Sui Tian Fu Gui [2021] No. 1

**Notice of Tianhe District People’s Government of Guangzhou Municipality on Issuing the Detailed Implementation Rules of Tianhe District for Management of Rural Collective Assets Trading**

All street community offices and agencies directly under the district government,

The *Detailed Implementation Rules of Tianhe District for Management of Rural Collective Assets Trading* have been approved by the Party Committee and the People’s Government of Tianhe District, and are hereby issued to you for your compliance and implementation. Problems encountered in the implementation shall be directly reported to the Tianhe District Bureau of Agriculture and Rural Affairs.

Tianhe District People’s Government of Guangzhou Municipality

March17, 2021

**Detailed Implementation Rules of Tianhe District for Management of Rural Collective Assets Trading**

**Chapter I General Provisions**

**Article 1** To further standardize trading of rural collective assets in Tianhe District, ensure openness, fairness and impartiality of trading process, strengthen integrity construction of primary-level administration, protect legitimate rights and interests of rural collective economic organizations and their stake holders, and promote economic development, in accordance with the *Regulations of Guangdong Province on Management of Rural Collective Assets*, the *Regulations of Guangdong Province on Management of Rural Collective Economic Organizations* and the *Measures of Guangzhou Municipality on Management of Rural Collective Asset Trading*, these Detailed Rules are formulated in light of the realities of Tianhe District.

**Article 2** The “rural collective economic organizations” (“rural collectives”) herein refer to cooperative economic organizations formed through reform, transformation and reorganization of the former people’s communes, production brigades, and production groups, including economic federations, economic cooperatives, joint-stock cooperative economic federations (collectively, “economic associations”); joint-stock economic cooperatives (“economic organizations”) and the economic entities they belong to.

The “rural collective asset trading” herein refers to such trading as project bidding and contracting, leasing, assignment, and transfer of rural collective assets, as well as use of rural collective assets for conversion into shares, cooperative construction, etc.

**Article 3** These Detailed Rules apply to the asset trading and related management activities of rural collectives within the administrative area of Tianhe District.

**Article 4** The “rural collective assets” herein include:

**4.1** The management right of farmland, wasteland, mountains, woodlands, grasslands, water bodies, beaches, and other land that are owned by rural collectives and can be traded as prescribed by laws and regulations, as well as the right to use construction land such as land for economic development and public facilities, and other unused land;

**4.2** Forests and trees owned by rural collectives;

**4.3** Buildings and structures invested, built, or obtained through cooperation by rural collectives, as well as vehicles, machines, mechanical and electrical equipment, irrigation and water conservancy facilities, and educational, cultural, health and sports facilities purchased by rural collectives;

**4.4** Securities and creditor’s rights owned by rural collectives;

**4.5** The share of assets held by rural collectives and enterprises, other organizations and individuals as agreed upon or actually contributed;

**4.6** Assets granted by the state and those funded or donated by other economic organizations, social societies and individuals;

**4.7** Intangible assets such as trademark rights, patent rights, and copyrights owned by rural collectives;

**4.8** Management rights of rural collective enterprises;

**4.9** Other assets owned or operated and managed by rural collectives according to law.

The rural collective assets listed above do not include public welfare facilities funded and constructed by the state but actually managed and used by rural collectives, which shall not be traded whatsoever.

Rural collectives shall cross-check their rural collective assets, develop a standing book, and conduct year-end inventory.

**Article 5** Trading of rural collective assets shall comply with relevant laws and regulations, follow the principles of democratic decision-making, equality, compensation (whenever needed), honesty, trustworthiness, openness, fairness and impartiality, and shall not infringe upon legitimate rights and interests of the collective or others.

**Chapter II Working Organizations and Their Responsibilities**

**Article 6** Tianhe District Bureau of Agriculture and Rural Affairs is responsible for the overall planning, instruction, and coordination of the management work of the rural collective assets trading in Tianhe District, as well as the implementation of these Detailed Rules. The Bureau shall perform the following duties:

**6.1** Guiding and supervising rural collectives in entering rural collective assets trading data onto the Tianhe District Rural Collective Assets Management Platform, and using the platform;

**6.2** Guiding and supervising rural collectives in collective assets management;

**6.3** Supervising trading process, contract signing, and trading data disclosure;

**6.4** Supervising and prompting trading applications before contract expiration;

**6.5** Guiding and supervising rural collectives in adding or changing information on assets and resources standing books and contract standing books;

**6.6** Investigating and handling complaints arising from rural collective assets trading process.

**Article 7** Street communities shall assist the district government and relevant departments in conducting the supervision and management of the rural collective assets trading; guide and supervise rural collectives in conducting stocks and assets appraisal, standing book development, and year-end inventory; organizing rural collectives to enter into the trading service institutions for trading; and designating the trading management institution of the street community.

A street community trading management agency shall perform the following duties:

**7.1** Guiding and supervising local rural collectives in assets trading management;

**7.2** Guiding local rural collectives in entering information of rural collective assets trading, assets and resources standing books, contract standing book, etc. onto the Tianhe District Rural Collective Assets Management Platform, and verifying the changes on the assets and resources standing books, contract standing books and other data submitted by rural collectives;

**7.3** Guiding local rural collectives in making trading applications, reviewing the trading materials of the rural collective assets trading projects within the street community, providing more industry guidance to rural collective assets trading based on the regional industrial layout, soliciting opinions from competent industrial departments based on practical needs and the nature of the trading project, and instructing rural collectives in conducting the follow-up work according to such opinions;

**7.4** Supervising trading process and contract signing and amendments of local rural collective assets;

**7.5** Supervising and prompting trading applications of local rural collective assets trading before contract expiration;

**7.6** Supervising information disclosure of local rural collective assets trading;

**7.7** Investigating and handling complaints arising from local rural collective assets trading.

**Article 8** Tianhe District Rural Collective Assets Trading Center (hereinafter referred to as “District Trading Center”) is the rural collective assets trading service institution of Tianhe District, whose operation expenditure is included in the district financial budget. The center shall perform the following duties:

**8.1** Developing, managing, and maintaining the Tianhe District Rural Collective Assets Management Platform;

**8.2** Providing operational guidance and training on the rural collective assets trading in Tianhe District, and assisting with the trading guidance work for the projects concerning regional industrial planning;

**8.3** Developing and standardizing procedures and document templates of rural collective assets trading;

**8.4** Reviewing materials of rural collective assets trading projects;

**8.5** Publishing rural collective assets trading information, accepting consultation and application from potential bidders, and conducting formal examination on their qualifications;

**8.6** Providing open bidding venues for rural collective assets, and organizing trading procedures according to regulations;

**8.7** Offering instructions on the contract signing of rural collective assets trading projects, and filing and safekeeping all the trading process materials of the projects organized by the District Trading Center;

**8.8** Recording the credibility of trading subjects, and managing the credit ratings list of the rural collective assets trading in Tianhe District according to applicable regulations;

**8.9** Assisting in the investigation and handling of complaints arising from trading process.

**Article 9** Economic Association Collective Assets Work Station (hereinafter referred to as “Association Work Station) is the collective assets trading service institution of this economic association. Its duties are listed as below:

**9.1** Conducting dynamic management of the collective assets of the economic association, entering the rural collective assets and resources standing book data onto the Tianhe District Rural Collective Assets Management Platform, and submitting the data to the street community trading management agency for review;

**9.2** Guiding the economic association in compiling assets trading application materials, submitting the materials to the street community trading management agency for review, and, upon obtaining the approval of the institution, entering the trading data onto the platform to initiate the trading;

**9.3** Taking charge of the negotiation trading and agreement renewal trading of the economic association, entering relevant data onto the platform, and filing and safekeeping the collective assets trading project materials of the economic association after the completion of transactions;

**9.4** Recording the credibility of trading subjects.

The Association Work Station adopts a system that follows the leadership of the CPC organizations and where the economic association chairman assumes full responsibility.

**Article 10** Rural collectives shall disclose relevant information of rural collective assets trading according to relevant provisions of the *Regulations of Guangdong Province on Disclosure of Village Affairs*, establish standing books of rural collective assets and contracts, enter the standing accounts of collective assets trading and relevant contracts, as well as financial revenue and expenditure, into the Tianhe District Rural Collective Assets Management Platform, and implement dynamic management on rural collective assets.

**Article 11** Trading management and service institutions at all level shall not bear legal liability for the quality defects, ownership legitimacy defects, contract breach and other risks of rural collective assets entering for trading.

**Chapter III Trading Methods**

**Article 12** Rural collective assets in Tianhe District shall be traded on the Tianhe District Rural Collective Assets Management Platform.

Major projects such as transfer, assignment, transfer, and leasing of the right to use rural construction land can also be conducted at Guangzhou Public Resources Trading Center.

For old village reconstruction projects that are considered as eligible for relevant policy by district urban renewal authorities, the involved rural collectives can launch an open trading session at Guangzhou Public Resources Trading Center to seek for cooperation.

**Article 13** Rural collective assets trading can be proceeded in the following three ways: public bidding, negotiation, and renewal agreement.

Open bidding can be done either on-site or on-line. In a live bidding session, parties can raise their bids directly or submit written bids. Online biding is preferred for rural collective assets trading.

**Article 14** Rural collectives shall not place illegitimate conditions to restrict or reject potential bidders, or discriminate them.

Rural collectives may raise proper requirements for the bidders based on the features and practical needs of the trading project, and such requirements shall be approved by the general meeting of shareholders of the economic association or the general meeting of shareholders (household representatives) of the economic organization.

Where laws, regulations, and policies provide otherwise on the bidder qualification requirements, such provisions shall prevail.

**Article 15** Projects that meet any of the following conditions can be traded through negotiation:

**15.1** Public welfare projects such as kindergartens, schools, and nursing homes, and public supporting service projects such as neighborhood committees, community garbage stations, health service centers, substations, and post offices;

**15.2** Public facility construction projects invested by the government and having economic relations with rural collectives, such as subway and municipal construction;

**15.3** Projects that fail to achieve a deal after two consecutive open bidding sessions as no bidder submits an application;

**15.4** Asset leasing projects that is short-term or cover a small amount, such as temporary stalls with a contract term of less than one year and property (land) with a contract amount of less than 10,000 yuan;

**15.5** Projects concerning temporary property leasing in the transitional period before the reconstruction and upgrading of old villages, village-level industrial park, etc.;

**15.6** Projects in which rural collective assets other than the right to use collective constructional land are converted into shares and brought under cooperative construction;

**15.7** Other situation stipulated by laws, regulations and policies.

In the case of Item 15.1 of Paragraph 1 of this Article, the project purpose shall not be changed after the transaction is completed.

In the case of Item 15.3 of Paragraph 1 of this Article, for a project to be traded through negotiation, the last transaction document issued shall be taken as the condition for negotiation and negotiation, and the collective interests shall not be harmed.

If the transaction is to be conducted by means of negotiation, the rural collective shall draft the trading proposal and submit it to the street community office for preliminary approval; after the proposal is adopted at a democratic voting session, the rural collective shall submit it to the street community office for approval and input it into the Tianhe District Rural Collective Assets Management Platform before implementation.

In the case of Item 15.4 of Paragraph 1 of this Article, the project to be traded through negotiation shall be carried out by the leading meeting of the economic association or the council meeting of the economic organization, under the authorization by the shareholders general meeting of the economic association or the shareholders (household representatives) general meeting of the economic organization.

**Article 16** Projects to be transacted through renewal agreement shall be conducted in accordance with the following requirements:

**16.1** Rental renewal can only be initiated within one year prior to the expiration of the original contract;

**16.2** An asset appraisal agency with legal qualification shall be entrusted to appraise the assets for renewal;

**16.3** The renewal price shall be determined by reference to the appraisal results and the local market price;

**16.4** The newly added construction (structure) to the original lease item shall be included in the lease renewal transaction;

**16.5** The rural collective shall make a lease renewal agreement proposal and submit it to the street community office for preliminary review. After the proposal is adopted at a democratic voting session, the rural collective shall submit it to the street community office for approval and input it into the Tianhe District Rural Collective Assets Management Platform before implementation.

**Article 17** The lease term of a lease contract shall not exceed 20 years.

In terms of cooperative construction projects, those for commercial, tourism, and recreational purposes shall be subject to a maximum cooperation term of 40 years (including the construction period); those for industrial, storage and other non-residential purposes shall be subject to a maximum cooperation term of 50 years (including the construction period).

If the legal use term owned by the rural collective on the cooperative construction land is less than the cooperation term specified in the preceding paragraph, the cooperation term shall not exceed use term.

**Chapter IV Trading Procedures**

**Article 18** Before the public trading of rural collective assets, the rural collectives shall declare the trading intention to the local street community trading management agency. The street community trading management agency shall strengthen industrial guidance to rural collective assets trading based on the regional industrial layout, and provide instructions according to the industries, types, and features involving in the proposed projects, regional industrial development plan, environmental requirements, and production safety.

Street community trading management agencies shall make a reply within 5 working days upon receipt of the trading intention materials submitted by rural collectives. For complicated cases, such period can be extended for 5 working days upon the approval by the local street community office.

**Article 19** After the completion of trading intention registration, rural collectives shall compile a trading proposal and initiate a democratic voting on the proposal. The trading proposal shall include the following contents:

**19.1** Details of the assets to be traded (including ownership, firefighting, geographic location, nature of land use, on-site photos, etc.);

**19.2** Trading method and bidder qualification requirements;

**19.3** Reserve price and increase rate;

**19.4** The amount of margin;

**19.5** Disposal of margin of bidders who fail to sign the contract due to their personal reasons;

**19.6** Contract term and amount of performance bond;

**19.7** Other agreed items and liability for breach of contract

The margin shall not exceed 2% of the total contract amount or 30% of the first-year rental (calculated by the reserve price).

The performance bond shall not exceed 10% of the total contract amount or 30% of the first-year rental (calculated by the reserve price).

The specific amount of margin and performance bond shall be determined by voting in the rural collectives within the range stipulated above.

**Article 20** Rural collectives shall entrust an appraisal institution with legal qualification to evaluate the assets to be traded, and determine the reserve price based on such result. The appraisal procedures shall be subject to the *Regulations of Guangdong Province on Management of Rural Collective Assets*. The appraisal result shall be kept publicized to all members of the organization for no less than 5 working days.

Projects for open bidding in case of Items 15.1, 15.2, 15.3 and 15.4 of Article 15 and the following items may be exempt from assets appraisal. The reserve price will be proposed by the rural collective based on the local market price.

**20.1** Leasing projects of properties and other unused land with an area of less than 100square meters and an annual rent of less than 100,000 yuan;

**20.2** Leasing projects of Agriculture land (farmland, wasteland, forest land, etc.) with an area of less than 10 mu and a lease term of less than 5 years.

**Article 21** Major projects that are involved with the following items shall be subject to decision making through “four procedures and two disclosures” (the proposal of the village CPC branch, deliberation of the village CPC branch committee and village committee, review of the CPC member assembly, resolution of the villagers’ representative meeting or the village meeting; the disclosure of resolutions and implementation results)

**21.1** Assignment or transfer of collective construction land, real estate properties, and other assets;

**21.2** Projects where the right to use collective construction land is brought under cooperative construction;

**21.3** Leasing projects for open bidding with a total contract amount of over 100 million yuan;

**21.4** Leasing renewal agreement concerning a total contract amount of over 100 million yuan;

**21.5** Major projects that are subject to “four procedures and two disclosures”

Major projects in case of Item 21.1 of Paragraph 1 in this Article shall be subject to the resolution of the shareholders general meeting of the economic association or the shareholder (household representative) meeting of the economic organization.

**Article 22** The decision making of general rural collective assets trading projects shall follow tiered democratic voting procedures:

**22.1** The following projects shall be subject to the resolution of the shareholders general meeting of the economic association or the shareholders (household representatives) meeting of the economic organization:

**22.1.1.** Leasing projects for open bidding with an contract amount of over 10 million yuan and below 100million yuan;

**22.1.2.** Negotiation trading projects;

**22.1.3.** Leasing renewal projects with a total contract amount of less than 100 million yuan.

**22.1.4.** The sale, assignment or transfer of fixed assets with an original value of over 1 million yuan, excluding the use right of collective construction land and real estate properties.

**22.2** Leasing projects for open bidding with an contract amount of below 100 million yuan shall be determined by leaders meeting of an economic association or the council meeting of an economic organization, and such meeting shall be sit in by supervisors.

**22.3** Where laws, regulations, rules and policies provide otherwise, such provisions shall prevail.

The deliberation of the above projects shall be done in a “case by case” manner. The deliberation and resolution procedures shall be subject to the *Regulations of Guangdong Province on Management of Rural Collective Assets*. The resolution and implementation results shall be publicized timely, and such publicity period shall not be less than 5 working days.

**Article 23** Rural collectives shall submit the following materials to the street community trading management institutions within 180 days from the resolution:

**23.1** Forms and documents, including:

**23.1.1** *Tianhe District Rural Collective Assets Trading Pre-registration Form*

**23.1.2** *Tianhe District Rural Collective Assets Trading Proposal* approved by democratic voting;

**23.1.3** *Tianhe District Rural Collective Assets Trading Democratic Resolution Information Form* and the minutes of the resolution meeting;

**23.2** The ID certificate of the legal representative of rural collective, *Rural Collective Economic Organization Registration Certificate*, and business certificate 23.for companies only.

**23.3** On-site photos or general layout of the subject matter.

**23.4** Certification documents for the ownership of the subject matter.

**23.5** *Appraisal Report or Evaluation Report* of the project.

**23.6** Other materials required by applicable laws, regulations, and rules.

If the rural collective fails to submit the above materials within 180 days, another democratic voting shall be conducted for deliberation and approval.

Rural collectives shall ensure the authenticity and completeness of the information they submit. Street community trading management agencies shall complete review within five working days upon receiving the application material. The review shall include but not limit to: the authenticity of the basic information, completeness of application materials, compliance of democratic resolution procedure, and legitimacy and fairness of the bidder qualification requirements. On completing the review, such materials shall be submitted to the District Trading Center. If the review cannot be completed on time for special reasons, the institution shall notify the rural collectives in writing. If the institution needs to solicit opinions from other industrial authorities, the time taken to do so shall not be included in the 5-working-day time frame.

**Article 24** District Trading Center shall review on the completeness of the trading materials, compliance of the decision-making procedures, legitimacy and fairness of the bidder qualification requirements setting, and disclosure of ownership, firefighting and other project information. For applications with complete materials, District Trading Center shall issue the trading announcement on Guangzhou Municipal Rural (Community) Collective Ownership Transfer Management and Service Platform, Tianhe District People’s Government official website, and Tianhe District Rural Collective Assets Management Platform. Rural collectives shall simultaneously publicize trading announcements on their notification bulletin (the bulletin for information on the Party affairs, village affairs, and finance) and the place where the subject matter is located. The trading announcement shall include the following contents:

**24.1** Basic information of the trading project (including ownership, firefighting, geographic location, nature of land use, on-site photos, etc.);

**24.2** Reserve price, increase rate, contract term, etc.

**24.3** Bidder qualification requirements;

**24.4** Registration time, venue and method;

**24.5** Amount and payment method of trading margin;

**24.6** Disposal of the margin of bidders who fail to sign the contract due to their personal reasons;

**24.7** Trading time, venue, and method;

**24.8** Contact information;

**24.9** Performance bond;

**24.10** Other contents to be announced.

**Article 25** Standards for trading publicity period are as follows:

**25.1** For leasing projects with a contract amount of less than 100 million yuan, the publicity period shall not be less than 7 working days;

**25.2** For projects involving assignment, transfer, cooperative construction of rural collective assets, or leasing projects with a contract amount of over 100 million yuan and below 1 billion yuan, the publicity period shall not be less than 20 days;

**25.3** For projects with a contract amount of over 1 billion yuan, the publicity period shall be 60 days.

The day of the announcement issuance shall not be included into the publicity period.

**Article 26** During the publicity period, rural collectives shall not withdraw trading or change trading information without justified reasons. If the withdrawal or change is indeed necessary, rural collectives shall submit a written application to the District Trading Center three working days before the publicity period ends; the application shall be accompanied with the opinion of street community trading management agency. If the application is approved, District Trading Center will issue an announcement of such withdrawal or change.

**Article 27** During the publicity period, if a third-party stakeholder raise any objection to the project and can provide valid evidence, the involved rural collective shall communicate with the opposing party, and the local street community trading management agency shall provide guidance and assistance; if a bidder raise questions on the trading information, the involved rural collective shall answer such questions.

During the period where a rural collective is communicating with the opposing party, District Trading Center shall make a trading suspension announcement, and no bidder application would be accepted during such period. Where an agreement has been achieved and the normal trading is not affected, upon the application of the rural collective, District Trading Center may withdraw the suspension announcement, and continue to accept bidder application according to the remaining days of the announcement period when the project is suspended.

**Article 28** Prospective bidders shall submit registration documents to the District Trading Center as required by the trading announcement and pay the margin; they should ensure the authenticity and integrity of their registration documents.

The District Trading Center shall confirm the registration qualification of the prospective bidders and inform them the confirmation results.

**Article 29** The District Trading Center shall organize a trading session within 2 days upon the end of the publicity period.

When a transaction is completed, the District Trading Center shall organize the two parties to sign the *Tianhe District Rural Collective Assets Trading Confirmation Letter*, and publicize the trading results on Guangzhou Municipal Rural (Community) Collective Ownership Transfer Management and Service Platform, Tianhe District People’s Government official website, and Tianhe District Rural Collective Assets Management Platform; the rural collective shall publicize the trading results on its notification bulletin (bulletin for information on the Party affairs, village affairs, and finance) and the place where the subject matter is located. The publicity period shall not be less than 5 working days. The publicized trading results shall include the following items:

**29.1** Name and overview of the trading project;

**29.2** Trading time and transaction price;

**29.3** Bid winner;

**29.4** Publicity period;

**29.5** Complaint handling organization and contact information.

For projects traded through negotiation or leasing renewal agreement, rural collectives shall submit relevant materials to the District Trading Center, and the center shall publicize the trading results in time.

**Article 30** Within 5 working days after the end of the publicity, the rural collective and the bid winner shall sign a contract at a venue designated by the trading service agency; the trading service agency shall provide proper guidance for contract signing.

Where the rural collective and the bid winner could not sign a contract within the given time due to special reasons, a deferral can be made upon the agreement of the rural collective and the bid winner, as well as the approval of the involved economic association and local street community trading management agency.

**Article 31** In case of a failed transaction, a rural collective apply for re-issuance of the trading announcement without changing the trading conditions; in case of a completed transaction, if the contract is ended due to the lessee and the original trading document is still in the 180-day valid term since the democratic voting, a rural collective may apply for the re-issuance of the trading announcement upon the approval of the street community trading management agency. For any change to the trading conditions, a rural collective shall apply for re-issuance of the trading proposal in accordance with these Detailed Rules.

**Article 32** After signing of the contract, trading service organization shall sort out the relevant documents of the trading project, file them for future reference, and enter the relevant information into the Tianhe District Rural Collective Assets Management Platform in time according to applicable regulations.

**Article V Trading Rules and Supervision**

**Article 33** Rural collective asset trading conducted by way of public bidding shall comply with the following trading rules:

**33.1** If there is only one bidder, the transaction price shall not be lower than the reserve price;

**33.2** If there are two or more bidders, the highest bidder shall win the bid;

**33.3** Where the prices and conditions offered are the same, the members of the rural collective, the original lessee, and those who enjoy priority in accordance with agreement shall have the priority. If there are two or more priorities, the ones granted by legal agreement shall prevail; if the priority order cannot be determined, the winner shall be determined by on-site lottery;

**Article 34** In the course of trading, if normal trading becomes impossible due to any of the following special circumstances, the trading service agency may decide to postpone or suspend the trading upon approval by the trading management agency, in which case an announcement shall be made within 2 days:

**34.1** Force majeure;

**34.2** A third party raises an objection to this trading and can provide valid evidence, and other relevant parties fail to make a reasonable explanation;

**34.3** Any bidder is suspected of fraud, collusion in bidding, bribery, extortion, threatening others, etc. and an investigation has to be made for confirmation;

**34.4** Other special circumstances that make it impossible for normal trading.

**Article 35** The margins shall be collected and kept by the District Trading Center. One margin applies to one bidding only. If a bidder fails to win the bid, the margin shall be returned in full at one time by the District Trading Center within 5 working days upon the end of the trading result publicity; for bid winners, the margin shall be returned in full at one time by the District Trading Center within 5 working days after signing a contract, or converted into performance bond or other securities upon agreement according to the announcement.

If a bid winner refuses to sign the *Tianhe District Rural Collective Assets Trading Confirmation Letter*, or fail to sign the contract on time due to his/her own reasons, and no agreement was reached between the two parties, the bid winner shall be deemed to automatically waive the bid; his/her margin will be transferred in full at one time to the rural collective for disposal.

**Article 36** Trading management agencies and trading service agencies shall record assets trading, contract performance, and other credit information, and make regular report to the Tianhe District Bureau of Agriculture and Rural Affairs.

Tianhe District Bureau of Agriculture and Rural Affairs shall establish a credit assessment mechanism, and inform the trading service agencies of bidders and lessees (contractors) with poor credit rating to be restricted from participating in future bidding. Within Tianhe District, bidders or lessees (contractors) subject to one of the following situations shall be included into the Tianhe District Rural Collective Assets Trading Bad Faith Individual List.

**36.1** Being absent from bidding sessions for 5 times within one year;

**36.2** Being present at the bidding sessions for 5 times, but not having raised any valid bids (bids under the reserved price shall be deemed as invalid) and thus leading to transaction failure;

**36.3** Disturbing trading order and affecting normal conduct of trading;

**36.4** Suspected of fraud, collusion in bidding, bribery, extortion, and threatening others;

**36.5** Refusing to sign the trading confirmation letter after winning a bid without justified reasons;

**36.6** Overturning the transaction price or refusing to sign the contract after winning a bid without justified reasons;

**36.7** Failing to pay the rent as agreed within the contract term for 3 times without the consent of the rural collective;

**36.8** Failing to return the subject matter as agreed after the expiration of the contract

**36.9** Other behavior in breach of the principles of good faith.

Organizations that propose to include any bidder or lessee (contractor) in the Tianhe District Rural Collective Assets Trading Bad Faith Individual List shall provide valid written proof. For those having been included on the Bad Faith Entity List, Tianhe District Bureau of Agriculture and Rural Affairs shall inform the relevant organization that such individuals shall not be removed from the list within 3 years.

**Article 37** Street community trading management agencies shall arrange a supervision team to sit in the trading session of rural collective assets. The supervisor team shall consist of 4 or more members from the leader team of an economic association or council and board of supervisors of an economic organization, street community trading management agency, monitoring station, etc.

If any illegal trading is found or any relevant complaint and report is received, the supervision team shall report it to the trading management agency in time.

**Article 38** Stakeholders that have an objection to the trading process or results may make a complaint to the Tianhe District Bureau of Agriculture and Rural Affairs, street community office, or a discipline inspection and supervision department. Upon the receipt of a valid complaint, the department shall investigate and verify the involved issue and handle it within 60 days.

**Article 39** In case of any dispute during the performance of the rural collective asset trading contract, if there is an arbitration agreement, the concerning parties may apply to an arbitration organ for arbitration according to law; otherwise, a lawsuit may be brought to the people’s court according to laws.

**Chapter VI Accountability**

**Article 40** Street community offices shall include the performance on the rural collective assets trading management into the annual assessment of rural collectives, and take it as the basis of reward and punishment for the leading team members of economic associations.

**Article 41** In case of any of the following acts committed by relevant staff member of rural collectives in violation of the Detailed Rules, they shall be ordered to make corrections, get criticism in circulars, receive deduction in salary or performance bonus, be suggested to be dismissed, or receive other punishment. Depending on the seriousness of the circumstances; if losses are caused to the collective economy, they shall bear the corresponding liabilities for compensation according to law; if a crime is constituted, they shall be investigated for criminal responsibility according to law:

**41.1** Failing to organize rural collective assets to enter trading organizations for public trading in accordance with the Detailed Rules;

**41.2** Concealing facts, providing false information and other illegal acts in the course of trading;

**41.3** Failing to perform democratic voting procedures as required;

**41.4** Failing to conduct appraisal on the assets to be traded;

**41.5** Disturbing the order of trading and affecting normal conduct of trading;

**41.6** Failing to sign the contract as required after trading;

**41.7** Deliberately setting up obstacles for the purpose of not to perform the contract;

**41.8** Offering or accepting bribery;

**41.9** Other acts that affect the openness, fairness and impartiality of trading.

**Article 42** If any staff member of Tianhe District Bureau of Agriculture and Rural Affairs violates the Detailed Rules, fails to perform or incorrectly perform his/her duties, he/she shall be subject to administrative discipline; if a crime is constituted, he/she shall be investigated for criminal responsibility according to laws

**Article 43** If any staff member of a trading organization violates the Detailed Rules, abuses his/her power, or fails to perform or incorrectly performs his/her duties, he/she shall be subject to salary deduction, dismissal, accountability, and punishment by his/her competent authorities according to the seriousness of the circumstances; if economic losses are caused, he/she shall be liable for compensation according to laws; if a crime is constituted, he/she shall be investigated for criminal responsibility according to laws.

**Article 44** Those who retaliate against the informants who report the acts of encroaching on or harming the interests of rural collectives during trading shall be investigated and dealt with by the relevant departments according to laws; if a crime is constituted, they shall be investigated for criminal responsibility according to laws

**Article 45** If any prospective bidder, bidder or winner violates the Detailed Rules and harms the interests of others and rural collectives, he/she shall be liable for compensation according to laws; in the event of his/her fraud, collusion in bidding, bribery, extortion, threatening others, etc., he/she shall be investigated for legal responsibility according to laws.

**Article 46** Where laws, regulations, and the *Guangzhou Rural Collectives Capital, Assets, and Resources Management Responsibility Investigation System* have provided otherwise on the accountability for violations in rural collective assets trading management, such provisions shall prevail.

**Chapter VII Supplementary Provisions**

**Article 47** Collective assets of district supply and marketing cooperatives may be traded on the Rural Collective Assets Management Platform following a similar trading procedure of rural collective assets trading.

**Article 48** The “total contract amount” herein shall be calculated based on the reserve price.

**Article 49** All the “over/more than” and “below/less than/within” herein shall include the base number.

**Article 50** The Detailed Rules shall come into force on the date of promulgation, and shall remain in force for 5 years. The original *Detailed Implementation Rules of Tianhe District for Management of Rural Collective Assets Trading* (Sui Tian Fu Gui [2017] No.7) shall be annulled simultaneously.

**Form of Disclosure**: **Active Disclosure**