

Administrative Measures for the Disclosure of Information of Listed Companies

Promulgation date: 01-30-2007
Effective date: 01-30-2007
Department: CHINA SECURITIES REGULATORY COMMISSION
Subject: COMPANIES & ENTERPRISES
SECURITIES

Order of China Securities Regulatory Commission
(No. 40)

The Administrative Measures for the Disclosure of Information of Listed Companies, which were deliberated and adopted at the executive meeting of the 196th chairmen's meeting of China Securities Regulatory Commission on December 13, 2006, are hereby promulgated and shall come into force as of the date of promulgation.

Shang Fulin Chairman of China Securities Regulatory Commission

January 30, 2007

Administrative Measures for the Disclosure of Information of Listed Companies

Chapter I General Provisions

Article 1 For the purpose of regulating the information disclosure acts of issuers, listed companies and other information obligors, strengthening the administration of information disclosure, protecting the legitimate rights and interests of investors, these Measures are formulated in accordance with the Company Law, the Securities Law and other laws and administrative regulations.

Article 2 An information disclosure obligor shall disclose its information truthfully, accurately, completely and in time. The information disclosed shall not contain any false record or misleading statement or serious omission.

An information disclosure obligor shall simultaneously and openly disclose its information to all investors.

When a listed company, which issues securities and the derivatives thereof in the domestic and overseas markets, disclose information in the overseas market, it shall simultaneously do so in the domestic market.

Article 3 The issuer, and the directors, supervisors and senior managers of a listed company shall perform their duties faithfully and diligently and ensure that the information will be disclosed truthfully, accurately, completely, and fairly and in time.

Article 4 Prior to the disclosure of any inside information, no insider may publicize or divulge such information or commit insider dealings.

Article 5 The information disclosure documents mainly include the stock prospectuses, bond prospectuses, listing announcements, periodic reports and temporary reports.

Article 6 To disclose any information according to law, a listed company or any other information obligor shall submit the draft announcements and other reference documents to the stock exchange for register and shall publish them on the medium designated by China Securities Regulatory Commission (hereinafter referred to as the CSRC).

No information disclosure obligor may publish any information on the company's website or on any other medium earlier than it does so on the designated medium, or replace its obligation to issue reports and announcements by releasing news or answering questions of journalists, or replace its temporary reporting obligation with periodical reports.

Article 7 An information disclosure obligor shall submit the draft announcements and other reference documents to the securities regulatory bureau of the registration place of the listed company and make them available for public reference at the company's domicile.

Article 8 An information disclosure document shall be in Chinese. If it is simultaneously accompanied by a text in a foreign language, the information disclosure obligor shall ensure that both texts contain the same content. Where there is any discrepancy between them, the Chinese text shall prevail.

Article 9 The CSRC shall supervise the information in the information disclosure documents and announcements, management of the information disclosure, as well as the acts of the controlling shareholders, actual controllers and information disclosure obligors.

A stock exchange shall supervise the information disclosed by listed companies and other information disclosure obligors, urge them to disclose information in a timely and accurate manner, and exercise a real-time monitoring of the dealings of securities and the derivatives thereof. The listing rules and other information disclosure rules formulated by the stock exchange shall be submitted to the CSRC for approval.

Article 10 The CSRC may formulate special provisions on the disclosure of information of listed companies in special sectors such as finance and real estate sectors.

Chapter II Stock Prospectus and Bond Prospectus and Listing Announcements

Article 11 The stock prospectus formulated by the issuer shall conform to the relevant provisions of the CSRC. Any information which may have a major impact on the investors' investment decisions shall be disclosed in the stock prospectus.

After an application for public offering of securities has been approved by the CSRC, the issuer shall publish the prospectus prior to the offering of securities.

Article 12 The directors, supervisors and senior managers of an issuer shall confirm in writing the stock prospectus so as to ensure the authenticity, accuracy and completeness of the information disclosed.

The stock prospectus shall bear the seal of the issuer.

Article 13 Where an issuer applies for the initial public offering of stocks, the issuer shall, during the period after the CSRC accepts the application documents and before the issuance examination committee examines them, disclose the draft prospectus on the website of the CSRC in advance.

The draft prospectus disclosed in advance is not the issuer's formal document on the offering of stocks, so it shall not contain any price information, and the issuer shall not issue any stock accordingly.

Article 14 Where any major event occurs during the period after a stock offering application has been examined and approved by the CSRC and before the end of offering, the issuer shall submit a written explanation to the CSRC and shall, upon permission of the CSRC, revise the prospectus or make a supplementary announcement correspondingly.

Article 15 To apply for the listing of any stocks, the applicant shall prepare a listing announcement according to the requirements of the stock exchange and shall publish it upon examination and permission of the stock exchange.

The directors, supervisors and senior managers of the issuer shall confirm in writing the listing announcement so as to ensure the genuineness, accuracy and completeness of the information disclosed.

The listing announcement shall bear the seal of the issuer.

Article 16 Where the stock prospectus or listing announcement quotes any professional opinion or report of the recommender or securities service institution, the relevant content thereof shall be in conformity with the content of the document issued by the said recommender or securities service institution so as to ensure that the quoted recommender's or the securities service institution's opinions will not be misleading.

Article 17 The relevant provisions of Articles 11 through 16 of these Measures on the stock prospectus shall apply to the corporate bond prospectus.

Article 18 After a listed company issues any new stocks in a non-public manner, it shall disclose its report on the offering in pursuance of the law.

Chapter III Periodic Reports

Article 19 The periodic reports, which a listed company shall disclose, include the annual, interim and quarterly reports. Any information which may have a major impact on the investors' investment decisions shall be disclosed.

The financial accounting statements included in the annual report shall have been audited by an accounting firm which has the relevant qualifications for business of securities or futures.

Article 20 An annual report shall be completed and disclosed within 4 months from the date of end of each fiscal year, an interim report shall be completed and disclosed within 2 months after the end of the first half of each fiscal year, and a quarterly report, within 1 month after the end of the third month and of the ninth month of each fiscal year.

The time for the disclosure of the quarterly report of the first quarter shall not be earlier than the time for the disclosure of annual report of the previous one year.

Article 21 An annual report shall contain:

- (1) the basic information of the company;
- (2) the main accounting data and financial indicators;
- (3) the information about the issuance and changes of corporate stocks and bonds, the total amount of stocks and bonds by the end of the reporting period, total number of shareholders, as well as the shares held by the 10 biggest shareholders;
- (4) the information about the shareholders holding 5% or more of the shares, the controlling shareholders and the actual controllers;
- (5) the information about the appointment of directors, supervisors and senior managers, changes of the shares held by them, as well as their annual remunerations;
- (6) the report of the board of directors;
- (7) the discussions and analyses of the management team;
- (8) the major events occurring within the reporting period and their influence on the company;
- (9) the full texts of the financial accounting statements and audit report; and
- (10) other matters prescribed by the CSRC.

Article 22 An interim report shall contain:

- (1) the basic information of the company;
- (2) the main accounting data and financial indicators;
- (3) the information about the issuance and changes of corporate stocks and bonds, the total number of shareholders, as well as the shares held by the 10 biggest shareholders;
- (4) the discussions and analyses of the management;
- (5) the major events occurring within the reporting period, such as important lawsuits and arbitrations, as well as their influence on the company;
- (6) the financial accounting statements; and
- (7) other matters prescribed by the CSRC.

Article 23 A quarterly report shall contain:

- (1) the basic information of the company;
- (2) the main accounting data and financial indicators; and
- (3) other matters prescribed by the CSRC.

Article 24 The directors and senior managers of a listed company shall confirm the periodic reports in writing. The board of supervisors shall put forward its examination opinions in writing to state whether or not the preparation and examination procedures of the board of directors conform to the relevant laws, administrative regulations and the CSRC's provisions, and whether or not the contents of the report can truthfully, accurately and completely reflect the actual information of the listed company.

Where any director, supervisor or senior manager is unable to guarantee or denies the genuineness, accuracy or completeness of any periodic report, he shall state the reasons, express his opinions, and disclose them.

Article 25 Where a listed company forecasts that there will be any loss or big change to its business performances, it shall timely make an announcement in advance.

Article 26 If the performances are divulged or if there is any hearsay about the performances and if the transactions of corporate securities and the derivatives thereof fluctuate abnormally, the listed company shall disclose the relevant financial data of the current reporting period in time.

Article 27 Where a non-standard audit report is issued on the financial accounting statements included in a periodic report, the board of directors of the listed company shall make a special explanation about the items involved in the audit opinions.

Where a non-standard audit report is issued on the financial accounting statements included in a periodic report, if the stock exchange considers that any violation is involved, it shall file an application with the CSRC for investigation.

Article 28 Where a listed company fails to disclose its annual report or interim report within the prescribed time limit, the CSRC shall immediately establish it as a case for investigation and the stock exchange shall punish it according to the rules on the listing of stocks.

Article 29 The formats and rules for the preparation of annual, interim and quarterly reports shall be separately formulated by the CSRC.

Chapter IV Temporary Reports

Article 30 In the case of a major event that may considerably affect the trading price of a listed company's shares and that is not yet known to the investors, the listed company shall disclose it to them, stating the cause, the present situation, and the possible legal consequence of the event.

The term “major event” as mentioned in the preceding paragraph includes the following circumstances:

- (1) A major change in the business guidelines or business scope of the company;
- (2) A decision of the company on any major investment or major purchase of asset;
- (3) An important contract as concluded by the company, which may produce an important effect on the assets, liabilities, rights and interests or business achievements of the company;
- (4) The incurrence of any major debt in the company or default on any major debt that is due, or the occurrence of liability for any large sum of compensation;
- (5) The incurrence of any major deficit or a major loss in the company;
- (6) A major change in the external conditions for the business operation of the company;
- (7) The change of any director, one-third or more of the supervisors or managers of the company, or the chairman of the board of directors or the manager being unable to perform his duties;
- (8) A considerable change in the shares of the shareholders or actual controllers each of whom holds or controls no less than 5% of the company’s shares;
- (9) A decision of the company on capital decrease, merger, split-up, dissolution, or application for bankruptcy, or entering into the bankruptcy procedure or being ordered to close down in accordance with the law;
- (10) Any major litigation, arbitration in which the company is involved, or where the resolution of the general meeting of shareholders or the board of directors has been cancelled or invalidated;
- (11) The company is investigated, given any criminal punishment or major administrative punishment by the competent organ due to any violation of law or regulation, or any director, supervisor or senior manager of the company is investigated or subject to mandatory measures by the competent organ due to any violation of law or discipline;
- (12) Any newly promulgated law, regulation, rules or industrial policy that may considerably affect the company;
- (13) A resolution of the board of directors on the new stock offering plan or any other financing plan or equity incentive plan;
- (14) A court ruling which prohibits the controlling shareholder from transferring its shares; or 5% or more of the shares held by any shareholder is pledged, frozen, judicially auctioned, kept in custody or in trust, or the voting rights of such shareholder are limited;
- (15) The main assets have been sealed up, detained, frozen, mortgaged or pledged;
- (16) The main or all businesses have stopped;
- (17) Providing any important external guaranty;
- (18) Obtaining a large sum of government subsidy or any other extra proceeds which are likely to produce important effects on the assets, liabilities, rights and interests or business achievements of the company;
- (19) Changes in the accounting policies or accounting estimates;
- (20) There is any error in the information disclosed previously or because the company fails to disclose information as required or because the information disclosed contains any false record so that the company is ordered to make a correction by the relevant organ or the board of directors of the company decides to make a correction
- (21) Other circumstances as prescribed by the CSRC.

Article 31 A listed company shall timely perform the obligation to disclose the information about a

major event when any of the following circumstances is the first to occur:

- (1) The board of directors or board of supervisors makes a resolution about the major event;
- (2) The parties concerned enter into a letter of intent or agreement on the major event; or
- (3) The directors, supervisors or senior managers know the major event and report it.

Where any of the following circumstances occurs before the occurrence of the circumstances as mentioned in the preceding paragraph, the listed company shall timely disclose the present situation and the risk factors which may affect the progress of the major event:

- (1) It is difficult to keep this major event confidential;
- (2) This major event has been divulged or there is already any hearsay in the market; or
- (3) There is any abnormal transaction of the corporate securities or their derivatives.

Article 32 After a listed company discloses a major event, if the progress or change of this major event may considerably affect the transaction prices of its securities and the derivatives thereof, it shall timely disclose the progress or change as well as its possible consequences.

Article 33 Where any major event as mentioned in Article 30 of these Measures occurs in a subsidiary controlled by a listed company, if it is likely to considerably affect the transaction prices of the listed company's securities and the derivatives thereof, the listed company shall perform the information disclosure obligation.

For the possible occurrence of any event that may considerably affect the transaction prices of a listed company's securities and the derivatives thereof, the listed company shall perform the information disclosure obligation.

Article 34 Where a listed company's act of acquisition, merger, split-up, issuance or re-purchase of shares results in any big change in its total stock capital, shareholders or actual controllers, the information disclosure obligor shall perform the obligation to issue a report or announcement, disclosing the changes in the rights and interests.

Article 35 A listed company shall pay attention to the abnormal transactions of its own securities and the derivatives thereof as well as the medium's reports about it.

Where any abnormal transactions or media information of securities and the derivatives thereof may considerably affect the transactions of the corporate securities and the derivatives thereof, the listed company shall timely find out the facts from all aspects and shall make inquiries in writing where necessary.

A listed company's shareholders, actual controllers and the concerted parties thereof shall timely and accurately inform the listed company about whether any major event, such as equity transfer or asset reorganization, will occur, and assist the listed company to carry out the information disclosure work properly.

Article 36 If the CSRC or the stock exchange confirms that any transactions of the corporate

securities and the derivatives thereof are abnormal, the listed company shall timely find out the factors which result in the abnormal fluctuations of transactions of securities and the derivatives, and shall timely disclose them.

Chapter V Management of Information Disclosure Affairs

Article 37 A listed company shall work out rules on the management of information disclosure affairs, which shall contain:

- (1) the information which shall be disclosed and the criteria for disclosure;
- (2) procedures for the transmission, check and disclosure of undisclosed information;
- (3) the duties of the administrative department for information disclosure affairs and the person-in-charge thereof in the work of information disclosure;
- (4) the reporting, deliberation and disclosure duties of the directors and the board of directors, supervisors and the board of supervisors, and senior managers, etc.;
- (5) the rules on the records and preservation of records of the fulfillment of duties by the directors, supervisors and senior managers;
- (6) the confidentiality measures for the undisclosed information, the range and confidentiality responsibilities of the insiders of the inside information;
- (7) the internal control and supervision mechanism for the management of financial affairs and accounting calculation;
- (8) the application for, check and announcement of information to be publicly released, and the information communication with the investors, securities service institutions, media, etc. as well as the relevant rules;
- (9) the archival management of documents and materials relating to information disclosure;
- (10) the rules on the management and reporting of information disclosure affairs relating to the subsidiaries of the listed company; and
- (11) the investigation and punishment mechanism regarding the liabilities for failure to disclose information as required, the measures for punishing violators.

A listed company's rules on the management of information disclosure affairs shall, upon deliberation and adoption of its board of directors, be submitted to the securities regulatory bureau of its registration place and to the stock exchange for archival purposes.

Article 38 The directors, supervisors and senior managers of a listed company shall be diligent and dutiful. They shall pay attention to the preparation of information disclosure documents so as to ensure that the periodic reports and temporary reports can be disclosed within the time limits set forth, and shall help the listed company and other information obligors to perform the information disclosure obligation.

Article 39 A listed company shall set forth the procedures for the preparation, deliberation and disclosure of periodic reports. The managers, financial person-in-charge, secretary of the board of directors and other senior managers shall timely work out draft periodic reports and submit them to the board of directors for deliberation. The secretary of the board of directors shall be responsible for serving the said drafts on the directors for checking. The chairman of the board of

directors shall be responsible for convening and presiding over the meetings of the board of directors for the deliberation of periodic reports. The board of supervisors shall be responsible for the examination and approval of the periodic reports worked out by the board of directors. The secretary of the board of supervisors shall be responsible for organizing the work of disclosure of periodic reports.

Article 40 A listed company shall set forth the procedures for the reporting, transmission, examination, checking and disclosure of major events. When the directors, supervisors and senior managers have the knowledge of a major event, they shall, according to the provisions of the company, immediately perform their reporting obligation. When the chairman of the board of directors receives a report, he shall immediately report it to the board of directors and urge the secretary of the board of directors to organize the work of disclosure of temporary reports.

Article 41 A listed company shall, holding introduction meetings, analysts' meetings, road shows, accepting the investors' investigation, etc., communicate with the institutions and individuals in respect of the business operations, financial status and other events, but it shall not provide any inside information.

Article 42 The directors shall seek to know and pay continuous attention to the company's business operations and financial status, and the major events which have already occurred or are likely to occur as well as the consequences thereof, make investigations on their own initiative so as to obtain information which are necessary to make decisions.

Article 43 The supervisors shall supervise the fulfillment of information disclosure duties by the directors and senior managers of the company, pay attention to disclosures of information. If they find any violation therein, they shall investigate it and set forth a suggestion on how to punish it.

The written opinions issued by the board of supervisors on the examination of a periodic report shall state whether or not the preparation and check procedures conform to the laws, administrative regulations, and the provisions of the CSRC, and whether or not the contents of the report can truthfully, accurately and fully reflect the actual situation of the listed company.

Article 44 The senior managers shall timely report to the board of directors the major events arising in the business operations or financial aspect of the company, the progress and changes of the events already disclosed, and other relevant information.

Article 45 The secretary of the board of directors shall be responsible for organizing and coordinating the information disclosure affairs of the company. He shall gather the information which shall be disclosed by the listed company, and report it to the board of directors, pay continuous attention to the media's reports on the company and verify the authenticity of the reports on his own initiative. He has the power to attend the general meeting of shareholders, meetings of board of directors, meetings of the board of supervisors and relevant meetings of the senior managers, know the financial status and business operations, and consult all documents relating to information disclosure.

The secretary of the board of directors shall be responsible for the affairs relating to announcements of the listed company's information made to the general public. Except for the announcements of the board of supervisors, the information disclosed by the listed company shall be released in the form of announcements of the board of directors. In the absence of written authorization of the board of directors, no director, supervisor or senior manager may announce to the general public any information of the listed company undisclosed.

The listed company shall provide convenient conditions for the secretary of the board of directors to perform his duties. The financial person-in-charge shall assist the secretary of the board of directors in his work relating to the disclosure of financial information.

Article 46 At the occurrence of any of the following events, the shareholders or actual controllers of the listed company shall, on their own initiative, inform the board of directors of the listed company and assist the listed company to perform the information disclosure obligation:

- (1) A considerable change in the shares of the shareholders or actual controllers each of whom holds or controls no less than 5% of the company's shares;
- (2) A court ruling which prohibits the controlling shareholder from transferring its shares; or 5% or more of the shares held by any shareholder is pledged, frozen, judicially auctioned, kept in custody or in trust, or the voting rights of such shareholder are limited;
- (3) A plan on the significant restructuring of assets or businesses of the listed company; or
- (4) Other circumstances set forth by the CSRC.

Prior to the disclosure of information which shall be disclosed, if the relevant information has been transmitted in the media and the transactions of the corporate securities and derivatives thereof have been abnormal, the shareholders or actual controllers shall timely and accurately file a written report with the listed company and help it to make an announcement timely and accurately.

None of the shareholders or actual controllers of a listed company may abuse the shareholder's rights or its predominant position, or require the listed company to provide it with inside information.

Article 47 When a listed company makes a private offering of stocks, its controlling shareholders, actual controllers, and parties to whom the stocks are issued shall timely provide the relevant information to the listed company and assist the listed company to perform the information disclosure obligation.

Article 48 The directors, supervisors, senior managers, shareholders holding 5% or more of the shares of a listed company and the concerted parties thereof, and the actual controllers shall timely file with the board of directors a name list of the affiliated parties of the listed companies and a statement of the affiliation. The listed company shall comply with the procedures for the deliberation of affiliated transactions and strictly implement the rules on the disqualification in the voting relating to affiliated transactions. None of the parties to such transactions may dodge the

procedures for the deliberation of affiliated transactions and the information disclosure obligation of the listed company.

Article 49 A shareholder or actual controller who holds 5% or more of the shares of a listed company by way of accepting entrustment or trust shall timely inform the listed company of the information of the entrusting party and assist the listed company to perform the information disclosure obligation.

Article 50 An information disclosure obligor shall provide all practice-related materials to the recommender or securities service institution it hires and shall ensure the authenticity, accuracy and completeness of the materials. It shall refuse to offer or conceal such materials or offer any false materials.

When the recommender or securities service institution issues a special document on information disclosure, if it finds any false record, misleading statement or serious omission in the materials provided by the listed company or by any other information obligator, or if it finds any other gross violation, it shall require it to make a supplement or correction. If the information obligor fails to do so, the recommender or securities service institution shall timely report it to the securities regulatory bureau of the company's registration place and to the stock exchange.

Article 51 Where a listed company dismisses an accounting firm, it shall, after the board of directors makes a resolution, timely notify the accounting firm. When the general meeting of shareholders votes on the dismissal of the accounting firm, the accounting firm shall be allowed to state its opinions. After the general meeting of shareholders makes a resolution on dismissing or changing the accounting firm, the listed company shall, in the disclosure, state the specific reasons for the change, and the opinions of the accounting firm.

Article 52 The recommender or securities service institution who issues special documents for the information disclosure obligors to perform the information disclosure obligation shall be diligent, dutiful, honest and faithful. It shall express its professional opinions according to the operating rules, industrial norms and moral criterions and ensure the truthfulness, accuracy and completeness of the documents it issues.

Article 53 A certified public accountant shall act in accordance with the belief in risk-oriented audit, strictly follow the practicing rules and relevant provisions on certified public accountants, perfect the authentication procedures, scientifically select the authentication methods and technologies, seek to have full knowledge of the entity to be authenticated and the environment thereof, prudently pay attention to the risk of serious wrong reports, obtain adequate and appropriate proofs so as to issue reasonable authentication conclusions.

Article 54 An asset assessment institution shall scrupulously abide by the professional ethics, strictly follow the assessment rules and other assessment norms, choose a proper assessment approach, set forth hypotheses which meet the actual situation, obtain adequate proofs for the lawfulness of the transactions, revenues, expenses and investments of the assessee, and the

reliability of future forecasts, fully consider the various probabilities and the consequences thereof so as to form reasonable assessment conclusions.

Article 55 No institution or individual may illegally obtain, render or transmit any inside information of any listed company, or buy, sell or propose others to buy or sell the corporate securities and the derivatives thereof by using the inside information it (he) obtains, or use inside information in investment value analysis reports, research reports or other documents.

Article 56 The media shall objectively and truthfully report the relevant information of listed companies and give play to the supervisory functions of public opinions.

No institution or individual may provide or transmit any information of a listed company which is false or may mislead the investors.

For any violator of the provisions of the preceding 2 paragraphs, if it (he) causes any loss to the investors, it (he) shall be liable for compensation.

Chapter VI Supervision, Administration and Legal Liabilities

Article 57 The CSRC may require a listed company and other information obligors, or the directors, supervisors and senior managers thereof to make an explanation about, introduce or provide relevant materials for, the pertinent information disclosure problems, and require the listed company to provide the professional opinions of the recommender or securities service institution.

If the CSRC has any doubt about the genuineness, accuracy and completeness of any document issued by the recommender or securities service institution, it may require it to make an explanation or supplement, and consult its working papers.

The listed company and other information disclosure obligors, recommender and securities service institution shall make a timely response and help the CSRC to conduct inspections and make investigations. .

Article 58 The directors, supervisors and senior managers of a listed company shall be liable for the genuineness, accuracy, completeness, timeliness and fairness of the information disclosure of the company, unless adequate evidence shows they have fulfilled the obligation to be diligent and duteous.

The directors, managers, and the secretary of the board of directors of a listed company shall be mainly liable for the genuineness, accuracy, completeness, timeliness and fairness of the information disclosure in the form of temporary reports of the company.

The directors, managers and financial person-in-charge of a listed company shall be mainly liable for the genuineness, accuracy, completeness, timeliness and fairness of financial reports of the company.

Article 59 Where an information obligor or any of its directors, supervisors and senior managers, or any of the shareholders, actual controllers, purchasers, directors, supervisors and senior managers of a listed company violates these Measures, the CSRC may take the following supervisory measures:

- (1) To order it (him) to make a correction;
- (2) To hold supervisory talks;
- (3) To issue a letter of warning;
- (4) To record the violation, non-performance of public commitment and other information in its (his) credit archives, and make an announcement;
- (5) To determine him as inappropriate to assume his position; and
- (6) To take other supervisory measures in accordance with the law.

Article 60 Where a listed company fails to work out rules on the management of information disclosure affairs of the listed company in accordance with these Measures, the CSRC shall order it to make a correction. If it refuses to do so, the CSRC shall give it a warning and a pecuniary punishment.

Article 61 Where an information obligor fails to perform the information disclosure obligation within the prescribed time limit, or where there is any false record, misleading statement or serious omission in the information disclosed by it, the CSRC shall punish it in pursuance of Article 193 of the Securities Law.

Article 62 Where an information obligor fails to submit the relevant reports within the prescribed time limit, or there is any false record, misleading statement or serious omission in any report submitted, the CSRC shall punish it in pursuance of Article 193 of the Securities Law.

Article 63 Where a listed company dodge the information disclosure or reporting obligation by conceal the affiliation or by any other means, the CSRC shall punish it according to Article 193 of the Securities Law.

Article 64 Where any shareholder or actual controller of a listed company fails to assist the listed company to perform the information disclosure obligation, or unlawfully require the listed company to provide inside information, the CSRC shall order it to make a correction, and give it (him) a warning and a pecuniary fine.

Article 65 Where a recommender or securities service institution, which issues special documents for an information obligor to perform the information disclosure obligation, or any of its personnel violates the Securities Law, any administrative regulation, or any of the provisions of the CSRC, the CSRC shall take supervisory measures, such as ordering it or him to make a correction, holding supervisory talks, issuing a letter of warning, recording the violation in its or his credit archives. If it is necessary give it or him an administrative punishment, the CSRC shall do so in accordance with the law.

Article 66 Any institution or individual who divulges any inside information of a listed company, or buys and sells securities and the derivatives thereof by using any inside information shall be punished by the CSRC in accordance with Articles 201 and 202 of the Securities Law.

Article 67 Any institution or individual who makes up or spreads any false information to disturb the securities market, or any medium which disseminates any untrue or un-objective shall be punished by the CSRC in accordance with Article 206 of the Securities Law.

Anyone who makes any false statement or offers any misleading information in the transactions of securities and the derivatives thereof shall be punished by the CSRC in pursuance of Article 207 of the Securities Law.

Article 68 For anyone who extorts a listed company by a news report or by other transmission means, the CSRC shall order him to make a correction, and send to the relevant department a letter of supervisory suggestion. The relevant department shall make an investigation and subject him to legal liabilities.

Article 69 Where a listed company or any other information disclosure obligor violates these Measures, if the circumstance is gross, the CSRC may ban the relevant liable persons from entering into the securities market.

Article 70 For any violator of these Measures, if any crime is involved, he shall be transferred to the judicial organ for criminal liabilities.

Chapter VII Supplementary Provisions

Article 71 The following terms as mentioned in these Measures are defined as follows:

(1)The term “recommender or securities services institution which issues special documents for information obligors to perform the information disclosure obligation” refers to the recommender, accounting firm, asset assessment institution, law firm, financial consultant institution and credit rating institution which issues recommendation documents, audit reports, asset assessment reports, legal advice, reports of financial consultant, credit rating reports, etc. for the offering, listing and trading of securities;

(2)The term “timely” means within 2 trading days from the date of start of calculation or at the time of occurrence of the circumstances where information disclosures are required.

(3)The term “affiliated transactions of a listed company” refers to events which occur between the listed company or its holding subsidiaries and the affiliates and for which the resources or obligations are transferred.

The term “affiliates” includes affiliated persons and affiliated natural persons.

A legal person who is under any of the following circumstances shall be an affiliate of a listed company:

(a)A legal person who directly or indirectly controls the listed company;

- (b) A legal person who is directly or indirectly controlled by the legal person as mentioned in the preceding sub-item but who is not the listed company or its subsidiary;
- (c) A legal person who is directly or indirectly controlled by an affiliated natural person, or in which an affiliated natural person assumes the position of a director or senior manager, but who is not the listed company or its subsidiary;
- (d) A legal person holding 5% or more shares of the listed company, or the concerted party thereof;
- (e) The occurrence of any of the circumstances as mentioned above during the past 12 months or in the future 12 months under the arrangement of the relevant agreement; and
- (f) Any other legal person which the CSRC or stock exchange or listed company confirms according to the principle of priority of the essence over the form that there is a special relationship between it and the listed company which may cause or has already caused the listed company to incline to its interests.

The natural persons under any of the following circumstances shall be affiliated natural persons of the listed company:

- (a) The natural persons who directly or indirectly hold 5% or more shares of a listed company;
 - (b) The directors, supervisors and senior managers of a listed company;
 - (c) The supervisors, supervisors and senior managers of the legal person who directly or indirectly controls the listed company;
 - (d) The intimate family members of the persons as mentioned in sub-items (a) and (b), including the spouse, parents, children who have attained to the age of 18 and the spouse thereof, brothers and sisters and the spouse thereof, as well as the parents of the children's spouse.
 - (e) The occurrence of any of the circumstances as mentioned above during the past 12 months or in the future 12 months under the arrangement of the relevant agreement; and
 - (f) Any other natural person which the CSRC or stock exchange or listed company confirms according to the principle of priority of the essence over the form that there is a special relationship between him and the listed company which may cause or has already caused the listed company to incline to its interests.
- (4) The term “designated media” refers to the newspapers, periodicals and websites as designated by the CSRC.

Article 72 These Measures shall come into force as of the date of promulgation. The Detailed Rules for the Disclosure of Information of Companies Offering Stocks Publicly (for Trial Implementation) (No. 43 [1993] of China Securities Regulatory Commission), Notice on the Disclosure of Information about Public Offering of Stocks and Listed Companies (No. 19 [1993] of China Securities Regulatory Commission), Notice on Strengthening the Examination of Temporary Reports of Listed Companies (No. 26 [1996] of China Securities Regulatory Commission), Notice on Several Issues Concerning the Release of Clarification Announcements by Listed Companies (No. 28 [1996] of China Securities Regulatory Commission), Notice on the Electronic Filing of Information Disclosed by Listed Companies (No. 50 [1998] of China Securities Regulatory Commission), Notice on Strengthening the Supervision over the Information Disclosed by ST and PT Companies (No. 63 [2000] of China Securities Regulatory

Commission), Notice on the Issues Concerning the Interim Reports of Listed Companies to Issue New Stocks (No. 69 [2001] of China Securities Regulatory Commission) as well as the Notice on the Submission of Temporary Announcements of Listed Companies and Pertinent Annexes to the Institutions dispatched by China Securities Regulatory Commission for Archival Purposes (No. 7 [2003] of China Securities Regulatory Commission) shall be abolished simultaneously.