

Regulations on Administration of Audio-visual Products

(Adopted at the 50th Executive Meeting of the State Council on December 12, 2001, promulgated by Decree No.341 of the State Council of the People's Republic of China on December 25, 2001, and effective as of February 1, 2002)

Chapter I General Provisions

Article 1 These Regulations are formulated to strengthen the administration of audio-visual products, promote the healthy development and flourish of the audio-visual undertakings, enrich the cultural life of the people and promote the construction of socialist material civilization and spiritual civilization.

Article 2 These Regulations shall apply to the administration of the publication, production, reproduction, importation, wholesale, retail and rental of such recorded audio-visual products as audio tapes, video tapes, gramophone records, compact discs and laser discs.

Those audio-visual products for the purpose of radio and TV broadcasting shall be applied to the laws and administrative regulations on radio and TV broadcasting.

Article 3 Publication, production, reproduction, importation, wholesale, retail and rental of the audio-visual products shall conform to the Constitution and relevant laws and regulations, adhere to the principle of serving the people and socialism and disseminate the ideological, ethical, scientific, technological and cultural knowledge that is beneficial to economic development and social progress.

No audio-visual product shall contain the following contents:

- (1) those opposing the basic principles established in the Constitution;
- (2) those endangering the unification, sovereignty and territorial integrity of the State;
- (3) those divulging secrets of the State, harming national security, or impairing the honor and interests of the State;
- (4) those inciting the enmity, discrimination of nationalities, jeopardizing the unity among the various ethnic groups, or violating the Customs and habits of minority nationalities;
- (5) those spreading cults or superstitions;

(6) those disturbing social order and destroying social stability;

(7) those inciting pornography, gambling, violence or instigating a crime;

(8) those insulting or libeling others, violating the lawful rights and interests of others; or

(9) those endangering social moralities or fine national cultural traditions;

(10) other contents which are prohibited by laws and administrative regulations or by the State.

Article 4 The publication administration department of the State Council shall be responsible for the publication, production and reproduction of audio-visual products nationwide; the culture administration department of the State Council shall be responsible for the supervision and administration of the importation, wholesale, retail and rental of audio-visual products nationwide; the other relevant administrative departments of the State Council shall, in accordance with division of duties prescribed by the State Council, be responsible for the supervision and administration of commercial activities of audio-visual products.

A administrative departments in charge of publication of the local people's governments at or above the county level shall be responsible for the supervision and administration of the publication, production and reproduction of audio-visual products within their administrative areas; the culture administration department of the local governments at or above county level shall be responsible for the supervision and administration of the importation, wholesale, retail and rental of audio-visual products within their administrative areas; the other relevant administrative departments of the local governments at or above county level shall, within their own duties, be responsible for the supervision and administration of commercial activities of audio-visual products.

Article 5 The State implements a license system for the publication, production, reproduction, importation, wholesale, retail, and rental of audio-visual products. Any entity or individual, without a license, shall not be engaged in the publication, production, reproduction, importation, wholesale, retail or rental of audio-visual products.

Any license or approval documents issued according to these Regulations shall not be assigned by means of rental, lending, sale or any other means.

Article 6 The publication administration departments and culture administration department of the State Council are responsible for formulating a development program of the audio-visual publishing undertakings and determining, in accordance with the division of duties prescribed by the State Council, the total number, distribution and structure nationwide of the audio-visual publishing units, audio-visual reproduction units and audio-visual end products importation units.

Article 7 The departments and their staff members in charge of the supervision and administration of commercial activities of audio-visual products shall not engage or engage, in a disguised form, in the commercial activities in audio-visual products nor participate or participate, in a disguised form, in such activities of the units dealing in audio-visual products.

Chapter II Publication

Article 8 For establishment, an audio-visual publishing unit shall meet the following conditions:

- (1) possess a name and the articles of association of the audio-visual publishing unit;
- (2) possess a sponsoring unit which is recognized by the publication administration department of the State Council and its competent agency at the higher level;
- (3) possess a well-defined scope of business;
- (4) possess an organizational structure which meets the needs of its scope of business and audio-visual publication professionals conforming to the qualification conditions stipulated by the State;
- (5) possess necessary funds, equipment and production premises; and
- (6) other requirements prescribed by the laws and administrative regulations.

In addition to the conditions listed in the preceding paragraph, the approval of the establishment of an audio-visual publishing unit shall conform to the development program concerning the total number, distribution and structure of the audio-visual publishing units.

Article 9 An application for establishing an audio-visual publishing unit shall be, after being examined and consented to by the publication administrative department of the people's government of the province, autonomous region or municipality directly under the Central Government, submitted to the publication administrative department of the State Council for examination and approval. The latter shall, within 60 days from the date of receipt of the application, make a decision on approving or not approving the application, and make a notice to the applicant. Where an application is approved, the License for Publishing Audio-visual Products shall be issued, with which the applicant may go through the formalities of registration at the administrative department for industry and commerce, and obtain the business license according to law; while the application is not approved, the reason shall be given.

The application shall include the following items:

(1) the name and address of the audio-visual publishing unit;

(2) the names and addresses of the sponsoring unit of the audio-visual publishing unit and its competent agency at the higher level;

(3) the name, address and qualification certifying document of the legal representative or the major responsible person of the audio-visual publishing unit; and

(4) the source and amount of fund of the audio-visual publishing unit.

Article 10 Where an audio-visual publishing unit intends to change its name, its sponsoring unit or the competent agency at the higher level, or its business scope, , or to merge other audio-visual publishing unit, or to establish a new audio-visual publishing unit due to amalgamation or separation, it shall go through the formalities of examination and approval in accordance with the provisions of Articles 9, and go through the relevant formalities of registration at the administrative department for industry and commerce where the original registration was gone through.

Where an audio-visual publishing unit intends to change address, its legal representative or the major responsible person, or to terminate its operations, it shall go through the formalities of registration for change or revocation at the administrative department for industry and commerce where the original registration was gone through, and file for the record with the publication administration department of the State Council at the same time.

Article 11 The annual publication plan, and important subjects involving national security and social stability of an audio-visual publishing unit shall be examined by the publication administration department of the people's government of the province, autonomous region or municipality directly under the Central Government and be filed for the record with the publication administration department of the State Council. Any audio-visual product with important subjects shall not be published without filing for the record before its publication.

Article 12 An audio-visual publishing unit shall indicate at prominent positions on the audio-visual products and their packages such contents as the name and address of the publishing unit, the publisher's code, the date of publication and the owner of copyright of the audio-visual products. In the case of publishing an imported audio-visual product, the importation approval document number shall also be indicated.

The audio-visual publishing unit shall, within 30 days from the date of publication of audio-visual products, present sample copies for free to the National Library of China, National Editions Library and the publication administration department of the State Council.

Article 13 An audio-visual publishing unit may not rent out, lend or sell its name or to assign its name in any other ways to any other unit or individual, nor to sell publisher's code to any other unit or individual or to assign in any other ways its publisher's code to any other unit or individual.

Article 14 No unit or individual may engage in the publication of audio-visual products by the means of purchasing, renting, borrowing or using without authorization the name of an audio-visual publishing unit, or by the means of purchasing or forging a publisher's code.

No books publishing unit, newspapers publishing unit, periodicals publishing unit or electronic publishing unit may publish audio-visual products which are not in support of the publications under its own imprint. However, in accordance with the provisions by the publication administration department of the State Council, they may engage in publication of audio-visual products in support of the publications under its own imprint, and enjoy the rights and bear the obligations with reference to those of an audio-visual publishing unit.

Article 15 An audio-visual publishing unit may cooperate with an organization or individual from Hong Kong Special Administrative Region, Macao Special Administrative Region, and the region of Taiwan or from a foreign country to produce audio-visual products. The specific measures shall be formulated by the publication administration department of the State Council.

Article 16 An audio-visual publishing unit shall adopt a system of editor's responsibility to ensure that the contents of its audio-visual products conform to the provisions of these Regulations.

Article 17 Any application for establishing, by a unit other than an audio-visual publishing unit, a unit to engage separately in the production of audio-visual products (hereinafter referred as to audio-visual production unit) shall be examined and approved by the publication administration department of the people's government of the province, autonomous region or municipality directly under the Central Government. The publication administration department of the people's government of the province, autonomous region or municipality directly under the Central Government shall, within 60 days from the date of receipt of the application, make a decision on approving or not approving the application, and make a notice to the applicant. Where an application is approved, the License for Producing Audio-visual Products shall be issued, with which the applicant may go through the formalities of registration at the administrative department for industry and commerce, and obtain the business license according to law; while the application is not approved, the reason shall be given. The establishment of a unit to engage in production of radio and TV programs shall be dealt with in accordance with the provisions of the relevant laws and administrative regulations.

The application shall include the following items:

(1) the name and address of the audio-visual production unit;

(2) the name, address and qualification certifying document of the legal representative or the major responsible person of the audio-visual publishing unit; and

(3) the source and amount of fund of the audio-visual production unit.

Where the establishment of an audio-visual production unit is to be examined for approval, in addition to the requirements listed in the preceding paragraph, the total number, distribution and structure of the audio-visual production unit shall also be considered.

Article 18 Where an audio-visual production unit intends to change its name or its business scope, or to merge other audio-visual production unit, or to establish a new audio-visual production unit due to amalgamation or separation, it shall go through the formalities of examination and approval in accordance with the provisions of Articles 17, and go through the relevant formalities of registration at the administrative department for industry and commerce where the original registration was gone through.

Where an audio-visual production unit intends to change its address, its legal representative or the major responsible person, or to terminate its operations, it shall go through the formalities of registration for change or revocation at the administrative department for industry and commerce where the original registration was gone through, and file the record with the publication administration department of the people's government of the province, autonomous region or municipality directly under the Central Governmental at the same time.

Article 19 Any audio-visual production unit shall not commission a unit that has not obtained a License for Production of Audio-visual Products to produce audio-visual products.

When an audio-visual production unit accepts a commission to produce audio-visual products, it shall, in accordance with the relevant provisions by the State, enter into an agreement on commissioned production with the commissioning publishing unit, and verify the License for Production of Audio-visual Products of the commissioning publishing unit, or the certificate of publications under its own imprint and the commissioning deed for production of audio-visual products sealed by the commissioning publishing unit.

An audio-visual production unit shall not publish, reproduce, wholesale, retail or rent out audio-visual products.

Chapter III Reproduction

Article 20 For establishment, an audio-visual reproduction unit shall meet the following conditions:

- (1) possess the name and the articles of association of the audio-visual reproduction unit;
- (2) possess a well-defined scope of business;
- (3) possess an organizational structure and personnel which meets to the needs of its scope of business;
- (4) possess necessary funds, equipment and reproduction premises; and
- (5) other requirements prescribed by the laws and administrative regulations.

Where the establishment of an audio-visual reproduction unit is to be examined for approval, in addition to the requirements listed in the preceding paragraph, the total number, distribution and structure of the audio-visual reproduction units shall also be considered.

Article 21 An application for establishing an audio-visual reproduction unit shall be, after being examined or consented to by the publication administration department of the people's government of the province, autonomous region or municipality directly under the Central Government shall, submitted to the publication administration department of the State Council for examination and approval. The publication administration department of the State Council shall, within 60 days from the date of receipt of the application, make a decision on approving or not approving the application, and make a notice to the applicant. Where an application is approved, the License for Reproduction in Audio-visual Products shall be issued, with which the applicant may go through the formalities of registration at the administrative department for industry and commerce, and obtain the business license according to law; while the application is not approved, the reason shall be given.

The application shall include the following items:

- (1) the name and address of the audio-visual reproduction unit;
- (2) the name and address of the legal representative or the major responsible person of the audio-visual reproduction unit; and
- (3) the source and amount of fund of the audio-visual reproduction unit.

Article 22 Where an audio-visual reproduction unit intends to change its business

scope, or to merge other audio-visual reproduction unit, or to establish a new audio-visual reproduction unit due to amalgamation or separation, it shall go through the formalities of examination and approval in accordance with the provisions of Article 21, and go through the relevant formalities of registration at the administrative department for industry and commerce where the original registration was gone through.

Where an audio-visual reproduction unit intends to change its name, address, its legal representative or the major responsible person, or to terminate its operations, it shall go through the formalities of registration of change or revocation at the administrative department for industry and commerce where the original registration was gone through, and file the record with the publication administration department of the State Council at the same time.

Article 23 Where an audio-visual reproduction unit accepts a commission to reproduce audio-visual products, it shall, in accordance with the relevant provisions of the State, enter into an agreement on commissioned reproduction with the commissioning publishing unit, and verify the License for Publishing Audio-visual Products and the copy of the business license of the commissioning publishing unit, the commissioning deed for reproduction of audio-visual products sealed by the commissioning publishing unit and the letter of authorization of the copyright owner. Where the commissioned audio-visual products are products not for sale, it shall verify the commissioning deed for reproduction of products issued by the publication administration department of the people's government of provinces, autonomous region, and the municipality under the central government and sealed by commissioning unit.

The audio-visual reproduction unit shall, within 2 years from the date of completion of the reproduction of audio-visual products, preserve the agreement on commissioned reproduction, sample copies of its reproduced audio-visual products and copies of the relevant certifying documents for purpose of examination and verification.

Article 24 No audio-visual reproduction unit may accept commission to reproduce commercial audio-visual products from a unit or individual other than an audio-visual publishing unit. The audio-visual reproduction unit may not reproduce audio-visual products of its own accord, nor wholesale, retail or rent out audio-visual products.

Article 25 An audio-visual reproduction unit shall, when reproducing laser discs, use the plastic mould etched with the source identification code of laser digital storage chip approved and issued by the publication administration department of the State Council.

Article 26 Where an audio-visual reproduction unit accepts a commission to reproduce overseas audio-visual products, it shall submit the sample copies of such audio-visual product to the publication administration department of the people's government of the province, autonomous region or municipality directly under the Central Government for examination and approval, and shall submit the letter of authorization of the copyright owner for registration at the administrative department in

charge of copyright affairs. The audio-visual products reproduced shall all be transported overseas.

Chapter IV Importation

Article 27 The importation business of the audio-visual end products shall be operated by the units engaged in importation of audio-visual end products designated by the culture administration department of the State Council. No unit or individual may engage in importation of audio-visual end products without designation.

Article 28 Any importation of audio-visual products to be used for publication, and of audio-visual end products to be used for wholesale, retail or rental, shall be subject to the content examination by the culture administration department of the State Council.

The culture administration department of the State Council shall, within 30 days from the date of receipt of the application for content examination of audio-visual products, make a decision on approving or not approving the application, and make a notice to the applicant. Where an application is approved, the approved documents shall be issued, while the application is not approved, the reason shall be given.

The unit importing audio-visual products to be used for publication or the unit engaged in importation of audio-visual end products shall, with the documents approved by the culture administration department of the State Council, go through the formalities of importation at the Customs.

Article 29 When audio-visual products are imported for purpose of publishing, the relevant copyright matters shall be registered with the copyright affairs administration department of the State Council .

Article 30 Any importation of audio-visual products for reference in research, teaching and studying shall be handled and commissioned by the unit engaged in importation of audio-visual end products in accordance with Article 28 of these Regulations.

Any importation of audio-visual products for exhibition and demonstration shall, after approved by the culture administration department of the State Council, go through the formalities of temporary importation at the Customs.

Any audio-visual products imported according to these Regulations shall not be used for commercial reproduction, wholesale, retail, rental or projection.

Chapter V Wholesale, Retail and Rental

Article 31 For establishment, a wholesale, retail or rental unit of audio-visual products shall meet the following conditions:

(1) possess the name and the articles of association of the wholesale, retail or rental unit of audio-visual products ;

(2) possess a well-defined scope of business;

(3) possess an organizational structure and personnel which meets to the needs of its scope of business;

(4) possess necessary funds and permanent premises; and

(5) other requirements prescribed by the laws and administrative regulations.

Article 32 An application for establishing a nationwide audio-visual products chain business shall be, after it has been examined and consented by the culture administration department of the people's government of the province, autonomous region or municipality directly under the Central Government where the head office of the chain business is located, submitted to the culture administration department of the State Council for examination and approval. Any application for establishing a wholesale unit of audio-visual products shall be submitted to the culture administration department of the people's government of the province, autonomous region or municipality directly under the Central Government for examination and approval. Any application for establishing a retail and rental unit of audio-visual products shall be submitted to the culture administration department of the people's government at county level for examination and approval. The culture administration departments shall, within 30 days from the date of receipt of the application, make a decision on approving or not approving the application, and make a notice to the applicant. Where an application is approved, the License for Business in Audio-visual Products shall be issued, with which the applicant may go through the formalities of registration at the administrative department for industry and commerce, and obtain the business license according to law; while the application is not approved, the reason shall be given.

The category of audio-visual business shall be indicated in the License for Business in audio-visual Products.

Article 33 Where a wholesale, retail or rental unit of audio-visual products intends to change its name, business scope, or to merge other wholesale, retail or rental unit of audio-visual products, or to establish a new wholesale, retail or rental unit of audio-visual products due to amalgamation or separation, it shall go through the formalities of examination and approval in accordance with the provisions of Articles 32, and go

through the relevant formalities of registration at the administrative department for industry and commerce where the original registration was gone through.

Where wholesale, retail or rental unit of audio-visual products intends to change address, its legal representative or the major responsible person, or to terminate its operations, it shall go through the formalities of registration for change or revocation at the administrative department for industry and commerce where the original registration was gone through, and at the same time file for the record with the culture administration department where the original approval was made.

Article 34 An audio-visual publishing unit may, in accordance with the relevant provisions of the State, engage in the wholesale or retail of audio-visual products that are published by itself. If it intends to engage in the wholesale or retail of audio-visual products that are not published by itself, it shall go through the formalities of examination and approval in accordance with the provisions of Article 32, and go through the relevant formalities of registration at the administrative department for industry and commerce where the original registration was gone through.

Article 35 The State allows the establishment of Chinese-foreign contractual joint venture to engage in the distribution business of audio-visual products. The specific measure and procedures shall be formulated, according to the relevant provisions, by the culture administration department of the State Council jointly with the competent foreign trade and economic cooperation department of the State Council.

Article 36 Any wholesale unit of audio-visual products, or any unit or individual engaged in the retail or rental of audio-visual products may not be engaged in the business of audio-visual products that are not published by an audio-visual publishing unit or reproduced by an audio-visual reproduction unit, nor be engaged in the business of audio-visual products that are imported without approval by the culture administration department of the State Council, nor be engaged in the business of audio-visual products that infringe upon the copyrights of others.

Chapter VI Penalty Provisions

Article 37 Where the publication administration department, the culture administration department, the administrative department for industry and commerce and other administrative departments, as well as their staff members, take advantages of their duties accepting from others properties or other benefits to approve the establishment of a unit for publication, production, reproduction, importation, wholesale, retail or rental of audio-visual products which is not satisfied with the legal conditions, or fail to perform their supervisory duties or fail to investigate and deal with illegal activities found, causing serious results, the responsible person in charge and other directly responsible

person shall be investigated for criminal liability, in accordance with the provisions on crimes of acceptance of bribes, abuse of power, neglect of duties or other crimes in the Criminal Law; if it is not enough for criminal punishment, administrative sanction of demotion or removal from post shall be given.

Article 38 Where the staff members of the departments in charge of the supervision and administration of commercial activities of audio-visual products engage or engage, in a disguised form, in the commercial activities of audio-visual products, or participate or participate, in a disguised form, in commercial activities of the units dealing in audio-visual products, they shall be given the administrative sanction of removal or discharge from post.

If the departments in charge of the supervision and administration of commercial activities of audio-visual products engage in the activities listed in the preceding paragraph, the responsible person in charge and other directly responsible person shall be punished according to the preceding paragraph.

Article 39 Without approval, any authorized establishment of a unit of publication, production, reproduction, importation, wholesale, retail, rental or projection of audio-visual products, or any act to engage in the publication, production, reproduction, importation, wholesale, retail, rental or projection of audio-visual products, shall be banned by the publication administration department and the administrative department for industry and commerce according to their legal duties, and criminal liability shall be investigated in accordance with the relevant provision on illegal business operation in the Criminal Law; if it is not enough for criminal punishment, the audio-visual products for illegal business, illegal income, the special devices, equipment mainly and specially used for illegal business shall be confiscated; where the illegal business amount is more than 10000 yuan, a fine of more than 5 times and less than 10 times of illegal business amount shall be imposed at the same time; where the illegal business amount is less than 10000 yuan, a fine of less than 50000 yuan shall be imposed concurrently.

Article 40 Where anyone who publishes the audio-visual products containing the contents prohibited in paragraph 2 of Article 3 of these Regulations, or produces, reproduces, wholesales, retails, rents out or projects the audio-visual products containing the contents which it has known or should have known, prohibited in paragraph 2 of Article 3 of these Regulations, criminal liability shall be investigated according to the relevant provisions of the Criminal Law; if it is not enough for criminal punishment, the publication administration, the culture administration department or public security department shall order to suspend business for rectification in accordance with their duties and confiscate the audio-visual products for illegal business and illegal income; if the illegal business amount is more than 10000 yuan, a fine of more than 5 times and less than 10 times of illegal business amount shall be imposed concurrently; if the illegal business amount is less than 10000 yuan, a fine of less than 50000 yuan shall be imposed concurrently; if the case is serious, the license shall be revoked by the original issuing department.

Article 41 Where audio-visual product are smuggled, criminal liability shall be investigated in accordance with the crime on smuggling in the Criminal Law; if is not enough for criminal punishment, administrative punishments shall be imposed by the Customs.

Article 42 Where anyone who, in violation of these Regulations, commits one of the following acts, the publication administration department shall order to stop illegal act, give a warning, or confiscate the audio-visual products for illegal business and the illegal income; if the illegal business amount is more than 10000 yuan, a fine of more than 5 times and less than 10 times of illegal business amount shall be imposed concurrently; if the illegal business amount is less than 10000 yuan, a fine of more than 10000 yuan and less than 50000 yuan shall be imposed concurrently; if the case is serious, order to suspend business for rectification or the original issuing department shall revoke the license:

(1) where an audio-visual publishing unit rents out, lends, sells or assigns in other form its own name, or sells or assigns in any other form its publisher's code to another unit or individual;

(2) where an audio-visual publishing unit commissions a unit without a License for Production in Audio-visual Products to produces audio-visual products, or commissions a unit without a License for Reproduction in Audio-visual Products to reproduces audio-visual products;

(3) where an audio-visual publishing unit publishes the audio-visual products for which the importation is not approved by the culture administration department of the State Council ;

(4) where an audio-visual production or reproduction unit fails to verify, according to the provisions in these Regulations, the commissioning deed and the relevant certifying documents of the audio-visual publishing unit; or

(5) where an audio-visual reproduction unit reproduces audio-visual products of others without authorization, or accepts a commission from a unit other than an audio-visual publishing unit or individual to reproduce commercial audio-visual products, or reproduce the audio-visual products of its own accord.

Article 43 Where an audio-visual publishing unit produces, in violation of the relevant provisions of the State, audio-visual products in cooperation with organizations or individuals from Hong Kong Special Administrative Region, Macau Special Administrative Region, the region of Taiwan or foreign countries, and an audio-visual reproduction unit accepts a commission, in violation of the relevant provisions of the State, to reproduce overseas audio-visual products, without examination and consent of the publication administration department of the people's government of the province, autonomous region or municipality directly under the Central Government, or failing to transport fully the reproduced audio-visual products overseas, the publication

administration department of the people's government of the province, autonomous region or municipality directly under the Central Government shall order to make correction and confiscate the audio-visual products for illegal business and illegal income; if the illegal business amount is more than 10000 yuan, a fine of more than 5 times and less than 10 times of illegal business amount shall be imposed concurrently; if the illegal business amount is less than 10000 Yuan, a fine of more than 10000 Yuan and less than 50000 Yuan shall be imposed concurrently; if the case is serious, the original issuing department shall revoke the license.

Article 44 Where anyone who commits one of the following acts, the publication administration department and the culture administration department shall order to make correction; if the case is serious, order to suspend business for rectification or the original issuing department shall revoke the license:

(1) an audio-visual publishing unit fails to file its annual publication plan, and important subjects involving national security and social stability for the record with the publication administration department of the State Council;

(2) a unit of publication, production, reproduction, wholesale , retail, rental of audio-visual products fails, when changing its name, address, legal representative or major responsible person, or its scope of business, to go through the formalities of examination and approval or filing for the record in accordance with these Regulations;

(3) an audio-visual publishing unit fails to indicate the contents prescribed in these Regulations at prominent positions on its audio-visual products published and packages;

(4) an audio-visual publishing unit fails to submit sample copies according to these Regulations;

(5) an audio-visual reproduction unit fails to preserve the materials for potential examination in accordance with these Regulations; or

(6) an audio-visual reproduction unit, when reproducing laser discs, uses the plastic mould which is not etched with the source identification code of laser digital storage chip approved and issued by the publication administration department of the State Council .

Article 45 Where anyone who, in violation of these Regulations, commits one of the following acts, the culture administration department shall order to stop illegal act, give a warning, or confiscate the audio-visual products for illegal business and the illegal income; if the illegal business amount is more than 10000 yuan, a fine of more than 5 times and less than 10 times of illegal business amount shall be imposed concurrently; if the illegal business amount is less than 10000 Yuan, a fine of more than 10000 yuan and less than 50000 yuan shall be imposed concurrently; if the case is serious, order to suspend business for rectification or the original issuing department shall revoke the license:

(1) where audio-visual products published or reproduced by a unit other than an audio-visual publishing or reproducing units are sold at wholesale or retail, rented out or projected;

(2) where audio-visual products for which the importation is not approved by the culture administration department of the State Council ;

(3) where audio-visual products used for reference in research, teaching and studying only or for purpose of exhibition or demonstration are sold at wholesale or retail, rented out or projected; and

(4) where an audio-visual publishing unit publishes the audio-visual products for which the importation is not approved by the culture administration department of the State Council

Article 46 Any unit received the administrative punishment of license revoking, for violating these Regulations shall go through the formalities of changing registration or canceling registration; if it fails to go through such formalities when the time limit expires, the business license shall be revoked by the administrative department for industry and commerce.

Article 47 Where a unit received an administrative punishment of license revoking, for violating these Regulations, its legal representative or the major responsible person shall not act, within 10 years from the date of revocation of the license, as legal representative or the major responsible person of a unit engaged in the publication, production, reproduction, importation, wholesale, retail, rental of audio-visual products.

Where an individual engaged in the retail, rental or projection business received an administrative punishment of license revoking, for violating these Regulations shall not engage, within 10 years from the date of revocation of the license, in the retail, rental or projection business.

Article 48 Where a fine as an administrative punishment is imposed according to these Regulations, the decision-making of the fine shall be separated from the collection of the fine in accordance with the provision of the relevant laws and administrative regulations. All the fines collected shall be submitted to the State Treasury.

Chapter VII Supplementary Provisions

Article 49 As of the date of implementation of these Regulations, no establishment of a commercial audio-visual products projection unit may be examined and approved; those established according to law shall not update the existing equipment and shall be closed within 5 years; before closure, they shall be supervised and administered by the

culture administration department.

Article 50 Where a license is issued according to these Regulations, no other fees may be levied except the cost to be collected at the legal standards.

Article 51 These Regulations shall be effective as of February 1, 2002. The Regulations on Administration of Audio-visual Products promulgated by the State Council on August 25, 1994 shall be repealed simultaneously.

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