

Summary of Circular on Examination and Approval of Foreign-Invested Venture Capital Enterprises and Foreign-Invested Enterprises Licensed to Manage Foreign-Invested Venture Capital Enterprises (promulgated on March 5, 2009)

On March 5, 2009, the PRC Ministry of Commerce ("**MOFCOM**") issued an urgent *Circular on Examination and Approval of Foreign-Invested Venture Capital Enterprises and Foreign-Invested Enterprises Licensed to Manage Foreign-Invested Venture Capital Enterprises* (the "**Circular**") to its counterparts at selected sub-national government levels (the "**Sub-National Authorities**") regarding the approval of the establishments and the follow-up modification of the foreign-invested venture capital enterprises ("**FIVCIE**") and the foreign-invested enterprises licensed to manage the FIVCIE ("**FIVCIE Management Enterprise**").

Pursuant to the Circular, MOFCOM has empowered the Sub-National Authorities to approve the establishment and the follow-up modification of FIVCIE and FIVCIE Management Enterprise with total investment amounts of no more than US\$100 million. For the established FIVCIE and FIVCIE approved by MOFCOM, their follow-up modifications (except the capital increase in amount more than US\$100 million in one lump and the change of requisite investor of FIVCIE) as well as the annual report regarding their fund raising and investment to be filed in March each year shall be submitted to the Sub-National Authorities for approval or filing.

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

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



Beijing Office

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

Leia ZHANG Attorney at-law

Tel.: +86-10-8525 5547
Email: leia.zhang@hankunlaw.com

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

Joseph HWANG Attorney at-law

Tel.: +86-21-6080 0988
Email: joseph.hwang@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