

Measures for the Use of Booths of China Import and Export Fair

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These Measures are formulated for purposes of strengthening the administration of the use of booths of China Import and Export Fair (Canton Fair), combating the acts of illegally transferring or subleasing (reselling) booths, and regulating the order of commodity fairs.

Chapter I Requirements for Using Booths

Article 1 The competent departments of commerce of all provinces, autonomous regions, municipalities directly under the Central Government, and municipalities under the separate state planning and some provincial capital cities shall be responsible for organizing local enterprises to participate in the Fair by arranging local trade groups. The unit for enterprises under the State-owned Assets Supervision and Administration Commission to attend the Fair shall be separately stipulated by the Ministry of Commerce.

Article 2 The booths of the Canton Fair shall only be used by the enterprises who have passed the verification and examination of the trade group and the review of the chambers of commerce or associations (referring to China Chamber of Commerce for Import and Export of Textiles, China Chamber of Commerce for Import and Export of Light Industrial Products and Arts-Crafts, China Chamber of Commerce of Metals, Minerals & Chemicals Importers & Exporters, China Chamber of Commerce For Import and Export of Foodstuffs, Native Produce & Animal By-Products, China Chamber of Commerce for Import and Export of Machinery and Electronic Products, China Chamber of Commerce for Import & Export of Medicines & Health Products, and China Association of Enterprises with Foreign Investment, hereinafter the same) on the terms of use, and obtained the booths for attending the Fair (hereinafter referred to as the enterprise attendees).

Article 3 An enterprise attendee shall register truthfully in the Canton Fair network management system for archival purpose, use the booths according to the provisions of the Canton Fair and take the corresponding responsibilities. The actual users shall be the enterprise attendee as marked on the fascia board of the booths.

Article 4 Illegally transferring or subleasing (reselling) of booth shall be strictly prohibited in the Canton Fair.

Article 5 The trade group shall be responsible for managing the use of its booths, and shall sign a letter of accountability for using booths of the Canton Fair with the enterprise attendees of its group.

Article 6 An enterprise attendee shall designate special persons to be responsible for the use of booths. The person taking charge of the booth shall be an official staff of the enterprise attendee of the booth and have an attendee's certificate issued by the Canton Fair.

Article 7 The trade group shall input the information of the persons taking charge of the booths of the enterprise attendees into the network management system of the Canton Fair before March 20 (the Spring Fair) or September 20 (the Autumn Fair) each year. Each person in charge of the booths can only be responsible for one or more booths forming a contiguous area in a certain pavilion of his enterprise, shall be on guard in working hours, and shall take the responsibility for cooperating with the relevant departments in examining the use of stands.

Article 8 The chambers of commerce and associations shall form a joint inspection team with the representatives from local competent departments of commerce, and China Foreign Trade Center (CFTC) shall carry out inspections to find out illegal transfer or sublease (resale) of booths.

Article 9 A circulation enterprise may attend the Fair together (jointly attending) with a non-circulation enterprise which has a joint operating or supplying relations (joint operator/supplier) with it, only when it applies for two booths or more in a certain pavilion, and it shall submit the relevant materials jointly. It may apply for attending the Fair together with no more than two joint operators/ suppliers in one pavilion.

Article 10 When attending the Fair jointly, the fascia board of the booth shall list only the name of the enterprise attendee, and the CETC shall make certifications for attending the Fair, including the information of the joint operators (suppliers). An enterprise attendee must not collect any fees from the joint operators (suppliers) beyond the normal costs of the booth under any pretext.

Article 11 No enterprise may apply for jointly attending the Fair in the brand pavilions.

Chapter II Identification, Investigation and Punishment of Illegal Use of Booths

Article 12 The standard for identifying the illegal transfer or sublease (resale) of booths:

1. Concluding contracts with any other party in name of a non-attendee.
2. Distributing the business cards of a non-attendee in the booths.
3. Transferring, reselling, sub-contracting, or sub-letting the booths in any way.
4. Failing to report, or making any false report of the persons taking charge of the booths, or failing to handle the formalities of alteration of persons taking charge of the booths in accordance with the requirements. .
5. An enterprise attendee failing to place the certification sign for participating in the exhibition according to the stipulations of the Canton Fair.
6. Other illegal acts of transferring or subleasing (reselling) booths as confirmed by the joint inspection team on using booths.

Article 13 The following cases in the joint attending of the Fair shall be regarded as illegal transfer or sublease (resale) of booths:

1. An enterprise attendee collects other fees beyond the normal costs of booths from any joint operator (supplier).
2. Associating two or more joint operators (suppliers) in a joint operating booth.
3. Distributing business cards of non-attendees or non-filing joint operators (suppliers) in the booths.
4. An enterprise attendee fails to place the certifications for attending the Fair, including the information of joint operators (suppliers) in the booths.
5. The joint attending exceeds the limits on the scope of type of joint operation between the circulation enterprises and non-circulation enterprises.

Article 14 In case a joint operator (supplier) illegally transfers or subleases (resells) the booths during the Fair, it shall be regarded as the illegal transfer or sublease (resale) of the booths by the enterprise attendee.

Article 15 An enterprise attendee illegally transferring or subleasing (reselling) booths shall be punished according to the following measures:

1. Closing the illegal booths or other booths of the enterprise illegally attending the Fair in the same pavilion as of the very day, and withdrawing all the exhibits from the exhibition hall.
2. Confiscating the relevant certificates for attending the Fair.

3. Being disqualified from attending the Fair in the pavilion to which the illegally transferred or subleased (resold) booths for successively 10 sessions from the current session, and recording the enterprise into the list of violations. In case an enterprise transfers or subleases (resells) booths in two or more pavilions, its qualification for attending the Fair in the relevant pavilions shall be cancelled for successively 20 sessions from the current session.

4. The results of punishment shall be announced to the public, and shall be notified in the Canton Fair Newsletter.

Article 16 The relevant trade group who shall assume the responsibility of organizing the exhibition for the enterprise attendees in violation of regulations shall be punished under the following measures:

1. Circulating a notice of criticism.

2. Deducting the booths of equal quantity of the trade group to which the enterprise attendees in violation of regulations are a member from the next Canton Fair.

Chapter III Incentives for Reporting the Illegal Use of Booths

Article 17 The Canton Fair shall set up a hotline for complaints to encourage the report of acts of illegal transfer or sublease (resale) of booths.

Article 18 In case a purchaser of illegally transferred or subleased (resold) booths reports on its own initiative, and provides evidence of scalping the booths which is verified and confirmed by the joint inspection team on the use of booths, the relevant booths shall be used by the party reported on its own initiative, who shall reproduce the fascia board of booths and handle the relevant certificates for attending the Fair.

In the next Canton Fair, the purchaser who reported the illegal transfer or sublease (resale) of booths may apply to the trade group to which it is a member for a booth according to the jurisdictional relationship. If the purchaser conforms to the qualification requirements for attending the Fair, the relevant trade group shall arrange for it to as many booths in the same pavilion as it has reported, and the Canton Fair shall correspondingly increase as many booths in the pavilion wherein the illegally used booths are located for the trade group of which the purchaser is a member.

Article 19 For a third party who reports an illegal transfer or sublease (resale) of booths, which is verified and confirmed by the joint inspection team on the use of booths, and conforms to the qualification requirement for attending the Canton Fair, such party may apply to the trade group of which it is a member for booths according to the jurisdictional relationship in the next Canton Fair. The relevant trade group shall arrange for it to as many booths in the same pavilion as it has reported, and the Canton Fair shall correspondingly increase as many booths in the pavilion wherein the illegally used booths are located for the trade group of which the purchaser is a member.

Article 20 For a trade group who reports upon its own initiative or investigates and punishes the acts of illegal transfer or sublease (resale) of booths in its group, such a group shall not be given a notice of criticism, and its number of booths shall not be reduced.

Article 21 For a trade group who reports upon its own initiative any illegal transfer or sublease (resale) of booths by any enterprise attendee of any other trade group, and it has been verified by the joint inspection team on the use of booths, its number of booths shall be increased according to the verified amount of booths from the next session of the Canton Fair, and it shall arrange for the qualified enterprises in its group to attend the Fair according to the relevant measures.

Chapter IV Treatment of Illegal Use of Booths

Article 22 The booths investigated and taken back shall be arranged according to the following measures from the

next session of the Canton Fair, and the results of arrangement shall be effective until the next re-distribution of the total booths of all trade groups:

1. The Ministry of Commerce shall make an announcement to all the trade groups.
2. The trade groups shall apply to the Ministry of Commerce for using booths within three working days; and the Ministry of Commerce shall arrange for the booths taken back to the relevant applicant trade group according to the relevant measures.
3. The relevant trade groups shall allocate the booths partitioned and distributed by the Ministry of Commerce within five working days to the applicant enterprises meeting the requirements for using booths, and shall arrange for the enterprises to attend the Fair after being reviewed by the relevant chambers of commerce and associations.

Article 23 In case the booths investigated and taken back fall in the situation of Article 18, 19, or 20, they shall be arranged for under the provisions of Articles 18, 19, 20, and 21.

Article 24 The power to interpret these Measures remains with the Ministry of Commerce. If there is any inconsistency between the previous provisions and the provisions of these Measures, these Measures shall prevail.

Article 25 These Measures shall be implemented from the 104 session Canton Fair.