**Regulations Governing The Permission of Commercial Behavior in Mainland China**

Article 1 These Regulations are establised in accordance with paragraph 4 of Article 35 of the Statute Governing Relations between Peoples of the Taiwan Area and the Mainland Area (hereinafter referred to as “Statute”).

Article 2 Any national, leagal entity, organization or other instiitution in Taiwan Area enging in commerccial behavior which need permission according to government publication in Mainland Area shall be governed by these Regulations.

Article 3 For the purposes of these Regulations, the “Competent Authority” shall be the Ministry of Economic Affairs.

Where any of the matters specified in these Regulation involve publication, management and examination of approval, formatting and deciding of application form, revocation and abolishment of permissed cases, the competent authority can delegate to relevant authorities to implement such matters.

Article 4 These Regulations shall not apply to any national, leagal entity, organization or other institution in Taiwan Area engaging in the extended commercial behaviors of the approved investment, technical cooperation or trade regulated by paragraph 3 and 4 of Article 35 of Statute.

The applicant applying establishing representitive offices in Mainland China should be examined by the competent authority base on country security and economic development. The principles of examination shall be prescribed by competent authority by negotiating with the relevant authorities.

Article 5 Those who engaging in commercial behavior, which needs permission according to government publication, shall submit an application form enclosed with the follwing documents to the competent authority:

1.A photocopy of registration certificate of legal person; a photocopy of profit seeking enterprise shall be enclosed if the applicant is a profit seeking enterprise.

2.Project plan with the following details:

(1)Category and content of commercial behavior;

(2)The place of engaging in commercial behavior;

(3)Period of engaging in commercial behavior.

3.Other specific document or information requested by the competent authority

The aforementioned application form shall be prescribed by competent authority.

The applicant mentioned in Paragraph 1 shall file application with the competent authority if transfer commercial behavior to investment, technical cooperation or trade, according to Regulations Governing The approval of Investment or Technical Cooperation in Mainland China and Regulations Governing Permission of Trade Between Twiwan Area and Mainland Area.

Article 6 After examination, the competent authority will only issue the approval letter to the qualified applicant of the permitted case.

Article 7 The competent authority can revoke or abolish the permission of the permissed case under any of the following conditions:

1.The information recorded in the application form or enclosed document contain any misrepresentation or falseness;

2.The applied commercial behavior interferes country security or interest.

3.The qualification, chartered business or permitted business which shall be possessed for filing the permission are revoked, abolished ot expelled.

Article 8 These Regulations shall come into force on March 1, 2004.