

DEMONSTRATED REGULATIONS FOR LOCALLY RUN
NON-ENTERPRISE UNITS (PROPRIETOR)

<Directions>

1. The demonstrated regulations are formulated according to “Tentative Regulations for Registration of Locally Run Non-Enterprise Units,” issued by the State Council on October 25, 1998, and the related laws and rules.
2. The demonstrated regulations are aimed at providing locally run non-enterprise units (individual) with models of regulation formulation.
3. Regulations formulated by locally run non-enterprise units (individual) should include all articles listed in the demonstrated regulations, but appropriate supplement may be permitted according to actual circumstances.
4. Statements within [] are requirements of formulation.

Chapter One General Principles

Article One The title of the present unit is _____.

[The title should be in accordance with “Tentative Regulations for Registration and Management of Locally Run Non-Enterprise Units” and “Tentative Regulations for Title Management of Locally Run Non-Enterprise Units” formulated by the Ministry of Civil Affairs]

Article Two The nature of the present unit is _____.

[It must be clarified that the unit is an organization that utilizes non-state-owned funds, be established voluntarily, and perform non-profit activities of social services]

Article Three The objective of the present unit is _____.

[It must be clarified that the organization abides by the Constitution, laws, regulations, state policies, and comply with social ethics and customs, with specific aims of its establishment]

Article Four The administrative agency for registration of the present unit is _____; the organization responsible for professional activities of the present unit is _____.

Article Five The address of the present unit is _____.

[For example: × × Province (Autonomous Region, Municipality directly under the Central Government) × × City (District, County)]

Article Six Items within the present demonstration that are not consistent with relevant laws, regulations and policies, should be reformulated in line of the standard.

Article Seven The founder of the present unit is _____;
Starting funds: _____yuan_.

[Relevant laws and regulations should be followed]

Article Eight The scope of professional activities of the present unit:

- 1) _____;
- 2) _____;
- 3) _____.

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[It must be clarified that these activities be in accordance with the scope confirmed by the responsible agency]

Article Nine Sources of funds at the present unit:

- 1) Starting funds;
- 2) Financial aids from the government;
- 3) Earnings of services within the scope of professional activities;
- 4) Interests;
- 5) Donations;
- 6) Other legal earnings.

Article Ten Funds must be used for the professional activities, as stipulated by relevant regulations, and the development of the unit, and the distribution of dividends is prohibited.

Article Eleven The unit should perform accounting activities according to laws, implementing “Accounting Regulations for Locally Run Non-Enterprise Units,” and establish a sound supervisory system for internal accounting activities, thereby guaranteeing the accounting documents to be legal, valid, accurate and complete.

Article Twelve The present unit voluntarily accepts annual inspection by the agency of registration management according to “Tentative Regulations of Registration Management for Locally Run Non-Enterprise Units.”

Article Thirteen The present unit implements labor use and the social security system according to state laws, regulations, and the relevant rules stipulated by the department of labor security, the State Council.

Article Fourteen Revision of the present regulations must be reported to the managing institution of registration for verification within thirty days after the responsible agency examines and authorizes such action.

Article Fifteen The present unit must terminate if one of the following circumstances occurs:

- 1) Completion of the objectives as indicated in the regulations;
- 2) Inability to continue activities according to the objectives of the regulations;
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Article Sixteen Before undergoing formalities for termination, the present unit must establish a clearing body, sorting out credit and debt, disposing surplus capital, and completing the work of clearing, under the guidance of the managing institution of registration, the responsible agency and the relevant organization.

The surplus capital should be disposed according to relevant laws and regulations. In the interim of clearing, the unit should not perform other activities.

The present unit should go through formalities for cancellation of registration within fifteen days after the completion of clearing.

Article Seventeen The present unit officially terminates from the date of documented cancellation issued by the managing institution of registration.

Article Eighteen The present regulations become effective from the date of authorization by the managing institution of registration.

