Regulations on the Administration of Registration of Partnership Enterprises of the PRC

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Chapter I — General Provisions

Article 1 — These Regulations are formulated in accordance with the Partnership Enterprise Law of the People's Republic of China for the purpose of confirming the status of partnership enterprises and regulating the registration of partnership enterprises.

Article 2 — The establishment, amendment, and cancellation of partnership enterprises shall be registered in accordance with the Partnership Enterprise Law and these Regulations. A partnership enterprise shall not

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carry out business activities in the name of a partnership enterprise until it has obtained a business license after registration.

Article 3 — The administrative authorities for industry and commerce shall be the registration authorities for partnership enterprises. The registration authorities for partnership enterprises under the State Council shall be in charge of the registration administration of partnership enterprises nationwide. Local administrative authorities for industry and commerce at the city or county level shall be responsible for the registration of partnership enterprises within their respective jurisdictions. The registration administration of partnership enterprises by the administrative authorities for industry and commerce of provinces, autonomous regions, and municipalities directly under the Central Government shall be determined by the people's governments at the same level.

Chapter II — Registration

Article 4 — The establishment of a partnership enterprise shall be subject to the application and registration by all partners. Where the partners entrust an agent, the agent shall submit a power of attorney from all partners.

Article 5 — The following documents shall be submitted for the establishment of a partnership enterprise:

1. An application for registration signed by all partners;

2. Proof of identity of all partners;

3. A partnership agreement signed by all partners;

4. Proof of capital contribution confirmed by all partners, specifying the form and amount of each partner's capital contribution;

5. Proof of the business premises of the enterprise;

6. Other documents required by the registration authority.

Article 6 — The application for registration of a partnership enterprise shall specify the following particulars:

1. The name of the enterprise;

2. The principal business venue;

3. The names of the executive partners;

4. The scope of business;

5. The form of the partnership enterprise;

6. The names or titles and domiciles of the partners, their liability status, and the amounts, methods, and deadlines for their capital contributions.

Article 7 — The partnership agreement shall be in writing and shall specify the following particulars:

1. The name of the partnership enterprise and the address of the principal business venue;

2. The objectives of the partnership and the scope of business of the partnership;

3. The names and domiciles of the partners;

4. The methods, amounts, and deadlines for capital contributions by the partners;

5. The methods for distributing profits and sharing losses;

6. The execution of partnership affairs;

7. The procedures for admission and withdrawal of partners;

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8. Dispute resolution methods;

9. The procedures for dissolution and liquidation of the partnership enterprise;

10. Liability for breach of contract.

Article 8 — The registration authority shall, within 20 working days from the date of accepting the application, decide whether to grant registration. Where registration is granted, a business license shall be issued; where registration is not granted, a written reply stating the reasons shall be given.

Article 9 — The date of issuance of the business license of a partnership enterprise shall be the date of establishment of the partnership enterprise. The registration authority shall announce the registration particulars of the partnership enterprise on its information publication system.

Chapter III — Amendment of Registration

Article 10 — Where the registered particulars of a partnership enterprise change, the executive partner or the liquidation group shall, within 15 days from the date of the change or from the date of the cause for change, apply to the original registration authority for amendment of registration.

Article 11 — The following documents shall be submitted for amendment of registration:

1. An application for amendment of registration signed by the executive partner or the liquidation group;

2. Proof of the change in the registered particulars and relevant documents;

3. The original business license of the partnership enterprise.

Article 12 — Where the registration authority approves the application for amendment of registration, the registration authority shall replace the business license. The date of replacement of the business license shall be the date of the amendment of registration.

Article 13 — Where a partner transfers all or part of his or her share of the partnership property, the amendment of registration shall be processed in accordance with the amended partnership agreement.

Chapter IV — Cancellation of Registration

Article 14 — Where a partnership enterprise is dissolved in accordance with the Partnership Enterprise Law, the liquidation group shall apply to the original registration authority for cancellation of registration within 15 days from the date of completion of liquidation.

Article 15 — The following documents shall be submitted for cancellation of registration:

1. An application for cancellation of registration signed by the liquidation group;

2. The liquidation report signed by all partners;

3. Proof of tax clearance issued by the tax authority;

4. The original business license of the partnership enterprise;

5. Other documents required by the registration authority.

Article 16 — The registration authority shall, within 10 working days from the date of accepting the application for cancellation of registration, process the cancellation of registration and announce the cancellation on its information publication system. After the cancellation of registration, the registration authority shall revoke the business license.

Chapter V — Branch Registration

Article 17 — The establishment of a branch by a partnership enterprise shall be subject to application for registration with the registration authority at the place where the branch is located. The following documents shall be submitted:

1. An application for registration of the branch signed by the executive partner;

2. A copy of the business license of the partnership enterprise;

3. Proof of the business premises of the branch;

4. Other documents required by the registration authority.

Article 18 — The registration authority shall, within 20 working days from the date of accepting the application, decide whether to grant registration. Where registration is granted, a business license of the branch shall be issued; where registration is not granted, a written reply stating the reasons shall be given.

Article 19 — Where a branch is to be dissolved, the partnership enterprise shall apply to the registration authority at the place where the branch is located for cancellation of registration of the branch.

Chapter VI — Legal Liability

Article 20 — Where a partnership enterprise carries out business activities in the name of a partnership enterprise without obtaining a business license after registration, the registration authority shall order it to cease such activities and may impose a fine of not more than 50,000 yuan.

Article 21 — Where a partnership enterprise fails to apply for amendment of registration in accordance with the law after its registered particulars change, the registration authority shall order it to make the registration within a prescribed period. Where it fails to do so by the deadline, a fine of not less than 2,000 yuan but not more than 20,000 yuan may be imposed.

Article 22 — Where a partnership enterprise fails to apply for cancellation of registration within the prescribed time limit after completing liquidation, the registration authority shall order it to make the application within a prescribed period. Where it fails to do so by the deadline, a fine of not less than 2,000 yuan but not more than 20,000 yuan may be imposed.

Article 23 — Where a partnership enterprise conceals material facts or obtains registration by fraudulent means, the registration authority shall order it to make corrections and may impose a fine of not more than 50,000 yuan. Where the circumstances are serious, the registration may be revoked.

Article 24 — Where a partnership enterprise commits any of the following acts in its business activities, the registration authority shall impose penalties in accordance with the relevant laws and administrative regulations:

1. Failing to display the business license in a conspicuous position at the business premises;

2. Forging, altering, leasing, lending, or transferring the business license;

3. Carrying out business activities beyond the approved scope of business.

Article 25 — The registration authority and its staff members who fail to perform their duties, abuse their powers, or engage in malpractice for personal gain shall be subject to administrative sanctions in accordance with the law. Where a crime is constituted, criminal liability shall be pursued in accordance with the law.

Chapter VII — Supplementary Provisions

Article 26 — The registration of specialized partnership enterprises established by professional service institutions such as accounting firms and law firms shall be handled with reference to these Regulations.

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Article 27 — Where foreign investors establish partnership enterprises in China, the registration shall also comply with the relevant provisions of the State on foreign investment administration.

Article 28 — These Regulations shall take effect as of June 1, 2007.

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