

## Measures concerning the Administration of Wholesale, Retail and Lease of Audio and Video Products

### Chapter I General Rules

#### Article 1

In order to enhance the administration of wholesale, retail and lease of audio and video products, promote the development and flourish of the audio and video industry, enrich the cultural life of the masses and promote the construction of socialist material civilization and spiritual civilization, these Measures are made according to the related provisions of the Regulation concerning the Administration of Audio and Video Products.

#### Article 2

These Measures shall be applicable to such activities as the wholesale, retail, and lease, etc. of such audio and video products as audio tapes, video tapes, gramophone records, compact discs and laser discs, etc. with recorded contents.

#### Article 3

People conducting the wholesale, retail and lease of audio and video products shall comply with the Constitution and the related laws and regulations, insist in the orientation of serving people, socialism, and disseminate ideas, morals, scientific and technical and cultural knowledge beneficial to economic development and social progress.

#### Article 4

The operation of the audio and video products are prohibited by the state if recorded with any of the following content:

- (1) the content which defies the basic principles determined in the Constitution;
- (2) the content which hurts the national unity, sovereignty or territorial integrity;
- (3) the content which divulges the state secrets, hurts national security or damages the honor or benefits of the state;
- (4) the content which incites the hatred or discrimination of the nationality, damages the solidarity of nationalities, or infringes upon nationality customs and habits;
- (5) the content which propagates evil cult or feudalistic superstition;
- (6) the content which disturbs the public order or destroys the public stability;
- (7) the content which propagates obscenity, gambling, violence or instigates crimes;
- (8) the content which insults or slanders others, or infringes upon the lawful rights and interests of others;
- (9) the content which endangers public ethics or the excellent national cultural traditions;
- (10) any other content prohibited by any law, administrative regulation, or provision of the state.

#### Article 5

The Ministry of Culture shall be responsible to supervise and administrate the wholesale, retail and lease of audio and video products nation-wide.

The cultural affairs administrative department under the local people's government at or above the county level shall be responsible to supervise and administrate the wholesale, retail and lease of audio and video products within its own jurisdiction.

#### Article 6

The state shall apply a license system in aspect of the wholesale, retail and lease of audio and video products. No entity or individual shall get into the wholesale, retail and lease of audio and video products without permission.

The licenses or approval documents distributed according to these Measures may not be altered, resold, leased, lent, or illegally transferred in any other form.

**Article 7**

The Ministry of Culture shall institute the development programming concerning the nationwide market of audio and video products, and exert macro control over the nationwide market of audio and video products.

The cultural affairs administrative department under the people's government of the province, autonomous region, or municipality directly under the Central Government shall, in accordance with the development programming concerning the nationwide market of audio and video products and the economic and social development of its own region, institute development programs concerning the market of audio and video products of its own region, and lead healthy development of such a market.

**Article 8**

The entities conducting the audio and video business are encouraged and supported by the state to circulate domestic audio and video products and to build up the issuing network and sell audio and video products in the rural areas.

**Article 9**

Both the cultural affairs administrative department and its functionaries must not, directly or in a disguised form, undertake the business activities in aspect of the wholesale, retail and lease of audio and video products, or take part in the business activities of the entities engaged in the wholesale, retail or lease of audio and video products.

**Chapter II Operating Entities**

**Article 10**

In order to apply for the establishment of an audio and video product wholesaling entity, the applicant shall report to the cultural affairs administrative department of the people's government of the province, autonomous region or the municipality directly under the central government where it is located to examine and approve, and shall submit the materials as follows:

- (1) an application form including the name, address of the audio and video product wholesaling entity, the name and address of its legal representative or the chief person in charge, and the major matters on the application;
- (2) a circular concerning the prior approval of the name, and the rules ;
- (3) the registered capital amount and its evidential documents;
- (4) certificate of the property right of the business premise or letter of leasing intent;
- (5) evidential materials concerning the identity of the legal representative or the chief person in charge;
- (6) evidential materials concerning the institutions and personnel proper to the needs of its business scope; and
- (7)

other materials as stipulated by laws and administrative regulations.

The cultural affairs administrative department shall, within 30 days from receiving the application, make a decision concerning approving the application or not. If the application is approved, a License for Operating Audio and Video Products shall be released to the applicant, and be submitted to the Ministry of Culture for record. The applicant shall obtain the business license according to the law in the administrative department of industry and commerce with the License for Operating Audio and Video Products; if the application is disapproved, the reason thereof shall be stated.

#### Article 11

In order to apply for the establishment of an audio and video product retailing or leasing entity or where an individual applies for the engagement of the audio and video product retailing or leasing business, the applicant shall report to the cultural affairs administrative department of the local people's government at the county level for examination and approval, and shall submit the materials as follows:

- (1) an application form including the name of the retailing or leasing entity or the business name of the individual and the address, the name and address of its legal representative or the chief person in charge, and the major matters on the application;
- (2) a circular concerning the prior approval of the name, and the rules;
- (3) certificate of the property right of the business premise or letter of leasing intent;
- (4) evidential materials concerning the identity of the legal representative or the chief person in charge; and
- (5) other materials as stipulated by laws and administrative regulations.

The cultural affairs administrative department shall, within 30 days from receiving the application, make a decision on approving the application or not. If the application is approved, a License for Operating Audio and Video Products shall be released to the applicant, and be reported to the cultural affairs administrative department of the local people's government at the next higher level for record. The applicant shall obtain the business license according to the law in the administrative department of industry and commerce with the License for Operating Audio and Video Products; if the application is disapproved, the reason thereof shall be stated.

An audio and video product wholesaling entity established upon approval may conduct the audio and video retailing and leasing businesses on the business premise formerly approved for the wholesaling business.

#### Article 12

In accordance with the related provisions of the state, an audio and video product publishing entity may wholesale and retail the audio and video products published by itself. If it intends to get into the business of wholesaling or retailing audio and video products not published by itself, it shall handle the formalities of examination, approval and registration according to Articles 10 and 11 of these Measures.

#### Article 13

For the purpose of establishing a chained operation entity of audio and video products, the applicant shall satisfy the conditions as follows:

- (1) having a certain name and rules;
- (2) having a certain business scope;
- (3) having at least 1 million Yuan of registered capital, or at least 5 million Yuan of registered capital if conducting nationwide chained operations;
- (4) planning to develop 5 or more direct-operation chained stores or 10 or more chained stores of audio and video products;
- (5) having an institution and personnel fit for the needs of its business scope;
- (6) having relevant management system and computer management conditions; and
- (7) other conditions stipulated by laws and administrative regulations.

**Article 14**

In order to apply for the establishment of a chained operation entity of audio and video products, the applicant shall report to the cultural affairs administrative department of the people's government of the province, autonomous region, or the municipality directly under the central government where it is located; the application for establishing nationwide chained operation entities of audio and video products shall be examined and approved by the cultural affairs administrative department under the people's government of the province, autonomous region or municipality directly under the Central Government where the applicant's headquarters is located before it is submitted to the Ministry of Culture for examination and approval.

The following materials hereby shall be submitted by the applicant entity:

- (1) an application form including the name, address of the applying entity, the name and address of its legal representative or the chief person in charge, and the major matters on the application;
- (2) a circular concerning the prior approval of the name, and the rules;
- (3) amount of the registered capital and its evidential documents;
- (4) certificate of the property right of the business premise or letter of leasing intent;
- (5) evidential materials concerning the identity of the legal representative or the chief person in charge;
- (6) information concerning the institution, distributing departments and systems of distribution management of the chained operation entity of audio and video products;
- (7) evidential materials concerning the related computer management conditions; and
- (8) other materials as stipulated by laws and administrative regulations.

The cultural affairs administrative department shall, within 30 days from receiving the application, make a decision on approving the application or not. If the application is

approved, a License for Operating Audio and Video Products shall be released to the applicant, who shall obtain the business license according to the law in the administrative department of industry and commerce with the License for Operating Audio and Video Products; if the application is disapproved, the reason thereof shall be stated.

Without approval and registration, the characters of "chained operation" must not be used by anyone in the name of an entity, and anyone may not engage in the business activities of wholesale, retail and lease of audio and video products by ways of chained operation.

#### Article 15

A chained operation entity of audio and video products may adopt either the pattern of direct chained operation or that of franchise chained operation, or may operate by both ways. It shall have at least one year of experience in direct chained operation and have the approval of the original approving department if it chooses the franchise chained operation.

Direct chained operation refers to the uniform operation which is under the direct management of the headquarters, and under which all the chained stores are opened by the headquarters in wholly-owned form or shareholding form.

Chained operation in the form of franchise shall refer to that the chained stores are established by the headquarters through participating in shares or, have no asset contact with the headquarters but are authorized the franchise to use the trademark, name, operational techniques of the headquarters and to sell commodities of headquarters through signing contracts with the headquarters.

The distributing center and the direct-operation chained stores of the chained operation entities of audio and video products shall use the shop name of their headquarters in their own names. Franchised chained stores may, also use the shop name of their headquarters upon consent by their headquarters.

#### Article 16

There is no need for an audio and video chained operation entity built up upon approval to obtain a separate License for Audio and Video Products Operation to open direct-operation chained stores or build up chained operation counters, but may, after reporting to the cultural affairs administrative department of the county people's government of the place where the store is to be located, obtain the business license at the administrative department of industry and commerce in accordance with law upon the strength of the copy of the License for Audio and Video Products Operation released by the headquarters of the chained operation entity.

Where an audio and video chained operation entity built up upon approval opens a franchise chained store, it must transact the examination and approval formalities according to the related provisions of Article 11 of these Measures; where it has already obtained the License for Audio and Video Products Operation, it shall transact the modification formalities according to the related provisions.

#### Article 17

Whoever applies for the establishment of an entity conducting the business of operating audio and video products through information network, it shall transact the examination and approval formalities with reference to the related provisions in Article 10 of these Measures and report the information concerning its website name or the names of the websites linked to it, its address, its email address and other materials to the cultural affairs administrative department of the people's government of the province, autonomous region, or the municipality where it is located for record.

**Article 18**

An audio and video product wholesaling or chained operation entity may get into the operation business of audio and video products through the information network, but it shall, before starting its operations, prepare its License for Audio and Video Products Operation, its website name or the names of the websites linked to it, its email address, and other materials to report to the cultural affairs administrative department under the people's government of the province, autonomous region, or municipality directly under the Central Government where it is located for approval.

**Article 19**

An applicant who applies for conducting the wholesaling, retailing or leasing business of audio and video products shall hand in the related materials to the administrative organ in accordance with the facts and shall be responsible for the authenticity of the application materials.

**Article 20**

The cultural affairs administrative department shall publicize the approval documents concerning establishing the wholesaling, retailing, leasing or chained operation entities, or establishing the entities that may conduct the audio and video products operation through the information network, or the individuals that may involve in the wholesaling or leasing business of audio and video products, the public has the right to consult these documents.

**Chapter III Operation and Management**

**Article 21**

The entities or individuals that conduct the business of the wholesale, retail and lease of audio and video products shall not operate the audio and video products as follows:

- (1) those published by an entity that does not conduct the audio and video products publication or those illegally published by an entity that conducts the audio and video products publication;
- (2) those reproduced by an entity that does not conduct the of audio and video products reproduction or those illegally reproduced by an entity that conducts the audio and video products reproduction;
- (3) those imported without being approved by the Ministry of Culture;
- (4) those imported for reference in research or teaching or for exhibition or display;
- (5) those that infringe upon other's copyright; and
- (6) other illegal audio and video products.

**Article 22**

The entities or individuals that conduct the business to retail and lease audio and video products shall purchase audio and video products from the audio and video product publishing and wholesaling entities for operation.

As for an audio and video product publishing or wholesaling entity wholesales audio and video products, it shall supply the consignment voucher according to the related provisions of the state. The consignor entity or the consignee entity shall keep the consignment vouchers and the related documentary materials for 2 years since the date of the consignment for future inspection.

When selling audio and video products, an audio and video product retailing entity or an individual involving in the business of retailing audio and video products shall, issue an invoice with the indication of the name, price and amount of the audio and video products.

An audio and video product leasing entity or an individual conducting the business of leasing audio and video products shall register the time, name and quantity of the leased audio and video products, etc.

**Article 23**

The anti-forgery marks produced under the supervision of the Ministry of Culture shall be pasted on the audio and video products published by audio and video product publishing entities and those imported by finished audio and video product import entities.

**Article 24**

An audio and video product wholesaling, retailing and leasing entity or an individual conducting the business of retailing and leasing audio and video products shall place its/his License for Audio and Video Products on a marked position in its/his business site.

A direct-operation chained store or chained operation counter shall place the copy of its License for Audio and Video Products Operation on a marked position in its/his business site.

**Article 25**

An entity involving in the business to operate audio and video products through the information network shall indicate the serial number and issuance department of the License for Audio and Video Products Operation on its website or web page. For the audio and video products in operation, the name, publishing entity, and the audio and video products code under Chinese standards shall be indicated. If an audio and video product is an imported one, the document number of the approval certificate for import shall be indicated simultaneously.

**Article 26**

An audio and video product wholesaling or chained entity shall report the concrete address of its warehouse or distributing center of audio and video products, the management personnel and the related contact information to the cultural affairs administrative department which approves it for registration and record within 30 days as of the issuance date of the License for Audio and Video Products Operation. In case that there is any change concerning such information, it shall report it to the cultural affairs administrative department which approves it for record within 15 days as of the change date.

**Article 27**

Any entity or individual must not consign, mail, transport or store the audio and video products prohibited by Article 4 or Article 21 of these Measures from operation, or provide such advantageous conditions as premise or agency for the audio and video products operation prohibited by Article 4 or Article 21 of these Measures.



Article 28

The cultural affairs administrative department of the people's government at or above the county level shall enhance the supervision and management concerning the exhibition, fair, order-placing meeting and other exhibiting activities of audio and video products according to the related state provisions.

Article 29

The cultural affairs administrative department in-charge of the local people's government at or above the county level shall accept the application for appraising whether the audio and video products are illegal or not.

At the time of application, the applicant shall file the application in written form to the cultural affairs administrative department under the local people's government at the county level at the place where the audio and video products are acquired, and shall, hand in the samples of the audio and video products and the related documents and fill in an appraisal registration form of audio and video products. The source, name, quantity, date and place of acquisition of the audio and video products and the appraisal purpose and requirements shall be stated in the application letter.

An cultural affairs administrative department that accepts an application for appraising audio and video products shall appoint at least 2 personnel who are accomplished in the appraisal business to undertake the appraising work, and shall make appraisal conclusion and issue the written appraisal letter within 10 days since the application acceptance.

The name, vehicle, publishing entity, code under Chinese standards, laser digital storage chip source identification code, anti-forgery mark and other major features of the audio and video products applied for appraisal, name and address valid certificate and contact information of the applicant, and the appraisal results and so on shall be indicated in the appraisal letter of audio and video products.

In case the party concerned has any objection to the test results, he may request the cultural affairs administrative department at a higher level for re-check within 15 days from the day of his receiving the written appraisal letter,, and the cultural affairs administrative department at the higher level shall issue the written conclusion on re-check within 15 days from the day of its receiving the application for re-check.

Article 30

In case an audio and video product wholesaling, retailing or leasing entity or a chained operation entity of audio and video products wants to amend its name, business scope, or to merge another audio and video product wholesaling, retailing or leasing entity or chained operation entity of audio and video products, or build up another audio and video product wholesaling, retailing or leasing entity or chained operation entity of audio and video products due to merger or split-up, it shall, transact the formalities of approval and registration according to the Regulation concerning the Audio and Video Products Administration, these Measures and the related provisions concerning enterprise registration administration.

In case an audio and video product wholesaling, retailing or leasing entity or a chained operation entity of audio and video products intends to amend its address, legal



representative or principal person-in-charge or to stop its business activities, or in case an individual involving in the business of retailing or leasing audio and video products wants to amend his business scope, address or to stop his business activities, it/he shall go through the modification registration or cancellation registration in the administrative department for industry and commerce that handled the original registration, and shall report to the administrative department of cultural affairs that granted the original approval for record within 30 days since the registration date. However, if the modification of the address exceeds the scope of jurisdiction of the original organ that released the license, it/he shall go through the formalities of examination, approval and registration according to the former paragraph.

**Article 31**

The cultural affairs administrative department of the local people's government at or above the county level shall enhance the training of the employees of the audio and video product wholesaling, retailing or leasing entities for improving the employees' ability for understanding the regulations and policies concerning audio and video market and discerning the illegal audio and video products.

**Chapter IV Legal Liabilities**

**Article 32**

As for the cultural affairs administrative department or their functionary, by taking advantage of its/his office, accepts the properties or benefits from others, and approves an audio and video product wholesaling, retailing or leasing entity which does not satisfy the legal conditions for establishment, or does not conduct its/his duties for supervising, or does not investigate the illegal acts it/he has found, thus resulting in serious consequences, the person in charge held responsible and other persons held to be directly responsible shall be subject to criminal liabilities according to the provisions in the Criminal Law concerning the crime of bribes acceptance, of power abuse, of duty neglect or other crime; if the case is not serious enough for him to be imposed upon criminal punishments, he shall be imposed upon an administrative sanction of demotion or dismissal from his post.

**Article 33**

In case that any functionary in the cultural affairs administrative department is involved in business activities of wholesaling, retailing or leasing audio and video products directly or in a disguised form, or takes part in the business activities of an audio and video product wholesaling, retailing and leasing entity directly or in a disguised form, he shall be imposed upon an administrative sanction of dismissal from his post or dismissal according to the law.

In case that the cultural affairs administrative department has any of the acts enumerated in the preceding paragraph, the person in charge held responsible and other persons held to be directly responsible shall be punished according to the preceding paragraph.

**Article 34**

In case an audio and video product wholesaling, retailing or leasing entity or individual knows perfectly or should know the fact that the audio and video products it operates including any content prohibited by Article 4 of these Measures, the cultural affairs administrative department or the law enforcement body authorized subject to law shall order it to terminate the business for internal rectification and confiscate its audio and video products under illegal operation and its illegal proceeds. If the amount of illegal

operation fund exceeds 10,000, it shall be imposed upon a fine of more than 5 times but less than 10 times the amount of illegal operation fund in addition; if the amount of illegal operation fund does not exceed 10,000 Yuan, it shall be imposed upon a fine of at most 50,000 Yuan in addition. As for serious circumstances, its license shall, in addition, be revoked by the original organ that released it. If he is suspected of a crime, he shall be sent to the judicial department and investigated of the criminal liabilities according to the law.

Article 35

In case an audio and video product wholesaling, retailing or leasing entity or individual amends its name or business name, address, legal representative or principal person-in-charge, business scope and so on Without transacting the formalities of examination, approval and record according to these Measures, the cultural affairs administrative department or the law enforcement body authorized subject to law shall order it to correct and impose a warning upon it, as for the serious circumstance, order it to stop its business for rectification or revoke its license.

Article 36

In case any entity commits any of the following acts, the cultural affairs administrative department or the law enforcement body authorized subject to law shall order it to cease the illegal act, give it a warning and confiscate its audio and video products under illegal operation and its illegal proceeds. If the amount of illegal operation fund exceeds 10,000 Yuan, it shall be imposed upon a fine of more than 5 times but less than 10 times the amount of illegal operation fund in addition; if the amount of illegal operation fund does not exceed 10,000 Yuan, it shall be imposed upon a fine of more than 10,000 Yuan but less than 50,000 Yuan in addition. As for serious circumstances, its license shall, in addition, be revoked by the original organ that released it. If it is discredited of a crime, it shall be sent to the judicial department and investigated of the criminal liabilities according to the law.

(1)

those published by an entity that does not get into the audio and video products publication or those illegally published by an entity that get into the audio and video products publication;

(2)

those reproduced by an entity that does not get into the audio and video products reproduction or those illegally reproduced by an entity that get into the audio and video products reproduction;

(3)

those imported without approval from the Ministry of Culture;

(4)

those imported for reference in research or teaching or for exhibition or display; or

(5)

other illegal audio and video products.

Article 37

Any of the following circumstances shall be considered as a "serious circumstance" as mentioned in Articles 34, 35 and 36 of these Measures:

(1)

Going against the Regulation concerning the Audio and Video Products Administration or these Measures again after being imposed of administrative punishment twice by the cultural affairs administrative department within two years because of violation of the Regulation concerning the Audio and Video Products Administration or these Measures;

(2)

operating without authorization during the period of stopping business for rectification;

(3)

causing severe social impact by operating the audio and video products which contain the content prohibited by Article 4 of these Measures which has been known perfectly well or should have been known;

(4)

operating 100 discs or more of the audio and video products prohibited by Article 21 of these Measures from operation; or

(5)

other circumstances that seriously disobey the laws.

#### Article 38

As for consignment, mail, transportation, or storage of the audio and video products prohibited by Article 4 or Article 21 of these Measures from operation, or the provision of such advantageous conditions as premise or agency for the operation of the above-mentioned audio and video products, the cultural affairs administrative department shall confiscate these products, and punish the responsible persons according to the related laws and regulations. If anyone is discredited of a crime, he shall be sent to the judicial department subject to the related provisions and his criminal liabilities shall be investigated according to law.

#### Article 39

In case anyone alters, resells, leases, lend or illegally transfers the license and approval documents released according to these Measures in any other form by going against these Measures, the cultural affairs administrative department or the law enforcement body authorized subject to law shall order him to cease the illegal act and give him a warning or impose upon him a fine of more than 10,000 Yuan but at most 30,000 Yuan.

#### Article 40

In case an audio and video product publishing or wholesaling entity fails to provide consignment voucher subject to the related provisions of the state when wholesaling audio and video products, or in case that a consignor entity or a consignee entity does not keep the consignment voucher and the related documentary materials for two years since the consignment date, the cultural affairs administrative department or the law enforcement body authorized subject to law shall give it a warning or impose upon it a fine of at most 5000 Yuan.

In case an entity or individual that gets into the wholesaling business of audio and video products fails to produce invoice and receipt in selling audio and video products, or in case that an entity or individual that gets into the leasing business of audio and video products fails to register the time, name, quantity and other issues of the leased audio and video products, the cultural affairs administrative department or the law enforcement body authorized subject to law shall give it/him a warning or impose upon it/him a fine of at most 3000 Yuan.

#### Article 41

In case the audio and video products published by audio and video product publishing entities and those imported by finished audio and video product import entities are not affixed with the anti-forgery marks produced under the supervision of the Ministry of Culture, the cultural affairs administrative department or the law enforcement body authorized subject to law shall give it a warning or impose upon it a fine of at most 10,000 Yuan.

#### Article 42

In case an audio and video product wholesaling, retailing or leasing entity or an individual that gets in the retailing or leasing business of audio and video products fails to

place the License for Operating Audio and Video Products on a marked position in its/his business site; or in case that a direct-operation chained store or chained operation counter fails to place the License for Audio and Video Products Operation on a marked position in its business site, the cultural affairs administrative department or the law enforcement body authorized subject to law shall give it/him a warning or impose upon it/him a fine of at most 3000 Yuan.

**Article 43**

In case an entity conducting the business of audio and video products operation through information network fails to indicate the serial number and issuance department of the License for Audio and Video Products Operation on its website or web page; or in case that the name, publishing entity, and the code of the audio and video products under Chinese standards are not indicated in the audio and video products in operation; or the document number of the approval certificate for import is not indicated on the imported audio and video products at the same time, the cultural affairs administrative department or the law enforcement body authorized subject to law shall give it a warning or impose upon it a fine of at most 3000 Yuan.

**Article 44**

In case an applicant, in applying for engaging in the wholesaling, retailing and leasing business of audio and video products, obtains the administrative license by such illegitimate means as fraud or bribe, the cultural affairs administrative department may revoke the administrative license subject to law and give it/him a warning or impose upon it/him a fine of at most 10,000 Yuan.

**Article 45**

In case an entity's license is revoked, its legal representative or principle person in charge may not, within the next 10 years since the date the license is revoked, assume the office of legal representative or principle person in charge of any audio and video product wholesaling, retailing or leasing entity.

In case an individual that engages in the wholesaling or leasing business of audio and video products is administratively punished by revoking his license, he may not, within the next 10 years since the date the license is revoked, engage in the wholesaling and leasing business of audio and video products.

**Article 46**

As for wholesaling, retailing or leasing the audio and video products prohibited by Article 4 and Article 21 of these Measures from operation, the party concerned shall explain and identify the source of the illegal audio and video products, where the source is confirmed to be true upon verification, the illegal audio and video products may be confiscated, the other administrative punishment may be lightened or exempted.

**Article 47**

The administrative department of cultural affairs or the law enforcement organ authorized subject to law shall set up an administrative punishment publicity system for the general public to consult.

**Chapter V Supplementary Rules**

**Article 48**

The License for Audio and Video Products Operation shall be uniformly printed and produced by the cultural affairs administrative department under the people's government of the province, autonomous region, or municipality directly under the Central Government subject to the format provided by the Ministry of Culture.

An original and a copy are included in a license. The former is in a hanging style, and the latter in a folding style.

**Article 49**

The term "wholesale" as mentioned in these Measures refers to the act of audio and video products distribution by audio and video product operating entities or individuals.

The term "retail" as mentioned in these Measures refers to the act of audio and video products consumed by consumers.

The term "lease" as mentioned in these Measures refers to the act of leasing audio and video products by consumers.

The term "business site" as mentioned in these Measures contains distribution site, office and storage site.

**Article 50**

If it is otherwise provided in laws or administrative regulations concerning administrating Chinese-foreign cooperative audio and video product distributing enterprises, the import of audio and video products and the operative projecting activities of audio and video products, such provisions shall be observed.

**Article 51**

The Ministry of Culture shall have the power to explain these Measures.

**Article 52**

These Measures shall enter into force as from December 1, 2006. The Measures concerning the Administration of Wholesale, Retail and Lease of Audio and Video Products promulgated on March 5, 2002 and revised on June 2nd, 2004 by the Ministry of Culture shall be abolished at the same time.