



CHINA IP LEGAL WATCH

EFFECTIVELY RESOLVING YOUR IP RELATED DISPUTES THROUGH LITIGATION AND ARBITRATION IN CHINA

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BY BILL H. ZHANG

With the rapid development of the China's economy within the last two decades, China has absorbed more and more foreign entities and individuals, particularly, multinational companies, to have filed and registered their trademarks and patents in China or get their intellectual property ("IP") licensed to their Chinese partners in case of joint ventures. Nevertheless, more IP granted and IP transactions inevitably mean more disputes. Moreover, the global economy is currently slowing down, with no exception to the Chinese situation. Along with the former abundant applications, huge amount of IP being granted and the current slowing down of the global economy comes a sharp increase of various IP disputes between foreign IP owners and their Chinese partners. Three alternative methods are available for foreign IP owners to resolve their disputes in China: mediation, arbitration and litigation. Mediation is conducted among the concerning parties on a voluntary basis and has no legal binding effect. Arbitration, in most cases, is more favorable to and welcomed by foreign IP owners. However, compared with arbitration, litigation is much stronger to protect foreign IP owner's interests though it is more complex, unpredictable and time-consuming. This article tries to address some important things which foreign IP owners shall know on effectively resolving their IP disputes, particularly, litigating in China.

CHINESE COURT STRUCTURE AND THEIR JUDGES

1. COURT STRUCTURE

There are four layers of courts in China, namely (i) the basic people's court in each county and district of prefecture-level city; (ii) the intermediate people's court in each prefecture-level city and each provincial capital city; (iii) the higher people's court in each province, autonomous region or municipality directly under the Chinese Central Government; and (iv) the Supreme People's Court. Along with handling appeals from the higher people's court, the Supreme People's Court rarely accepts and hears cases as the first instance, but mainly functions as administration, particularly, issuing various juristic interpretations which have a legal binding effect on the lower courts. The threshold of the higher people's court to accept and hear cases as the first instance is relatively high, so it mainly deals with appeals from the intermediate people's courts within the province. In China, more than 90% of the cases are accepted and



heard by the basic and intermediate people's courts. For historic reasons, the judge quality and experience in different court levels vary greatly.

2. JUDGES

Though China has adopted a unified national bar examination system which means only those passing the bar examination can qualify as judges. However, this only applies to young judges after China has adopted the aforesaid system in 2002. Before China has adopted this system, many veterans had entered into the courts, particularly the basic people's court and intermediate people's court from the army and were later promoted as judges after years' practice in the court even though they did not receive any formal legal education. Even after China has adopted the bar examination system, anyone having a bachelor degree in law or not in law can attend the bar examination. While in some remote regions, the qualification has even extended to three-year college graduates. Normally, to work as judges in people's court above the intermediate levels require the candidate to pass the bar examination and have a master degree in law, even Ph. D in law for higher people's court. The requirements are even higher for the courts in the coast cities and the provincial capital city. However, the bar qualifiers in remote regions are extremely rare. So the requirements in these regions are much lower. Once they have passed the examination, no matter they have law degree or not, they are encouraged to work in the basic or even intermediate people's courts in those remote regions. So, generally speaking, the judges in a higher level court or in the coast cities and the provincial capital city received more formal legal education and training and have more experience to deal with litigation involving foreign elements, while the judges in a lower level court or in remote regions are generally less educated, trained and have less experience to deal with foreign related litigation. Further more, local protectionism which will be addressed below is unavoidable in China, but such protectionism in coast cities, provincial capital cities and municipality directly under the Chinese Central Government is relatively less than that in lower level cities and remote regions. Therefore, the first important thing for foreign investors to consider before initiating the procedures is to consider the level of the courts for jurisdiction.

JURISDICTIONS

In China, most cases fall within the jurisdiction of the basic people's court, particularly the revised PRC Civil Procedural Law¹ has greatly improved the thresholds of jurisdiction by the intermediate and higher people's courts. After the revision, the intermediate and higher people's courts will only accept and hear limited amounts of cases. In principle, those cases involving foreign elements which are complex or of which the disputed amount is huge and having material influence within the regions shall be accepted and heard by the intermediate people's courts². However, in 2002, the Supreme People's Court has empowered the basic people's



courts located in the economic and technology development zones approved by the State Council³ to hear foreign-related cases. In recent years, the Supreme People's Court has further extended such jurisdiction to other basic people's court in Dongguan, Guangdong Province, Yiwu, Zhejiang Province and Pudong, Shanghai, etc. In order to avoid strong local protectionism and get more experienced judges in higher level court to hear the case, technically, it is advisable for foreign IP owners to try to increase the claimed amount so as to trigger for the acceptance thresholds by the intermediate or higher people's court of which their practice varies from province to province. The disadvantage for such increase is that the plaintiff will have to advance more litigation fee to the court which shall be finally borne by or mostly by the losing party.

Apart from jurisdiction by level of courts, another important factor foreign IP owners shall attach importance is the territorial jurisdiction. As a general principle, the plaintiff shall initiate the litigation with the people's court in the domicile of the defendant, including its business operation place⁴. However, in some special cases, the jurisdiction will fall within the court where the IP infringement takes places. The places where infringement takes places include not only the places where the infringement acts have actually occurred but also any place where the consequences of infringement have occurred.

In the event that foreign investor is sued by their Chinese partner, normally, the Chinese party will purposely choose a court with whom they maintained most favorable relations to initiate the litigation even such court does not have proper jurisdiction over the case. In such occasion, foreign party shall pay close attention and immediately raise opposition to jurisdiction within the time limit for submitting the defense paper, otherwise the court accepting the case will have the rights to continue hearing the case and to order the judgment⁵.

The jurisdiction is very complex, for which the Supreme People's Court has issued many interpretations to cover various situations. Strategically, jurisdiction is extremely important for both plaintiff and defendant and will even have a decisive influence to the final judgment. Therefore, it is advisable to consult with your legal advisors to properly determine the jurisdiction before initiating or defending litigation in China.

STATUTE OF LIMITATIONS AND PROCEDURES

1. STATUTE OF LIMITATIONS

In most cases, the Chinese law adopts a two-year statute of limitation calculated from the date when the plaintiff knew or should have known his rights was infringed, with no exception to IP disputes. After expiry of the statute of limitation, the concerning party may still initiate litigation, however, their claim will not be finally supported by



the court. Therefore, after properly locating the jurisdiction, the concerning party shall first consider whether the statute of limitation has already expired before formally initiating or defending a litigation, otherwise it does not make any sense to get the procedures materially forwarded. Of course, in such occasion, the concerning parties may get the disputes resolved through other means or remedy, such as negotiation and mediation or conclusion of new agreement, etc.

2. LEGAL PROCEDURES

A. *Filing and Defense*

To get the legal proceedings started, the plaintiff (IP owner) must first file a complaint with the people's court having jurisdiction over the cases. The main function of this filing is to start the procedures. The more detailed and disclosed in the complaint, the defendant will have the chance to learn more about the plaintiff's strategy and to get him more prepared. So technically, the complaint could be as simple as possible, but it shall specify at least the information about the defendant, clear claims, factors and grounds as well as the basic evidence. After receipt of the complaint, the people's court will make decision to accept the case or not within seven days by issuing an acceptance notice along with attached a notice on producing evidence or refusal notice. If accepting the case, the court will serve the copy of the complaint to the defendant within five days upon acceptance, along with the same notice on producing evidence. The defendant shall submit a defense paper within 15 days (30 days for foreign defendant) after receiving the copy of the complaint. Failure in filing the defense paper does not affect the continuation and judgment of the court. If the defendant files a defense paper, the court will serve a copy of the defense paper within five days upon its receipt to the plaintiff⁶. Both the plaintiff and defendant have 30 days limit for producing and submitting evidence after receiving the notice on producing evidence. Normally, the notice which the court serves to the plaintiff and defendant will specify an exact date for hearing the case.

B. *Evidence Submission and Cross Examination*

Both plaintiff and defendant shall produce and submit all evidence to the court within the court designated time limit for producing evidence. Generally, the evidence submitted after this time limit will not be reviewed and examined by the court, unless the producer has enough reasons for late submission which will also subject to court approval. Therefore, it is notable that foreign investors shall file application with the court for late submission of evidence with reasonable grounds if it can not submit evidence within the time limit specified by the court. After both plaintiff and defendant having submitted all evidence, generally, the court will organize both parties to crossly examine the evidence for once. If both parties confirm and acknowledge the truth and legacy of the evidence, the court will record this in the file



and directly use them as the basis for judgment. If both parties have different opinion to the evidence during the cross examination, the court will further investigate and hear both parties' argument during the hearing. Proper preparation for evidence is very important for a favorable judgment, which will be further addressed below.

C. Hearing, Appealing and Judgment

After the cross examination of evidence, normally, the court will promptly hear the case. In principle, the court will publicly hear most cases. However, either plaintiff or defendant may apply with the court not to publicly hear the case if trade secret or privacy of either party is involved. In China, the case can be reviewed and heard by one judge or a panel consisting of three judges. However, foreign-related cases, particularly IP disputes are generally heard by a panel. During the hearing, the court will hear and get both parties to fully state the factors and its grounds. Apart from both parties' statements, the court procedure normally consists of two steps, (i) investigation (including further cross examination of evidence) purely focusing on factors; and (ii) debate focusing on both factors and law application. After these two steps, the panel will internally discuss the cases and then order the judgment. In most cases, the judgment can not be expected on site during the hearing, but normally within one month after the hearing. Either plaintiff or defendant may appeal the case by initiating the second instance procedure, which is similar to the procedure in the first instance but relatively simpler, within 15 days for Chinese party or 30 days for foreign party upon receipt of the judgment if either of them is not satisfying with the judgment⁷. Failure to appeal the case within the above-mentioned time limit will result the judgment taking into effect. Generally, unless extension is approved, the court will make judgment within six months after docketing for the first instance and within three months after the appeal is accepted for the second instance. However, such time limit is not applicable to the foreign related cases⁸. The law does not specify an exact time limit for making judgment for foreign related cases, however, in practice, the court will make judgment within one year or six months after accepting the cases in the first and second instance, respectively.

D. Mediation

In the whole procedure, Chinese court attaches a great importance to mediation. Both parties can mediate among themselves or request the court to lead mediation. The mediation statement, after confirmed by the court, will have the same effect as judgment, which can be enforceable immediately. However, the Chinese party often abuses this procedure to delay the proceedings. Mediation can be conducted before and during the hearing. Mediation before the hearing will not affect the continuation of the proceeding if the mediation fails in the end. However, if the foreign party accepts mediation request by the Chinese party during the hearing, normally, the court will cease the procedures to wait for the mediation result. In this sense, the Chinese



party has achieved the purpose of delaying the case. Mediation after the hearing and before the judgment is also permitted and encouraged by the court, but this will not affect the court to timely make judgment when the mediation fails in the end. Therefore, strategically, foreign IP owner shall be very careful to Chinese party's mediation request. It is advisable to accept mediation before or after the hearing, but not during the hearing so as to get the procedures forwarded as scheduled.

ENFORCEMENT OF JUDGMENT

1. GENERAL REQUIREMENT ON ENFORCEMENT OF JUDGMENT

As above mentioned, the judgment made in the first instance will be enforceable if both parties do not appeal the case within the stipulated time limit. While, the judgment made in the second instance shall be final and enforceable immediately.

An effective judgment, even made by the court of the second instance, shall be enforced by the enforcement agency of the court of the first instance which accepted and heard the case. The time limit for apply for enforcing an effective judgment is two years calculated from (i) the last day specified by the judgment for performance; (ii) the last day specified by the judgment for each installment of performance in the event of performance in installments; or (iii) the day when the judgment takes into effect if it does not specify the period of performance⁹. Once the judgment is issued, the losing party will often move, hide or transfer its valuable property and assets beyond the reach of the enforcement agency. Therefore, it is advisable for foreign IP owners to immediately apply with the court to enforce the judgment when it is enforceable. For safety, foreign IP owners may even apply with the court hearing the case for preserving the defendant's properties and assets by providing appropriate security before or during the litigation.

2. ENFORCEMENT OF FOREIGN COURT JUDGMENTS

Judgment made by foreign court can not be directly enforced in China. When a foreign party has initiated litigation against its Chinese partner in foreign court and obtained a favorable judgment from the foreign court, it shall apply with the Chinese court for recognizing and enforcing the judgment made by the foreign court. Unfortunately, China has not yet acceded to the *Hague Convention on the Recognition and Enforcement of Foreign Judgments in Civil and Commercial Matters*. So compared with foreign arbitration awards, foreign court judgment is relatively difficult to be recognized and enforced in China. To get a foreign court judgment enforced in China, a petition shall be made by the foreign party directly to the Chinese intermediate court having jurisdiction or by foreign court in accordance with international treaty or in reference to the principle of reciprocity. Existence of a treaty is not prerequisite to enforcing a foreign judgment if the principle of reciprocity is satisfied. After receiving the petition, the Chinese court has a wide discretion in



evaluating whether to enforce foreign judgments according to international treaties into which China has entered, or by the principle of reciprocity. If the Chinese court determines that the foreign judgment does not violate fundamental principles of Chinese law, or sovereignty, national security, and public policies, then the court may rule on the recognition of the foreign judgment; and if enforcement is required, the court will issue a court order to enforce the foreign court judgment¹⁰. When both China and the foreign country where the foreign court judgment is made do not enter into or accede into any international treaties and both countries do not have established reciprocity relationships, the foreign party may have to institute a lawsuit with the Chinese court having jurisdiction thereof, which will make a judgment to enforce the foreign judgment¹¹.

EVIDENCE RULES

1. BURDEN OF PROOF AND EVIDENCE COLLECTION

After the case has been accepted by the court, both plaintiff and defendant shall diligently prepare for all evidence, most importantly, the preparation shall satisfy the legal requirement. As a general principle, the concerning party shall bear the burden of proof to his claims¹². In most cases, the plaintiff shall bear the burden of proof to his claims, however, this is not always the case. For instance, in a manufacturing method related patent disputed case, when the plaintiff claims that the defendant has infringed the plaintiff's patent rights, then the defendant shall bear the burden that his method and technology for manufacturing the products is different from the plaintiff's patented technology and method¹³. Principally, the concerning party shall collect evidence by themselves, however, for those evidence which the concerning party or its agent ad litem can not collect due to certain objective reasons or when the court thinks it necessary for adjudicating the case, the concerning party may request the court to or the court will actively collect those evidence.

2. FORMS AND LEGALIZATION

In China, all evidence, no matter in the form of testimony of witness, such as affidavit, or physical articles, shall be the original one. However, upon court approval, submission of duplications, photographs, copies, or extracts of the original evidence may also be permitted when it is objectively difficult to present the original ones¹⁴. Most importantly, those evidence formed overseas and even the power of attorney issued to Chinese attorneys by the foreign party if executed overseas shall first subject to notarization by a notary in the country where the evidence is formed or the power of attorney is executed and then further to be consularized by the Chinese embassy or consulate stationed in the said country¹⁵. The evidence formed overseas, if not legalized through these two steps, will not be recognized by the Chinese party and the court even they are objectively true. So foreign party shall strictly follow these



formalities. After getting all evidence and documents formed overseas legalized, they shall be further translated into Chinese by a certified Chinese translation company and with each translated page stamped by the said company if they are written evidence. Foreign party shall speed up these formalities so as not to miss the time window specified by the court for submitting evidence. It is advisable for foreign party to get all evidence legalized before initiating the litigation even the evidence can be submitted later.

3. EVIDENCE PRESERVATION

In order to assure the smooth continuation of the litigation, in such situations where the evidence is likely destroyed, lost or too difficult to obtain later on, the concerning party may apply with the court to preserve these evidence by providing certain securities, and the court may also take initiative to preserve such evidence when public interest is involved. In IP infringement where the infringer will normally destroy evidence once their infringement detected, so the IP owner may request such preservation even before initiating the litigation. To some extent, evidence preservation is equally important as property preservation. Therefore, foreign IP owner shall closely eye on the evidence and request preservation when the Chinese party will likely destroy them.

APPLICATION OF LAW

Chinese court will have jurisdiction over the cases when a Chinese entity or individual is a party to the case. In other words, when the foreign party sues or is sued by its Chinese partners, Chinese court will have jurisdiction over the case. In IP infringement, if the infringement takes place in China, Chinese court will have jurisdiction over the case and also the Chinese law will statutorily apply. However, in IP transactions, for instance, when foreign IP owners transfer or license their IP to and enter into a contract with their Chinese partners, the parties to such contract may choose the foreign law applicable to the settlement of their contractual disputes, unless it is otherwise prohibited by law. If the parties fail in specifying the governing law in such contract, the law of the country to which the contract is most closely connected shall be applied. A precondition to choose foreign law as the governing law is that the contract must involve a foreign element¹⁶. Therefore, the understanding to the foreign element to the contract is very important. The law keeps silent on the definition of foreign element, but the Supreme People's Court has clarified the definition of foreign element to a contract which includes three situations: (1) at least one party involved in the contract is a citizen or a legal person of a foreign country; (2) the object matter in the contract is located within the territory of a foreign country; or (3) the civil rights and obligations are caused, modified, or exterminated by facts that occurred in a foreign country¹⁷. Unlike the U.S. common law system, China adopts the civil law regime where the precedent judgment of one court will not have legal



binding effect on the other courts over the similar cases, therefore, to some extent, Chinese law is unpredictable. In addition, foreign IP owner is not familiar with Chinese law either. Foreign IP owner will be in an unfavorable position if the dispute is governed by Chinese law. So, in practice, most foreign party prefers to choose foreign law as the governing law when it transfers or licenses its IP to and enters into a contract with its Chinese partners.

LOCAL PROTECTIONISM

In China, in most cases, local protectionism is unavoidable because of its special political regime. Unlike the western countries, in China, the president of the court is appointed by the local congress of the same level and his office term can be terminated by the congress at any time based on certain reasons. After the president has been appointed, then he will further appoint judges of the court. The president and his appointed judges do not have life tenure. Most importantly, they are paid by the local government. With the personal and financial payment not independent from the local congress and government, the concern may exist that the judge may want to follow the advice from the local government leaders. Normally, the local congress and government will protect the local interests, especially the interests of large state-owned enterprises and the Chinese private enterprise which is a big tax payer. Thus, sometimes, it is difficult to win or enforce a favorable judgment for foreign party against its Chinese partners.

Fortunately, China is increasingly paying attention to its image and promises to the international community, and thus is gradually lessening the local protectionism against foreign party. At least, in the formality, China is seeking for fairness for both Chinese and foreign party. Comparatively speaking, the legal system and practice in coast cities and the court at higher level are relatively more perfect than that in the remote regions and the court at lower level. As such, the local protectionism in the coast cities and the court at higher level is relatively less. That is also the reason for foreign party to try to get the disputes within the jurisdiction of the court in the coast cities or at a higher level. Another feasible solution for this is that the foreign party engages local attorneys who maintain good relations with the court and local government.

ENGAGING LOCAL ATTORNEYS

Like other countries, China does not allow foreign attorneys to appear in the courtroom in the identity of attorney-at-law. Only Chinese lawyers working for Chinese law firm may appear in court. When foreign entities or individuals need to engage attorneys for filing or responding to a lawsuit in a Chinese court, they shall engage the Chinese attorneys-at-law only¹⁸. When the foreign entities or individuals do really want to engage a foreigner to represent them to deal with their litigation



matters within China, they may engage a citizen of their own country, an attorney-at-law of their home country not in the identity of attorney (which means he can not enjoy the same rights as the Chinese attorney does before and during the litigation), or diplomat of their home country stationed within China in their personal names (no privilege enjoyable during the representation) as their agents ad litem¹⁹. Even foreigners engaged, comparatively speaking, they do not maintain the same good relations with the judges and local government. Therefore, it is advised for foreign IP owner to engage a qualified and experienced Chinese attorney-at-law to represent them to deal with the court.

Since foreign related case is very complex and all the relevant materials are in foreign languages, therefore, it is very important to engage an advocate who have experience in handling similar IP disputes and can communicate effectively in both Chinese and the language of the foreign party. Most importantly, such advocate shall know the Chinese IP practice and maintain good relations with the court and local government so as to balance the local protectionism.

ARBITRATION AS AN ALTERNATIVE TO LITIGATION

It is quite hard to get an IP infringement case resolved through arbitration since existence of an arbitration agreement or clause is a precondition to arbitration, however, in practice, it is almost impossible for foreign IP owner and the infringer to reach such clause or agreement when the infringement is detected. Therefore, arbitration, as an alternative to litigation, may possibly only apply to the disputes arising from other IP transactions, such as transfer and license.

Arbitration is an effective dispute settlement mechanism in comparison with litigation. In case the contracting parties choose arbitration to resolve their IP disputes, they have many options. They may choose arbitrators, while judges are not optional. They may choose the arbitration language, while language is not selective in the court proceedings. They may also have the disputes arbitrated within China or abroad. Even within China, they may choose the arbitration tribunals while they can not choose the court if the disputes are resolved through litigation in China. Most importantly, unlike litigation, the arbitration awards will be final and binding on the parties. In case of arbitration, the IP transfer or license contract must stipulate that disputes arising therefrom will be resolved through arbitration, unless the parties can agree on arbitration after the dispute has arisen (this is often difficult). Without an arbitration clause, the disputes will not be accepted by arbitration tribunal in China. In addition, a definite arbitration tribunal must be clearly specified in the contract; otherwise, the convent that the disputes shall be resolved through arbitration will be unenforceable under Chinese laws.



The most welcomed and frequently used arbitration tribunal within China by foreign party is the China International Economic and Trade Arbitration Commission (“CIETAC”) which has two sub-commissions in Shanghai and Shenzhen. Recently CIETAC has handled many foreign related contractual disputes, including IP disputes. As above said, the contracting parties can also have their IP disputes arbitrated outside of China. As an alternative to CIETAC, the contracting parties can also specify an arbitration tribunal outside China, such as in Singapore, Stockholm, Geneva or Hong Kong or some other business centers. China acceded to the *United Nations Convention on the Recognition and Enforcement of Foreign Arbitral Awards* (“New York Convention”) in 1987. Under the New York Convention, arbitral awards rendered in other signatory countries are recognized and enforceable in China. Therefore, arbitration awards made by the arbitration tribunal in other member states of the New York Convention can be recognized and enforced in China.

CONCLUSION

With the global economy slowing down, foreign IP owners will see more and more disputes within China. Unlike the common law system, Chinese law is very complex and unpredictable. In addition, local protectionism will exist more or less. Therefore, the proper jurisdiction over the case by the courts at a higher level or in the coast regions is the first thing foreign IP owners shall consider when initiating or defending litigation in China. To win the case, proper preparation of all evidence and assurance of compliance of the preparation with Chinese law is extremely important for a favorable judgment. To prevent the Chinese party from destroying evidence and transferring valuable properties and assets after judgment, it is advisable to timely preserve the evidence and assets of the Chinese party, and further to immediately apply with the court to enforce the judgment when it becomes effective. Since most foreign parties are unfamiliar with the Chinese law, it is strongly advisable for the foreign party to specify in the contract a foreign law as the governing law when transferring or licensing IP to and contracting with Chinese partners. Equally important, to engage qualified and experienced Chinese attorneys who know Chinese IP practice and maintain good relations with the court and local government so as to balance the local protectionism is necessary.

As an alternative, arbitration is more favorable and time-consuming for foreign IP owners who may have many options in arbitration which is prohibited in litigation. In the event of IP transactions, particularly in IP transfer and license, it is strongly advisable for foreign party to specify in the contract arbitration to resolve their IP disputes. However, it is not feasible for foreign IP owners to get their IP infringement related disputes resolved through arbitration.



ABOUT THE AUTHOR

BILL H. ZHANG is the managing partner of China Sunbow & Associates with rich experience in cross-border transactions involving China, particularly with intellectual property transaction such as patent and trademark prosecution, enforcement, dispute resolution, infringement analysis, due diligence, technology license and transfer, as well as on corporate and commercial matters, such as mergers and acquisitions, direct investment in China, joint venture, international trade, corporate governance and compliance, restructuring and reorganization, labor and employment, and dispute resolutions. He has represented many multi-national companies to register, prosecute and enforce various trademarks, patents and copyrights in China and also advised them on merging and acquiring Chinese enterprises, making investment, resolving commercial disputes in China. He has also counseled many foreign invested enterprises on their daily operations in China.

For more information about this article and the author, please contact:

BILL H. ZHANG

T: +8621 5081 5229

F: +8621 5081 5239

E: bill.zhang@chinasunbow.com

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¹ The PRC Civil Procedural Law was revised by the Standing Committee of the National People's Congress on October 28, 2007 and took into effect on April 1, 2008.

² Article 19 of the PRC Civil Procedural Law and Article 1 of the Opinions of the Supreme People's Court on Several Issues regarding the Implementation of the PRC Civil Procedural Law ("Civil



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- Procedure Law Opinions”), issued by the Supreme People's Court on July 14, 1992 and took into effect on the same day.
- ³ Article 1 of the Regulations of the Supreme People’s Court on Several Issues regarding Jurisdiction over Foreign-related Civil and Commercial Cases which was issued by the Supreme People's Court on February 25, 2002 and took into effect on March 1, 2002.
 - ⁴ Article 22 of the PRC Civil Procedural Law.
 - ⁵ Article 243 of the PRC Civil Procedural Law.
 - ⁶ Article 113 of the PRC Civil Procedural Law.
 - ⁷ Article 247 of the PRC Civil Procedural Law.
 - ⁸ Articles 135, 159 and 248 of the PRC Civil Procedural Law.
 - ⁹ Article 215 of the PRC Civil Procedural Law.
 - ¹⁰ Articles 265 and 266 of the PRC Civil Procedural Law.
 - ¹¹ Article 318 of the Civil Procedure Law Opinion.
 - ¹² Article 64 of the PRC Civil Procedural Law.
 - ¹³ Article 4 of the Regulation of the Supreme People’s Court on Several Issues Relating to Civil Litigation Evidence which was issued by the Supreme People’s Court on December 6, 2001 and took into effect on April 1, 2002 (“Evidence Regulation”).
 - ¹⁴ Article 68 of the PRC Civil Procedural Law.
 - ¹⁵ Article 11 of the Evidence Regulation and Article 240 of the PRC Civil Procedural Law.
 - ¹⁶ Article 126 of the PRC Contract Law.
 - ¹⁷ Article 178 of the Opinions of the Supreme People's Court on Several Issues regarding the Implementation of the General Civil Code of the People's Republic of China which was issued by the Supreme People's Court on January 26, 1988 and took into effect on the same day.
 - ¹⁸ Article 239 of the PRC Civil Procedural Law.
 - ¹⁹ Article 308 of the Civil Procedure Law Opinions.