

### **Summary of the Measures on Registration of the Pledge of Equity Interest with the Administration for Industry and Commerce (promulgated on September 1, 2008)**

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On September 1, 2008, the State Administration for Industry and Commerce released the *Measures on Registration of the Pledge of Equity Interest with the Administration for Industry and Commerce* (the "Measures"), providing guidance on registration of the pledge of equity interest in accordance with the *Real Right Law of the PRC*. These Measures will become effective on October 1, 2008. A copy of the Measures is attached hereto for your reference.

The Real Right Law of the PRC, which took effect on October 1, 2007, provides that the pledge of equity interest will only be established upon registration with the responsible Administration for Industry and Commerce ("AIC"), except for the pledge of other securities that have been registered with relevant the securities registration and clearance institutions. However, since there were no measures available to implement the registration of pledge of equity interest after the effective date of the Real Right Law, many local AICs, including Beijing AIC, did not accept applications for registration of pledge of domestic companies' equity interest.

For those companies that have set up equity pledge arrangement, we suggest that you shall apply for registration of the pledge of equity interest with the relevant local AIC in accordance with the Measures immediately after October 1, 2008.

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

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