

NAFMII News

NAFMII Takes Self-regulatory Actions against 2 Noncompliant Institutions

Ningbo Development & Investment Group Co., Ltd., as an issuer, has failed to disclose the financial report accurately during the duration of its debt financing instrument. Linzhou Heavy Machinery Group Co., Ltd., as an issuer, has delayed information disclosure on major affairs. NAFMII has decided to impose a circulated criticism against both issuers, requiring them to rectify their mistakes, and hold a warning talk with related lead underwriters.

NAFMII News (Currently Only Available in Chinese)

1. http://www.nafmii.org.cn/zlgl/zwrz/zlcf/201312/t20131210_27927.html
2. http://www.nafmii.org.cn/zlgl/zwrz/zlcf/201312/t20131210_27926.html

Regulatory Developments

PBC Launches Negotiable Certificates Of Deposit Trading

PBC released an interim measure for the management of interbank certificate of deposit. The Measures specifies that deposit-taking financial institutions can issue interbank negotiable certificates of deposit to the extent of the registered limit for a given year, and decide the issued amount and term of every issue at their own discretion, but the issued amount of single issue shall not be lower than RMB50 million. Interbank certificates of deposit are issued publicly or privately on the interbank market. The issuing interest rate and price are determined upon market principles. Fixed-rate certificates of deposit have the term options of 1 month, 3 months, 6 months, 9 months and 1 year, and are priced in line with the Shanghai Interbank Offering Rate. Floating-rate certificates of deposit interest is valued upon Shibor as its floating benchmark interest rate, and their terms include 1 year, 2 years and 3 years.

[PBC News](#) (Currently Only Available in Chinese)

CSRC Publishes Two Guidelines on IPO Financial Information Disclosure

CSRC has published Guideline Regarding Disclosure of Major Financial Information and Operating Status Information after the Base Day of Audit of Financial Report in the Prospectus of the Company Launching Initial Public Offering and Listing (Timely Information Disclosure Guideline), specifying that if the time period is more than 4 months between the audit base day and the signing date of the prospectus, the

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company shall provide the financial statements for the quarter during such period, and disclose major financial information. At the same time, CSRC has published Guideline on Information Disclosure Relating to Profitability of the Company Launching Initial Public Offering and Listing in the Prospectus (Guideline on Profitability Information Disclosure), requiring the issuer to analyze and disclose profitability information in depth and with clear target in line with its industry, operating mode and comparison to peers.

[CSRC News](#) (Currently Only Available in Chinese)

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