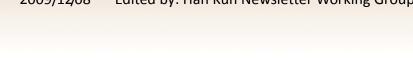


CHINA PRACTICE • GLOBAL VISION

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Top News

Guidelines on Opening Securities Accounts by Partnership Enterprises and other Non-legal Person Entities Released

Inside the News

On December 1, 2009, the China Securities Depository and Clearing Corporation Limited released the *Guidelines on Opening Securities Accounts by Partnership Enterprises and Other Non-legal Person Entities* (the "**Guidelines**") to provide specific rules on the opening of securities accounts by partnership enterprises and non-legal person venture capital investment enterprises (the "**VCIE**"). The Guideline specifies that to open a securities account with the applicable clearing house, a VCIE shall submit, *inter alia*, the approval certificate issued by the Ministry of Commerce ("**MOFCOM**") or the filing documents issued by other relevant regulatory authorities (e.g. NDRC and its local counterparts). The Guidelines shall become effective on December 21, 2009.

The Guidelines conforms to the newly revised *Rules on the Administration of Securities Registration and Settlement* (see previous legal update-<u>CSRC Adopted Amendments to Allow Partnership Enterprises to Open Securities Accounts-November 30, 2009</u>). It sets forth in detail documents and materials necessary to be submitted by partnership enterprises and VCIEs when opening securities accounts, including:

- its business license issued by competent administration of industry and commerce (or other incorporation certificate of partnership issued by competent regulatory authorities) and copies of the same;
- its organization code certificate and copies of the same;

- partnership agreements or VCIE contracts and articles of association executed by the investors;
- list of all partners or investors, their effective identification documents and copies of the same;
- original and copies of effective identification documents of the handling person, certification of executive partner(s) or the person in charge, original and copies of effective identification documents of the executive partner or the person in charge, and the Power of Attorney issued by the executive partner or the person in charge to the handling person; and
- the Application Form of Registration of Securities Accounts of Partnership Enterprises and other Non-legal Person Entities;

The Guideline specifically mentions that VCIEs shall submit the Certificate of Approval for Establishment of Enterprises with Foreign Investment issued by MOFCOM or the filing documents issued by other regulatory authorities at or above the provincial level.

The Guidelines also provides that where certain conditions (e.g. corporate name, partners, operating term, etc.) of a partnership enterprise and VCIE change, these changes shall be promptly filed with the applicable clearing house where it has opened a securities account, and states that where dissolution occurs, the liquidator(s) shall submit required materials to close the related securities accounts.

If you have any further questions regarding the above, please feel free to contact us. Thank you!



Important Announcement

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