Provisions of the SPC on Several Issues Concerning the Application of the Company Law of the PRC (I)

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Unofficial English translation prepared for reference only. The official Chinese text prevails.

Adopted at the 1393rd Meeting of the Judicial Committee of the Supreme People's Court on March 27, 2006
Promulgated by the Supreme People's Court on April 28, 2006
Effective: May 9, 2006

Amended in accordance with the Decision of the Supreme People's Court on Amending the Provisions on Several Issues Concerning the Application of the Company Law of the PRC (I) on February 20, 2014

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Article 1 — Where no express provision is made in the Company Law, the relevant civil legal norms may apply.

Article 2 — Where a dispute arising from an act that occurred before the implementation of the Company Law falls within the jurisdiction of a people's court at the time, the Company Law shall apply.

Article 3 — Where the plaintiff files a lawsuit with the people's court on the ground that a resolution of a shareholders' meeting or shareholders' general meeting, or a resolution of the board of directors, violates laws or administrative regulations and requests that the resolution be declared invalid, the lawsuit shall be subject to the relevant provisions of the Company Law.

Article 4 — Where a shareholder files a lawsuit with the people's court on the ground that a resolution of a shareholders' meeting or shareholders' general meeting, or of the board of directors, violates laws or administrative regulations, the company shall be the defendant. Where the company is dissolved after the conclusion of the trial of the case, the company's shareholders, directors, or controlling persons shall bear the civil liability arising from the dissolution.

Article 5 — Where a shareholder institutes a derivative lawsuit against a director, supervisor, senior manager, or a third party, the shareholder shall first exhaust internal remedies in accordance with the provisions of the Company Law. Where a shareholder files a lawsuit with the people's court under the relevant provisions of the Company Law, the people's court shall accept the case in accordance with the law.

Article 6 — Where a people's court makes a judgment on a civil dispute involving the internal relations of a company, the judgment shall not affect the validity of civil acts performed by the company with third parties prior to the judgment.

Article 7 — These Provisions shall take effect as of May 9, 2006.

Source: https://www.danyoungcpa.com/spc-company-law-judicial-interpretation-i-2014/

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