



● 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-[CSRC Adopted Amendments to Allow Partnership Enterprises to Open Securities Accounts-November 30, 2009](#)). 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!

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Important Announcement

This Legal Update has been prepared for clients and professional associates of Han Kun Law Offices. Whilst every effort has been made to ensure accuracy, no responsibility can be accepted for errors and omissions, however caused. The information contained in this publication should not be relied on as legal advice and should not be regarded as a substitute for detailed advice in individual cases.

If you have any questions regarding this publication, please contact:

Contact Us

Beijing Office

Tel.: +86-10-8525 5500
Suite 906, Office Tower C1 Oriental Plaza
1 East Chang An Ave.
Beijing 100738, P. R. China

Wenyu JIN Attorney-at-law

Tel.: +86-10-8525 5557
Email: wenyu.jin@hankunlaw.com

Shanghai Office

Tel.: +86-21-6080 0919
Suite 5709, Tower 1, Plaza 66, 1266 Nanjing
West Road,
Shanghai 200040, P. R. China

Yinshi CAO Attorney-at-law

Tel.: +86-21-6080 0980
Email: yinshi.cao@hankunlaw.com

Shenzhen Office

Tel.: +86-755-2681 3854
Suite 4715, Diwang Commercial Centre,
Shun Hing Square, 5002 Shennan Dong Lu,
Luohu District, Shenzhen, P. R. China

Jason WANG Attorney-at-law

Tel.: +86-755-2681 3854
Email: jason.wang@hankunlaw.com