Chapter XII Company Manager

Article 99 The company shall have one manager who shall be appointed and dismissed by the board of directors.

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Article 100 The company's manager shall be responsible to the board of directors and shall have the following powers:

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1. To be in charge of the company's production and business management and to organize the implementation of resolutions of the board of directors;

2. To organize the implementation of the company's annual business plan and investment plan;

3. To draft the company's internal administrative structure plan;

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4. To draft the company's fundamental management system;

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5. To formulate fundamental rules and regulations of the company;

6. To propose the appointment and dismissal of the company's deputy managers and the financial supervisor;

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7. To appoint or dismiss management personnel other than those appointed and dismissed by the board of directors; and

8. Other powers granted by the company's Articles of Association or the board of directors.

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Article 101 The manager may attend meetings of the board of directors as a non-voting member. If the manager is not a director, he/she shall have no voting rights at meetings of the board of directors.

Article 102 When exercising powers, the company's manager shall abide by laws, administrative regulations and the company's Articles of Association and shall assume obligations of sincerity and diligence towards the company.

Chapter XIII Board of Supervisors

Article 103 The company shall establish a board of supervisors.

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Article 104 The board of supervisors shall consist of [number] members of which one member shall be appointed as the chairman of the board of supervisors. The term of office for a supervisor shall be [number] years. After the term of office for a supervisor expires, the supervisor may be elected for another term.

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Article 105 The members of the board of supervisors shall consist of [number] shareholder representatives and [number] employee representatives.

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The shareholder representatives shall be elected and removed from office by the shareholders' meeting, and employee representatives shall be elected and removed from office democratically by the company employees.

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Article 106 Any director, the manager or the financial supervisor of the company shall not concurrently serve as a supervisor.

Article 107 Meetings of the board of supervisors shall be convened at least [number] times a year and the chairman of the board of supervisors shall be responsible for the convocation of the meeting.

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Article 108 The board of supervisors shall be responsible to the shareholders' meeting and shall exercise the following powers:

1. To investigate the company's financial affairs;

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2. To supervise acts conducted by the company's directors, managers and other senior officers during the performance of their duties which are in violation of the law, administrative regulations or the company's Articles of Association;

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3. To require the company's directors, managers and other senior officers to rectify the situation if their acts are harmful to the interests of the company;

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4. To check financial reports, business reports, profit distribution plans and other financial documents to be submitted to shareholders' meetings by the board of directors and, if questions are raised concerning such documents, to commission certified public accountants and practicing auditors in the company's name to assist in verification of doubtful documents;

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5. To propose the convocation of interim shareholders' meetings;

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6. To represent the company in negotiations with directors or in initiating legal proceedings against a director; and

7. Other powers as stipulated in the company's Articles of Association.

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Supervisors may attend meetings of the board of directors as non-voting members.

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Article 109 The forms of procedure of the board of supervisors are: [specific forms of procedure] and voting procedures are: [specific voting procedures]

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Article 110 If, when exercising its powers, the board of supervisors needs to engage a lawyer, certified public accountant, practicing auditor or any other professional, reasonable fees incurred in so doing shall be borne by the company.

Article 111 A supervisor shall faithfully perform his/her duties of supervision in accordance with the law, administrative regulations and the company's Articles of Association.

Chapter XIV Qualifications and Obligations of Directors, Supervisors, Managers and other Senior Officers of the Company

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Article112 A person may not hold the position of director, supervisor, manager or other senior officers of the company in any of the following circumstances:

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1. Where the person has no civil capacity or has restricted civil capacity;

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2. Where a period of less than five (5) years has elapsed since the person was released after serving the full term of a sentence for corruption, bribery, seizure, embezzlement of property or crimes of disruption to the social economic order; or if a period of less than five (5) years has elapsed since the person has resumed his/her political rights which were forfeited due to a criminal offence;

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3. Where the person has held the post of director, factory superintendent or manager of the company or enterprise which became bankrupt and was liquated as a result of unsound business management and that person has held personal responsibility for such matter and a period of less than three (3) years has elapsed since the date of the conclusion of the liquidation.

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4. Where a period of less than three (3) years has elapsed since the date of the imposition of a decision to revoke the business license of the company or enterprise of which the person was legal representative and who bears personal responsibility for such revocation where its business license was revoked due to illegal business operations;

5. Where personal debts of relatively large amounts have not been repaid on time;

6. Where the person has been involved in illegal activities which are subject to investigation by the judicial authorities and the case has yet to be settled;

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7. Where provisions of laws and administrative regulations stipulate that the person is not permitted to assume the position of leader of an enterprise;

8. Where the person is not a natural person; or

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9. Where a period of less than five (5) years has elapsed since the date the person was found to be in violation of the provisions of relevant securities regulations and was involved in deceitful or dishonest activities as ruled by the competent authority.

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Article 113 For a good faith third party, the validity of actions of the director, manager or senior officers of the company when acting as representatives of the company shall not be affected as a result of those representatives not conforming to the rules pertaining to their appointment, election or qualifications.

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Article 114 Apart from obligations as stipulated in laws, administrative regulations or the listing rules of stock exchanges on which the company's shares are listed, the directors, supervisors or other senior officers of company shall, when exercising his/her powers granted by the company, assume the following obligations towards the shareholders:

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1. To refrain from allowing the company to exceed the scope of its business operations as stipulated in its business licence;

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2. To act faithfully for the best interests of the company;

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3. To refrain from expropriating the company's property by way of any means, including (but not limited to) when this involves opportunities beneficial to the company; and

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4. To refrain from infringing upon the individual rights and interests of shareholders, including (but not limited to) distribution rights and voting rights; however, this shall not include the situation where the restructuring of the company is proposed for adoption by the shareholders' meeting in accordance with the company's Articles of Association.

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Article115 Directors, supervisors, managers and other senior officers of the company shall all have responsibility, when exercising their rights and performing their obligations, to act with the prudence, diligence and skill which would be displayed by a reasonably prudent person in similar circumstances.

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Article 116 When performing their duties, directors, supervisors, managers and other senior officers of the company must abide by the principle of sincerity and shall not place

themselves in situations in which their interests may conflict with their obligations. This principle shall include (but not limited to) the performance of the following obligations:

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1. To act faithfully for the best interests of the company;

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2. To exercise authority within their powers and refrain from acting beyond that powers;

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3. To personally exercise the authorized right to handle matters according to one's own judgment and not to be manipulated by others; the right to handle matters according to one's own judgment shall not be passed on to others without the authority of laws and administrative regulations or without the informed consent of the shareholders' meeting;

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4. To treat the same categories of shareholders equally and to treat different categories of shareholders fairly;

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5. To enter into contacts, deals or arrangements with the company unless it is stipulated otherwise in the company's Articles of Association or without the informed approval of the shareholders' meeting shall be prohibited;

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6. To use the company's property to seek personal gains through any means without the informed consent of the shareholders' meeting shall be prohibited;

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7. To use the powers to receive bribes or other illicit gains and encroach upon the company's property through any means, including (but not limited to) opportunities which are beneficial to the company shall be prohibited;

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8. To receive commissions from company transactions without the informed consent of the shareholders' meeting shall be prohibited;

name or to use company assets to provide guarantees for debts of company shareholders or other persons; and

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12. Without the informed consent of the shareholders' meeting, to refrain from disclosing confidential information concerning the company which became known in the course of holding the position; unless it is in the company's interests, such information shall not be used. However, such information may be disclosed to the court or other competent government organs in any of the following circumstances:

(1) Where it is so provided in the law;

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(2) Where the public interest so requires; or

(3) Where the interests of such a director, supervisor, manager or other senior officers themselves so require.

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Article 117 The directors, supervisors, managers and other senior officers of the company shall not instruct the following persons or organizations ("related parties") to do things which the director, supervisor, manager and other senior officers cannot do:

1. The spouse or minor children of the director, supervisor, manager and other senior officers;

2. The trustee of the director, supervisor, manager and other senior officers or of those mentioned in item 1 of this Article;

3. The partner(s) of the director, supervisor, manager and other senior officers or of those mentioned in item 1 of this Article;

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4. Any company which is in fact independently controlled by the director, supervisor, manager and other senior officers or, is in fact jointly controlled by the director, supervisor, manager and other senior officers together with those mentioned in items 1, 2 and 3 of this Article, or jointly controlled with another director, supervisor, manager and other senior officers; and

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5. The directors, supervisors, managers and other senior officers of the controlled company as mentioned in item 4 of this Article.

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Article 118 The obligations of good faith assumed by the directors, supervisors, managers or other senior officers of the company are not necessarily terminated at the conclusion of his/her office term and the obligations of maintaining confidential information concerning the company's business shall remain valid after the conclusion of his/her office term. The periods of validity for other obligations shall be determined in accordance with the principle of fairness and shall depend on the length of time intervening between the occurrence of an event and the time of vacancy and on the circumstances under which that director, supervisor, manager and other senior officers terminates the relationship with the company.

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Article 119 The responsibility borne by directors, supervisors, managers and other senior officers due to violation of a specific obligation may be relieved by an informed meeting of shareholders except in those circumstances stipulated in Article 47 of this Articles of Association.

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Article 120 When the directors, supervisors, managers or other senior officers of the company have any significant direct or indirect interest in a contract, deal or arrangement concluded by or intended to be concluded by the company (apart from contracts of appointment concluded between the company and directors, supervisors, managers or other senior officers), regardless of whether or not the matter is required to be approved by the board of directors under normal circumstances, the nature and degree of interest shall be promptly disclosed to the board of directors.

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Unless the interested directors, supervisors, managers or other senior officers have disclosed his/her interest to the board of directors according to provisions of the preceding paragraph of this Article, and the board of directors has approved the matter in a vote in which that directors, supervisors, managers and other senior officers have not been included, the company shall have the right to cancel that contract, deal or arrangement. However, exception shall be made if the other party is a good faith party which does not know that the actions of the directors, supervisors, managers and other senior officers were in violation of his/her obligations.

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If a party related to the director, supervisor, manager and other senior officer of the company has an interest in a contract, deal or arrangement, that director, supervisor, manager and other senior officer shall also be regarded as an interested party.

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Article 121 If a director, supervisor, manager or any other senior officer of the company has, before the company considers for the first time to conclude a contract, deal or arrangement, notified the board of directors in writing, declaring the nature of his/her interest in that contract, deal or arrangement, that director, supervisor, manager and other senior officer shall be regarded as having made disclosure as stipulated in the preceding Article in this Chapter of those matters in the notification.

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Article 122 The company shall not pay, by way of any means, taxes for its directors, supervisors, managers and other senior officers.

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Article 123 The company shall not, directly or indirectly, provide loans to or loan guarantees for directors, supervisors, managers and other senior officers of the company or its parent company and the company shall also not provide loans to or loan guarantees for parties related to the aforesaid persons.

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The provisions of the preceding paragraph shall not apply in the following circumstances:

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1. Where the company provides loans to its subsidiaries or provides loan guarantees for its subsidiaries;

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2. Where the company, in accordance with the contract of appointment approved by the shareholders' meeting, provides the directors, supervisors, managers and other senior officers of the company with loans, loan guarantees or other funds for payments made on behalf of the company or for payments or expenses incurred in the performance of their duties; and

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3. Where the scope of the company's normal business operations includes provision of loans and loan guarantees, the company may provide loans to or provide loan guarantees for

its directors, supervisors, managers and other senior officers and to their related parties; however, the conditions for the provision of such loans and loan guarantees shall be normal business conditions.

Article 124 If the company provides loans in violation of the provisions of the preceding Article, regardless of loan conditions, the party receiving the loan shall make prompt repayment.

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Article 125 If the company have provided a loan guarantee in violation of the provisions of paragraph 1 of Article 123, the company shall not be forced to implement that guarantee except in the following circumstances:

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1. Where, when providing a loan to a related party of a director, supervisor, manager and other senior officers of the company or its parent company, the loan provider is unaware of the facts; and

2. Where the collateral security provided by the company has been legally sold to a good faith purchaser.

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Article 126 Guarantee as mentioned in the preceding Articles of this Chapter shall include an act whereby the guarantor assumes liability or provides property to ensure that the obligor performs its obligations.

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Article 127 Where the directors, supervisors, managers or other senior officers of the company are found to have violated obligations to the company, apart from the various rights and remedial measures provided in laws and administrative regulations, the company has the right to adopt the following measures:

1. To require the directors, supervisors, managers and other senior officers to compensate for losses incurred by the company due to their negligence in the performance of their duties;

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2. To cancel any contract or deal concluded between the company and the directors, supervisors, managers and other senior officers, and cancel any contract or deal concluded between the company and a third party (if the third party knows or should have known that the directors, supervisors, managers and other senior officers represent the company in violation of obligations to the company);

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3. To require the directors, supervisors, managers and other senior officers to hand over any gains derived in violation of his/her obligations;

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4. To recover funds including (but not limited to) commissions received by the directors, supervisors, managers and other senior officers which should have been collected by the company; and

5. To require the directors, supervisors, managers and other senior officers to return any interests gained or which may be gained from any funds which should be handed over to the company.

Article 128 The company shall enter into a written contract on remuneration matters with the company director or supervisor which shall be approved by the shareholders' meeting in advance. The aforesaid remuneration matters shall include:

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1. Remuneration of company director, supervisor or senior officers;

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2. Remuneration of directors, supervisors or senior officers of subsidiaries of the company;

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3. Remuneration for the provision of other management services to the company and its subsidiaries; and

4. Compensatory payments to directors or supervisors in case of retirement or loss of position.

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Except where doing so in accordance with the aforesaid contract, a director or supervisor shall not initiate legal proceedings against the company based on benefits receivable for the aforesaid matters.

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Article 129 A contract on remuneration matters concluded between the company and a director or supervisor of the company shall stipulate that upon acquisition of the company, the director or supervisor of company shall, under conditions of approval granted in advance by the shareholders' meeting, be entitled to obtain compensation or other payments as a result of loss of post or retirement. Acquisition of the company as referred to in the preceding paragraph shall refer to any of the following instances:

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1. An acquisition offer made to all shareholders by any party; or

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2. An acquisition offer made by any party intending to become a controlling shareholder. The definition of a controlling shareholder shall be the same as that defined in Article 48 of this Articles of Association.

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If a related director or supervisor is in violation of the provisions of this Article, any funds received by the director or supervisor shall be owned by those who accepted such offer and who sold their shares, expenses incurred on pro rata distribution of such funds shall be borne by the director or supervisor and expenses shall not be deducted from those funds.

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Chapter XV Financial and Accounting System and Distribution of Profits

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Article 130 The company shall establish a financial and accounting system in accordance with the law, administrative regulations and the accounting standard of China formulated by the competent financial department under the State Council.

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Article 131 The company shall produce financial reports at the end of each fiscal year which shall be subject to examination and verification in accordance with the law.

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Article 132 The board of directors of the company shall, at each annual shareholders' meeting, submit to the shareholders a financial report prepared by the company in accordance with the provisions of laws, administrative regulations and normative documents promulgated by the local government and the competent departments.

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Article 133 The company shall make its financial reports available for inspection by the shareholders of the company twenty (20) days before the convocation of its annual shareholders' meeting. Every shareholder of the company shall have the right to obtain the financial reports as mentioned in this Chapter.

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Companies listed in Hong Kong shall send financial reports to each holder of foreign shares listed overseas by pre-paid mail. The addresses of recipients shall be those registered in the register of shareholders.

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Article 134 Financial statements of the company shall be prepared in accordance with the Accounting standard of China and relevant regulations and, in addition, shall also be prepared in accordance with the international accounting standard or the accounting standard of the country or region where the company is listed. If there are significant discrepancies between the financial statements prepared according to two different accounting standards, such discrepancies shall be clearly indicated in the notes attached to the financial statements. When distributing post-tax profits in a fiscal year, the lesser amount of post-tax profits in the two financial statements shall be used as the standard amount.

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Article 135 Reports on mid-term business results or financial information published or disclosed by the company shall be prepared in accordance with the accounting standard of China and relevant regulations and, simultaneously, shall also be prepared in accordance with the international accounting standard or the accounting standard of the country or region where the company is listed.

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Article 136 The company shall publish its financial reports twice each fiscal year, i.e. a interim financial report shall be published within sixty (60) days of the end of the first six (6) months of that fiscal year and an annual financial report shall be published within 120 days after the end of the fiscal year.

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Article 137 The company shall not establish account books other than statutory account books.

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Article 138 The capital accumulation fund shall include the following items:

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1. Premiums gained on shares issued for more than their face value; and

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2. Other revenue to be charged to the capital accumulation fund as stipulated by the financial department in charge under the State Council.

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Article 139 The company may use the following for distribution of dividends:

1. Cash; and

2. Share certificates.

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Article 140 The company shall entrust a collection agent for holders of foreign shares listed overseas.

A collection agent shall collect dividends on foreign shares and other payable items from the company on behalf of relevant shareholders.

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A collection agent entrusted by the company shall meet the requirements of the law in the place where the company is listed or relevant regulations of the stock exchange.

Chapter XVI Appointment of Accounting Firm

Article 141 The company shall appoint a State qualified independent accounting firm to audit the company's annual financial reports and to examine and verify other financial reports.

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The company's first accounting firm may be appointed by the founding meeting before the first shareholders' meeting. The term of office for the first accounting firm shall terminate at the conclusion of the first shareholders' meeting.

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Where the founding meeting does not exercise the powers stipulated in the preceding paragraph, the board of directors shall exercise the said powers.

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Article 142 The term of office for an accounting firm shall commence on the date of conclusion of the current shareholders' meeting and end on the date of conclusion of the subsequent shareholders' meeting.

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Article 143 An accounting firm appointed by the company shall have the following rights:

1. To inspect, at any time, the company's account books, records or vouchers, and shall have the right to require the directors, managers or other senior officers to provide relevant data and explanations;

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2. To require the company to adopt all reasonable measures to obtain from its subsidiaries data and explanations which the accounting firm requires for the performance of its duties; and

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3. To attend shareholders' meetings and to obtain information which is available to any shareholder who has the right to receive notice of a meeting or on other matters related to the meeting, and to speak at any shareholders' meeting about matters related to its functions as accounting firm to the company.

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Article 144 If the position of the accounting firm falls vacant, the board of directors may, before convening a shareholders' meeting, appoint an accounting firm to fill the vacancy. However, if, during the period of the vacancy, the company has other appointed accounting firms, those firms may continue to handle matters.

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Article 145 Regardless of what is stipulated in a contract concluded between an accounting firm and the company, the shareholders' meeting may, before the expiration of term of office for the accounting firm expires, decide to dismiss that firm through the adoption of an ordinary resolution. If such accounting firm has the right to claim compensation from the company for reason of such dismissal, that right shall not be affected.

Article 146 The remuneration of an accounting firm or methods for determining remuneration shall be decided at a shareholders' meeting. The remuneration of an accounting firm appointed by the board of directors shall be determined by the board of directors.

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Following a consolidation, the takeover company or the company newly established as the result of the consolidation shall assume the debts receivable and debts payable of the parties to the consolidation.

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Article 151 If the company is to be divided, its assets shall be divided accordingly.

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When the company is divided, the parties to the division shall sign a division agreement and a balance sheet and a property inventory shall be prepared. Within ten (10) days of the proposal of a resolution on the division of the company, the company shall notify the various creditors and a public announcement shall be made in the press at least three (3) times in thirty (30) days.

The debts payable by the company before its division shall be assumed by the companies divided in accordance with the concluded agreement.

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Article 152 Where registered items are changed as a result of the consolidation or division of the company, an application shall be made with the company registration authority to register the amendment in accordance with the law. Where the company is dissolved, an application shall be made to register the cancellation in accordance with the law; where the company is newly established, an application shall be made to register the establishment.

Chapter XVIII Company Dissolution and Liquidation

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Article 153 The company shall terminate its operation and enter into liquidation in accordance with the law in any of the following circumstances:

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1. Expiry of the company's term of business operations;
2. A shareholders' meeting passes the resolution on the dissolution of the company;
3. Dissolution becomes necessary because of consolidation or division of the company;
4. The company is declared bankrupt in accordance with the law due to inability to discharge its debts; or
5. The company has been ordered to close down in accordance with the law as a result of violations of the law and administrative regulations.

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Article 154 If the company is dissolved in accordance with the provisions of items 1 and 2 of the preceding Article, the company shall, within fifteen (15) days, establish a liquidation committee, the members of which shall be determined by the shareholders' meeting through an ordinary resolution.

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If the company is dissolved in accordance with the provisions of item 4 of the preceding Article, the people's court shall, in accordance with laws and administrative regulations, organize shareholders, relevant authorities and relevant professionals to form a liquidation committee to conduct the liquidation.

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If the company is dissolved in accordance with the provisions of item 5 of the preceding Article, the competent authority shall organize shareholders, relevant authorities and relevant professionals to form a liquidation committee to conduct the liquidation.

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Article 155 In the case of the board of directors deciding that the company should enter into liquidation (except if the company is declared bankrupt and enters into liquidation), the board of directors shall, in the notice for a shareholders' meeting convened for this reason, declare that the board of directors has already fully investigated the position of the company and considers that the company can fully repay its debts within twelve (12) months after commencement of the liquidation.

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Following a resolution on liquidation passed by a shareholders' meeting, the powers of the board of directors shall immediately be terminated.

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The liquidation committee shall adhere to the instructions given by the shareholders' meeting and shall report to the shareholders' meeting on the income and expenditure of the liquidation committee, the business operations of the company and progress of the liquidation of the company at least once each year. The liquidation committee shall submit a final report to the shareholders' meeting at the conclusion of liquidation proceedings.

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Article 156 The liquidation committee shall, within ten (10) days of its establishment, notify creditors and make a public announcement in the press at least three (3) times within sixty (60) days. The liquidation committee shall register all claims.

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Article 157 The liquidation committee shall exercise the following powers during the period of liquidation:

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1. To perform a stocktake of the company's property and formulate a balance sheet and property inventory;

2. To notify creditors and make public announcement of the liquidation;

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3. To handle and finalize matters in relation to the unfinished business affairs of the company;

4. To pay overdue taxes;

5. To clear debts receivable and payable;

6. To dispose of the remaining assets after all debts have been paid; and

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7. To participate in civil proceedings on behalf of the company.

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Article 158 A liquidation plan shall be work out by the liquidation committee after the stocktaking of the company property has been performed and the balance sheet and property inventory have been compiled, and the same shall be submitted to the shareholders' meeting or to the relevant competent authority for confirmation.

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The company property shall be used to settle claims in the following order: [settlement order].

The assets remaining after the company has settled its debts pursuant to the preceding paragraph shall be distributed to the various shareholders according to the categories and percentages of shares held.

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During the period of liquidation, the company shall not carry out new business activities.

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Article 159 Where liquidation is carried out as a result of dissolution of the company, after dissolution and after a stocktake of the company's assets and compilation of a balance sheet and proper inventory, where the amount of assets is insufficient to settle debts, the liquidation committee shall promptly apply to the People's Court for a declaration of

bankruptcy.

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If the company has been declared bankrupt by the People's Court, the liquidation committee shall hand over liquidation matters to the People's Court.

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Article 160 After the conclusion of liquidation proceedings, the liquidation committee shall compile a liquidation report as well as prepare income and expenditure statements and various financial accounts for the liquidation period which shall be submitted to the shareholders' meeting or the relevant competent authority for confirmation following verification by a certified public accountant registered in China. Within thirty (30) days of confirmation by the shareholders' meeting or the relevant competent authority, the liquidation committee shall submit the aforesaid documents to the company registration authority and apply for cancellation of company registration and then publicly announce the company's termination.

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Chapter XIX Procedures for Amendment of the Articles of Association

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Article 161 The company may amend its Articles of Association in accordance with the law, administrative regulations and its Articles of Association.

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Article 162 Amendment of Articles of Association which involves the contents of the "Essential Clauses in Articles of Association of Companies Listed Overseas" (hereinafter referred to as "Essential Clauses") shall, in order to be valid, be subject to approval by the Securities Commission of the State Council and the company examination and approval authority authorized by the State Council; where the registered items have to be changed, the company shall apply to register the amendment in accordance with the law.

Chapter XX Resolution of Disputes

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Article 163 With respect to disputes and claims relating to the company's affairs between the holders of foreign shares listed overseas and the company's directors, supervisors, managers and other senior officers, or between the holders of foreign shares t listed overseas and the holders of domestic shares arising out of rights and obligations provided in the company's Articles of Association, laws and administrative regulations, where the competent securities department of the State Council has not reached an understanding or agreement with the relevant overseas securities regulatory authority on the method of resolution or disputes, the parties concerned may resolve the dispute through means provided in laws and administrative regulations or may resolve the matter through means determined by agreement of both parties.

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Companies listed in Hong Kong shall include the following content in their Articles of Association:

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1. With respect to any dispute or claim relating to the company's affairs between the holders of foreign shares listed overseas and the company, between the holders of foreign shares listed overseas and the company's directors, supervisors, managers and other senior officers, or between the holders of foreign shares listed overseas and the holders of domestic shares arising out of rights and obligations provided for in the company's Articles of Association, the Company Law or other laws and administrative regulations, the parties concerned shall submit the dispute or claim to an arbitral body for settlement.

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When referring the aforesaid dispute or claim to an arbitral body, it shall be the whole dispute or entire claim which is so referred; where those persons who have a cause of action arising out of the same facts or those persons required to participate in the resolution of the dispute or claim are the company's shareholders, directors, supervisors or other senior officers or such person is the company itself, such person shall be subject to arbitration.

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Disputes over shareholder status and the register of shareholders may be resolved through means other than arbitration.

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2. An applicant who applies for arbitration may select the China International Economic and Foreign Trade Arbitration Commission to conduct arbitration according to its rules or, alternatively, may choose the Hong Kong International Arbitration Centre to conduct arbitration according to its rules on securities arbitration.

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After the applicant for arbitration refers the dispute or claim for arbitration, the opposing party shall participate in the arbitration at the arbitral body chosen by the applicant.

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If an applicant chooses the Hong Kong Arbitration Centre, any party concerned may, in accordance with the rules of the Hong Kong Arbitration Centre on securities arbitration, request the arbitration to be conducted in Shenzhen.

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3. In resolving any disputes or claims as mentioned in item 1 of the Article through arbitration, the law of the People's Republic of China shall apply except as otherwise provided in laws and administrative regulations.

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4. An award made by the arbitral body shall be final and have binding force on the parties concerned.

Chapter XXI Supplementary Provisions

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Article 164 The content which shall be included in the Articles of Association of companies limited by shares listed in Hong Kong as clearly stipulated in the Essential Clauses need not be included in the Articles of Association of companies limited by shares listed in regions or countries other than Hong Kong.

Article 165 For companies listed in Hong Kong, the meaning of the term "accounting firms" as mentioned in the Essential Clauses shall be the same as that of "auditors".

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Article 166 In the Essential Clauses, the content marked with [] shall be filled in by the company according to its actual circumstances; the content marked with () must be included in the company's Articles of Association.