

LEHMAN, LEE & XU



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PRESS RELEASE

MOFCOM ANNOUNCED PROVISIONS ON CONCENTRATION OF BUSINESS OPERATORS

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In accordance with the Anti-Monopoly Law and for better implementation of the Measures for the Examination of the Concentration of Business Operators, The Ministry of Commerce of the People's Republic of China ("MOFCOM") announced the Interim Provisions for Implementation of Divestiture of Asset or Business Concerning Concentration of Business Operators ("Interim Provisions") on July 5, 2010.

The Interim Provisions is known as the first regulation issued by MOFCOM for the implementation of divestiture, which is to enforce the control over concentration of business operators.

Pursuant to the Interim Provisions, the business operators to the concentration ("operators") are obliged for the divestiture of asset under a period of 3 months or an extended one. Two stages have been listed, the self arranged divestiture stages in which the operators shall find a suitable purchaser; the entrusted divestiture stage when operators fails to complete the self-arranged divestiture. In addition, a supervisory trustee shall be appointed to supervise the full process of the divestiture independently.

"The Interim Provisions have admitted similar measures from other countries. It will provide clearer guidance to the parties to the concentration. However, it only focuses on one specific matter on this. We will wait and see if there will be further regulations to cover other remedies concerning the concentration." commented Edward E. Lehman, Managing Director of Lehman, Lee & Xu.

Lehman, Lee & Xu is a prominent Chinese corporate law firm and trademark and patent agency with offices in Beijing, Shanghai, Shenzhen, Hong Kong, Macau, and Mongolia. The firm has been recognized as one of the top trademark firms in China by several intellectual property magazines and is managed by Mr. Edward Lehman, a leading expert on corporate law with 20 years of practice experience in Mainland China.

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