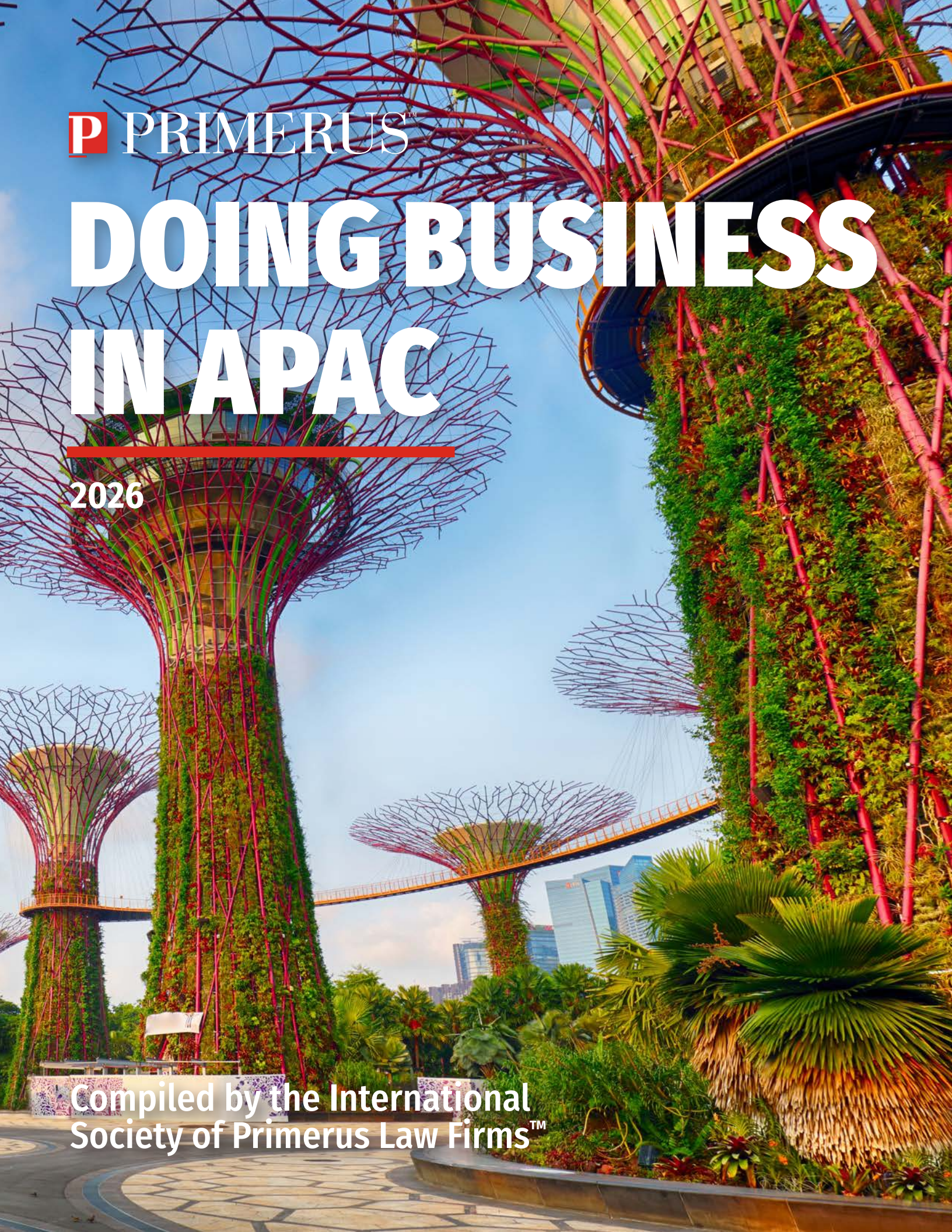




P PRIMERUS™

DOING BUSINESS IN APAC

2026

Compiled by the International
Society of Primerus Law Firms™



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ABOUT PRIMERUS™

Primerus is an international society of 170 top-rated, independent boutique law firms. When we formed Primerus in 1992, we set out to restore honor and dignity to the legal profession and to help rebuild the public's trust in lawyers and the judicial system by setting these high standards. Over thirty years later, our commitment to these values remains strong and our clients notice the difference in who we are and how we work.

Primerus seeks out, screens, and audits our firms to make sure we have only the finest. We use all the ratings services available to us, including Martindale Hubbell, Best Lawyers, Chambers, and Legal 500, to ensure the law firms we invite to join Primerus are the best in the world. And that is just the beginning. We then conduct a more extensive investigation of the firm, including attorney backgrounds, references, and malpractice history checks. An independent accreditation board has the last word on admission and retention of members, resulting in a high quality standard that's applied universally to all members. Another board oversees quality assurance to more specifically define the high standards embodied within the Six Pillars and to help firms live by those standards in everyday practice. We're confident our strict guidelines ensure Primerus law firms are the world's finest. In fact, The Wall Street Journal has compared Primerus to the "Good Housekeeping Seal of Approval" for law firms.

We search the world for the best law firms so you don't have to. But our work doesn't end there. We bring these firms together into a close-knit society to work together for you. Located in nearly 50 countries around the world and 47 U.S. States, with more joining every day, our firms are poised to serve as your global legal team, working together to meet your needs seamlessly and efficiently. The combined resources and expertise of this global team is never more than a phone call away.

The following guide is intended to be a helpful tool for clients and companies who are exploring, plan on, or currently provide legal services in the Asia Pacific region. Assembled by some of the world's finest law firms, this guide will prove valuable in addressing many frequently asked questions within the region.

2026 Law Firm Locations



CARROLL & O'DEA LAWYERS

Practice Areas

Administrative Law
Agency and
Distributorships Law
Alternative Dispute
Resolution Law
Asbestos Litigation Law
Asset Protection Law
Business Law
Car Accident Law
Civil Law
Civil Litigation Law
Commercial Law
Commercial Litigation Law
Commercial Real Estate Law
Computers and Software Law
Construction Law
Consumer Law
Contracts Law
Copyright Law
Corporate and
Transactional Law
Corporate Law
Debtor and Creditor Law
Elder Law
Employment Contracts Law
Employment Law
Equipment Finance and
Leasing Law
Establish Business Law
Estate Planning Law
Guardianship and
Conservatorship Law
Guardianship Law
Housing Law
Immigration Law
Insurance Law
Intellectual Property Law

Australia

Carroll & O'Dea Lawyers is a Sydney-based law firm that has served individuals, businesses, community organizations, and government clients across Australia for more than 125 years. Since its founding in 1899, the firm has built a reputation for practical, thoughtful advice and a strong commitment to its clients. Whether advising businesses, representing clients in court, or guiding individuals through difficult personal matters, Carroll & O'Dea focuses on clear counsel and dependable support.

Trusted Australian legal counsel since 1899

While Carroll & O'Dea's history spans more than a century, the firm operates as a modern legal practice. Its lawyers combine long-standing experience with current tools and technology to provide practical guidance that reflects today's legal and business landscape. The firm works with corporations, small and medium-sized businesses, government bodies, and nonprofit organizations across a wide range of industries.

Practice areas include: business and commercial law; employment law; personal injury and compensation; property and conveyancing; wills and estate planning; family law; litigation and dispute resolution; community and not-for-profit law; and government and regulatory advice.



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CARROLL & O'DEA LAWYERS

AUSTRALIA

Practice Areas cont.

Investment Law
Labor and Employment Law
Leases and Leasing Law
Legal Malpractice Law
Legionnaires Disease Law
Libel, Slander, and
Defamation Law
Litigation
Medical Malpractice Law
Medical Negligence Law
Mortgage Law
Motor Vehicle Accident Law
Negligence Law
Nonprofit and Charitable
Organizations Law
Occupational Safety and
Health Law
Other Practice Areas
Partnership Law
Patents Law
Personal Injury Law
Private Client Law
Probate Law
Product Liability Law
Professional Liability Law
Property Law
Public Liability Law
Railroad Accident Law
Real Estate Law

1. Website for company registry search:

<https://www.asic.gov.au/>

2. Website for foreign investment related info or services:

<https://foreigninvestment.gov.au/>

3. Websites for IP-related search and registration:

Trademark – <https://www.ipaustralia.gov.au/>

Patent – <https://www.ipaustralia.gov.au/>

Industrial designs – <https://www.ipaustralia.gov.au/>

Copyright – <https://www.copyright.org.au/> (copyrighting does not require registration in Australia)

4. Is there a necessity for incorporating the corporate name of the company in contracts?

Yes.

5. Is there a necessity for incorporating the corporate identity number of the company in contracts?

Yes. Companies registered outside Australia must also obtain an Australian Resident Body Number if they carry on business in Australia.

6. Is there any local convention of signing of contracts?

Except for deeds, parties can agree on means of execution. There are presumptions a local company is bound if certain forms of execution clause are duly completed.

7. Any requirement of notarization/legalization of contracts?

Notarization not applicable. Certain dealings relating to land and securities require registration.

AUSTRALIA

Practice Areas cont.

Tax Law
Technology and Science Law
Technology Law
Torts Law
Trademarks Law
Train Accidents Law
Traumatic Brain Injury Law
Truck Accident Law
Trusts and Estates Law
White Collar Crime Law
Wills Law
Workers Compensation Law
Workplace Injury Law
Zoning, Planning, and Land Use Law

8. Sectors where there is a cap on foreign investment?

The Treasurer may reject or impose conditions on any foreign investment proposals which are against Australia's national interest – see *Foreign Acquisitions and Takeovers Act 1975*. There are thresholds in other sectors under which approval may not be required:

Banking sector: Foreign ownership is limited by the *Banking Act 1959*, the *Financial Sector (Shareholdings) Act 1998*, and national banking policy.

Shipping industry: The *Shipping Registration Act 1981* requires ships to be majority Australian-owned if it is to be registered in Australia, unless designated as chartered by an Australian operator.

Telecommunications sector: The *Telstra Corporation Act 1991* limits Telstra's aggregate foreign ownership to 35% and individual foreign investors up to a maximum of 5%.

Airports and airlines: Foreign ownership of major Australian airports and Australian international airlines is limited to 49% by the *Airports Act 1996* (for airport-operator companies) and the *Air Navigation Act 1920* (for international carriers - e.g., Qantas).

Journalism and media: Foreign persons with an interest of 2.5% or more in an Australian media company must notify the Australian Communications and Media Authority per the *Broadcasting Services Act 1992*.

Land development: There is a 50% cap on foreign ownership of new developments after May 2017 for multi-story residential developments with more than 50 dwellings.

Various acquisition of interests in an Australian entity, land or assets may also give rise to registration requirements for foreign investors.

The monetary threshold for Foreign Investment Review Board (FIRB) foreign investment screening in permitted sectors was reinstated after being waived in 2020. There are two exceptions, which require screening regardless of the investment value. They are foreign government investments (e.g., sovereign funds), and 'notifiable national security actions' which are categorized as acquiring a direct interest in national security business or land or starting a national security interest.

AUSTRALIA

9. Sectors where no foreign investment can be made?

Residential property (other than newly developed). Approvals may be required depending upon the amount and sector. More difficult in media, telecommunications, transport, HR, military and military technology, security, uranium, and plutonium sectors.

All foreign persons must have FIRB approval before acquiring interests in mining and production tenements, commercial land, residential land, and national security land of any value. Approval must also be sought for acquiring interests of a value over various monetary thresholds in land corporations or land trusts, agricultural land, and land entities.

If an investor is a foreign government investor, they require approval when acquiring a direct interest (at least 10%) in an Australian entity or business, starting a business, acquiring an interest in Australian land, or acquiring a legal or equitable interest in a tenement, or acquiring an interest (at least 10%) in securities of a mining, production, or exploration entity. These approvals are required regardless of the investment value.

There are also some limited conditional exemptions that certain foreign persons from needing to seek FIRB approval. These include but are not limited to compulsory buyouts and acquisitions, acquisition of Australian land by Australian citizens not ordinarily resident, New Zealand citizens, and Australian permanent residents, and acquisition of interest in Australian businesses or land owned by an Australian government. Foreign government investors are subject to different exemptions.

10. What are the rates of tax (Corporate Tax Rate/On Dividend/On Royalty/On Sale of Shares in Local Company)?

Corporate Tax Rate

Resident: 30%

Base rate entity: 25% from 2021-22 income year onwards. Previously these entities were called 'small business entities' and were subject to a lower tax rate of between 27.5-28.5% in the 2015-16 and 2016-17 income years.

Non-resident: 30%; see <https://international.austrade.gov.au/en/do-business-with-australia/invest-in-australia/investor-guide/running-a-business/understanding-australian-taxes>

On Dividend

Resident: 30% for company (or 25% for small-to-medium base rate entities), various for individuals. Franking credits for tax paid available if applicable.

Non-resident: Franked amount of dividends exempt from Australian income and withholding taxes.

Unfranked dividends: If conduit foreign income: not assessable income and is exempt from withholding tax. Otherwise subject to withholding tax deducted at 30% (or 15% if shareholder resident in country with agreement with Australia).

AUSTRALIA

On Royalty

Resident: 30% for company (or 25% for small-to-medium base rate entities), various for individuals.

Non-resident: Similar treatment as unfranked dividends above (subject to withholding tax).

On Sale of Shares in Local Company

Resident: Capital gains treated as income and subject to tax at applicable income rate (25-30% for company, various for individuals). Capital gains discount available if shares held >1 year. Capital losses may offset future capital gains.

Non-resident: Capital gains treated as ordinary income and subject to tax at applicable income rate (25-30% for company, various for individuals). Capital gains discount may not be available.

11. Is your country a signatory to the following international treaties related to IP (Berne Convention on Copyrights/Patent Cooperation Treaty/Madrid Protocol)?

Berne Convention on Copyrights: Yes

Patent Cooperation Treaty: Yes

Madrid Protocol: Yes

12. What are the safeguards to be taken to enforce joint venture agreement/shareholder's agreement?

Space does not permit these to be listed here.

13. Are foreign arbitration awards enforceable?

Yes, with other countries with reciprocal arrangements, as listed under the applicable conventions.

14. Is your country a signatory to the following international treaties related to dispute resolution?

Geneva Convention: Yes

New York Convention: Yes

HJM ASIA LAW & CO LLC

Practice Areas

Business Immigration Law
Business Law
Business Torts Law
Commercial Fraud Law
Commercial Law
Compliance Law
Copyright Law
Corporate and
Transactional Law
Corporate Law
Employment Law
Environmental Law
Government Contracts Law
Health Care Law
Immigration Law
Intellectual Property Law
International
Arbitration Law
International Government
Contracts Law
International Trade Law
Labor and Employment Law
Labor Law
Litigation
M&A Law
Partnership Law
Patents Law
Trademarks Law
Trusts and Estates Law
Unfair Competition Law

China

HJM Asia Law & Co LLC is a boutique law firm in Asia with more than a decade of legal experience. HJM Asia Law combines an in-depth knowledge of Asian legal systems with the expertise, client service, and efficiency of a Western business operation.

Their law firm has full-time dedicated and competent teams based in China and Singapore. In addition to their in-house team, they have over the years formed strategic alliances with various international law firms and have built and maintained good relationships with Chinese authorities.

Professionalism: HJM believes in hiring the best qualified people to provide prompt and excellent services to their clients. Before accepting a mandate, they make sure they understand the structure and corporate objectives that their clients have in mind for both the short and long term. The success of their clients is also the firm's success.

Dedication: They work hand-in-hand with their clients to provide a tailored service for each mandate. Each of their employees is fully dedicated to their assigned clients and keeps them up-to-date on the status of their respective projects anywhere in Asia, while at the same time pro-actively protecting their clients' interests. The firm values honesty and trust, and strongly believes that this is the foundation for a good and dedicated relationship between their clients and themselves.

Diversity: They recruit staff with distinct career experiences in order to provide their clients with extensive exposure to various perspectives of Asia, more specifically, the Chinese culture, business mindset, and philosophies. By bringing together a commercially and legally diverse team, they are able to develop innovative and business-savvy ideas for their clients.

Communication: HJM Asia Law believes in communication, thus they take time to engage in detailed discussions with their partners, clients, and colleagues in order to clearly understand their goals, interests, and strategies.



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CHINA

1. Website for company registry search:

<https://www.gsxt.gov.cn/index.html>

2. Websites for foreign investment related info or services:

The official website of the Ministry of Commerce (MOFCOM) is the primary authoritative online platform for foreign investment related matters in China. It publishes up to date foreign investment laws, regulations, negative lists, industrial guidance catalogues, and relevant policy documents. It provides access to foreign investment information reporting system, statistical data, investment promotion updates, and foreign invested enterprise complaint handling channels, supporting investors to understand market access rules, fulfill statutory filing obligations, and resolve business environment related inquiries.

<https://english.mofcom.gov.cn/>

<https://fdi.mofcom.gov.cn/EN/>

3. Websites for IP-related search and registration:

Trademark and patent search: <https://english.cnipa.gov.cn/>

Copyright search: <https://en.ncac.gov.cn/>

4. Is there a necessity for incorporating the corporate name of the company in contracts?

Yes. The full corporate name of a company shall be stated in a contract. Under Chinese contract related civil law, the full legal name is the primary identifier for a legal person party to the contract, which confirms the subject qualification of the contracting party, clarifies who bears contractual rights and obligations, and determines the subject of litigation and enforcement in case of disputes. Using an abbreviated or informal name alone may cause uncertainty over the identity of the contracting party.

5. Is there a necessity for incorporating the corporate identity number of the company in contracts?

No. It is not a mandatory statutory requirement to set out the corporate Unified Social Credit Code (corporate identity number in China) in a contract under Chinese law. Though not compulsory, including such a number is highly recommended in practice. The unified social credit number serves as the unique identification code for a legal entity, which helps accurately identify the contracting party, avoid confusion with entities having similar names, and facilitate verification of corporate information when disputes arise.

CHINA

6. Is there any local convention of signing of contracts?

Yes. There are widely accepted local practices for contract signing in China, although most of them are not statutory mandatory requirements.

For corporate parties, the common convention is that the contract affixes the company's official seal together with the signature of the legal representative or an authorized representative. A contract signed only by a representative without a company seal may still be valid if the signatory has valid authorization. Hand-signed hard copy originals are the mainstream form for formal commercial contracts. Electronic signatures complying with the Electronic Signature Law are also legally valid.

7. Any requirement of notarization/legalization of contracts?

Generally, there is no statutory mandatory requirement for domestic or cross border commercial contracts to be notarized or legalized in China. A contract is valid if it is duly signed and sealed by competent parties in accordance with law.

Notarization is optional and may be conducted upon parties' mutual agreement. Legalization (consular authentication/apostille) is not required for the contract itself, save for specific scenarios: where the contract or related documents are to be used overseas, or where governmental authorities (including the court) explicitly demand such formalities for approval, registration, or filing purposes. Notarization or legalization does not substitute the substantive validity of a contract.

8. Sectors where there is a cap on foreign investment?

Yes. Certain strategic and sensitive sectors impose statutory caps on foreign investment shareholding in China. The primary legal basis is Article 28 of the Foreign Investment Law of the People's Republic of China and the concrete share limitation rules are set forth in the Special Administrative Measures (Negative List) for Foreign Investment Access (2024 Version is the latest version). Outside the negative list, foreign investors are treated equally with domestic investors without share ratio restrictions.

Representative examples:

1. Nuclear power plant construction and operation: Must be Chinese controlled (foreign investor cannot hold a controlling stake).
2. Domestic water transport enterprises: Must be Chinese controlled.
3. Public air transport enterprises: Must be Chinese controlled; the aggregate investment ratio of one foreign investor and its affiliates shall not exceed 25%.
4. Breeding and production of new corn varieties: Must be Chinese controlled;
5. Breeding and seed production of new wheat variety, Chinese parties shall hold no less than 34% equity.

Note: The negative list is subject to periodic revision. Investors shall always refer to the latest officially published version.

CHINA

9. Sectors where no foreign investment can be made?

Certain sectors are completely closed off to foreign investors in China. And the concrete share limitation rules are set forth in the negative list.

Key examples:

1. Exploration, mining, and mineral dressing of rare earth, radioactive minerals, and tungsten
2. News agencies (including news agencies of all kinds)
3. Editing, publishing, and production of books, newspapers, periodicals, audio visual products, and electronic publications
4. Domestic postal services and domestic express delivery services for letters

10. What are the rates of tax (Corporate Tax Rate/On Dividend/On Royalty/On Sale of Shares in Local Company)?

Corporate Tax Rate

25% for Chinese resident enterprises (standard statutory rate). Qualified high tech enterprises enjoy 15% preferential rate; small profit enterprises apply concessional tax treatment. Non-resident enterprises with establishments in China and income effectively connected with such establishments are also subject to 25%.

On Dividend

Default withholding tax rate: 10% for non-resident enterprises without Chinese establishment place (statutory 20% reduced to 10% per implementation regulations). Lower treaty rates (e.g., 5%) may apply subject to double taxation agreement and beneficial owner qualification.

Dividends and other equity investment income derived by a resident enterprise from another resident enterprise are tax-exempt under Chinese Corporate Income Tax Law, provided the conditions are met. The main conditions are:

- The income must arise from a direct investment by one resident enterprise in another resident enterprise;
- It does not include investment income derived from publicly issued and listed shares of a resident enterprise that have been continuously held for less than 12 months.

On Royalty

Default withholding tax rate: 10% for non-resident enterprises without Chinese establishment place. Reduced treaty rates are available under applicable double taxation agreements if beneficial owner requirements are met.

CHINA

On Sale of Shares in Local Company

Gains derived from disposal of equity interests in Chinese resident enterprises by non-resident enterprises are subject to 10% withholding tax calculated on net capital gain (transfer consideration minus cost basis of the shares (acquisition cost plus related taxes and expenses)). Treaty based relief may be available subject to relevant double taxation agreement provisions.

Gains derived by a resident enterprise from the transfer of shares in a Chinese resident enterprise shall be included in its taxable income and subject to Corporate Income Tax at the standard rate of 25% (or the applicable preferential rate, such as 15% for high-and-new technology enterprises). The taxable gain is calculated as: Transfer consideration – cost basis of the shares (acquisition cost plus related taxes and expenses).

11. Is your country a signatory to the following international treaties related to IP (Berne Convention on Copyrights/Patent Cooperation Treaty/Madrid Protocol)?

Yes. China is a contracting party to all three mentioned IP related international treaties.

12. What are the safeguards to be taken to enforce joint venture agreement/shareholder's agreement?

Under People's Republic of China (PRC) law, a Joint venture (JV) agreement or shareholder's agreement is a private contract binding only upon the contracting shareholders, and it does not automatically bind the JV company itself. Multiple layer safeguards may be adopted to enhance enforceability.

1. Align the JV/Shareholder's Agreement with Articles of Association (AoA)

Material governance terms (veto rights, reserved matters, dividend distribution, share transfer restrictions) shall be mirrored into the company registered AoA. Where inconsistency exists, parties may set forth a clause that the shareholder's agreement prevails among shareholders. Note that only the AoA has direct binding effect on the company, directors, and officers.

2. Well-drafted contractual remedies

Include clear contractual remedies: liquidated damages for breach, put option/call option (share buy out), right of first refusal, tag along and drag along rights, deadlock breaking mechanisms (escalation to senior management, mediation, buy sell clauses). Define objective trigger conditions for such rights to avoid factual disputes.

3. Appropriate dispute resolution mechanism

For Sino foreign JVs, PRC law mandates PRC governing law. Parties may select institutional arbitration (e.g., China International Economic and Trade Arbitration Commission) instead of court litigation for neutrality and confidentiality. Arbitral awards are enforceable in China under the PRC Arbitration Law.

CHINA

4. Corporate procedure reinforcement

Material stipulations under the shareholder's agreement may be adopted by formal shareholder meeting resolutions, so that relevant obligations can bind the JV company. Unanimous written consent of all shareholders on shareholder meeting scope matters may produce the effect of a shareholder resolution pursuant to the Company Law of the PRC.

5. Information right and compliance supervision clauses

Reserve shareholders' information rights including access to financial books, periodic reporting, and audit rights, to monitor counter parties' performance. Add restrictive covenants such as non compete and non solicit where applicable.

6. Pre-transaction due diligence

Conduct thorough legal, financial, and regulatory due diligence on the counter party and target entity prior to signing, to identify hidden risks that may frustrate subsequent performance.

Note: Any clause shall not violate the mandatory provisions of PRC Company Law, Foreign Investment Law, and other mandatory statutes; otherwise relevant clauses may be deemed invalid.

13. Are foreign arbitration awards enforceable?

Foreign arbitral awards are generally enforceable in China under the Convention on the Recognition and Enforcement of Foreign Arbitral Awards (1958 New York Convention), to which China is a contracting state.

China has made two reservations upon accession:

1. Reciprocity reservation: The New York Convention applies only to awards rendered in the territory of other contracting states. Awards from non contracting state jurisdictions shall be handled pursuant to the principle of reciprocity under the Civil Procedure Law of the PRC.
2. Commercial reservation: The Convention applies only to disputes arising out of contractual and non contractual commercial legal relationships under Chinese law.

Applications for recognition and enforcement shall be filed with the intermediate people's court at the respondent's domicile or property location. Enforcement may be refused on limited grounds set forth under Article V of the New York Convention, including invalid arbitration agreement, lack of proper notice, ultra vires award, defective arbitral procedure, award set aside at seat, non arbitrable subject matter, or violation of Chinese public policy.

14. Is your country a signatory to the following international treaties related to dispute resolution?

Geneva Convention: No

New York Convention: Yes

PAMIR LAW GROUP

Practice Areas

Administrative Law
Agency and
Distributorships Law
Alternative Dispute
Resolution Law
Antitrust and Trade
Regulation Law
Asset Protection Law
Bankruptcy Law
Business Law
Civil Law
Civil Practice Law
Civil Rights Law
Collections Law
Commercial Law
Commercial Real Estate Law
Compliance Law
Conflicts of Law
Constitutional Law
Construction Law
Contracts Law
Convention on the
International Sale
of Goods
Copyright Law
Corporate Law
Debtor and Creditor Law
Education Law
Eminent Domain Law
Employee Benefits Law
Energy Law
Entertainment Law
Environmental Law
Family Law
Finance Law
Franchises and
Franchising Law
Government Contracts Law

China

Pamir Law Group provides international business and legal advisory services in Asia with offices in Taipei and Shanghai. Pamir has a long track record of successfully supporting clients to achieve their goals in a broad range of industries in the People's Republic of China (PRC) and Taiwan.

Pamir has advised companies in a wide range of planning, entry, operational, transactional (expansion/re-structuring/partnering), and dispute resolution, enforcement and preventative, and crisis-response anti-corruption situations. Pamir has advised family groups and wealth management professionals in a full range of support services. Pamir's services have been instrumental to clients when the stakes really matter.

Their team of multilingual professionals is able to bridge the gap between different business cultures and support clients in multiple languages, including English, Chinese (Mandarin, Taiwanese, Cantonese, Shanghai, and Suzhou dialects), as well as Japanese and Spanish.

Their clients include multinational and Asia-based companies, international legal, accounting and other professional services firms, investor groups, and private equity firms, as well as high net worth family groups.

They co-counsel with leading law and accounting firms from Asia, North America, Latin America, and Europe on their client matters. They represent leading PRC corporate and family groups in their outbound investment and migration activities overseas.



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CHINA

Practice Areas cont.

Health Care Law
Hospital Law
Insurance Law
Intellectual Property Law
International Arbitration Law
International Law
International Trade Law
Internet Law
Investment Law
Labor and Employment Law
Leases and Leasing Law
Litigation
Local Counsel
M&A Law
Nonprofit and Charitable Organizations Law
Partnership Law
Privacy Law
Private International Law
Product Liability Law
Real Estate Law
Regulatory Law
Securities Law
Social Security Law
Sports Law
Tax Law
Trade Secrets Law
Trademarks Law
Transportation Law

1. Websites for company registry search:

Mainland China: [National Enterprise Credit Information Publicity System \(GSXT\)](#)

Hong Kong: [Companies Registry](#)

Macau: [Commercial Registry Information Platform](#)

2. Websites for foreign investment related info or services:

Mainland China: [Ministry of Commerce](#)

Hong Kong: [Invest HK](#)

Macau: [Investment Promotion Institute of Macao](#)

3. Websites for IP-related search and registration:

Mainland China: [China National Intellectual Property Administration](#)

Hong Kong: [Online Search System](#)

Macau: [DSED Online IP Search System](#)

4. Is there a necessity for incorporating the corporate name of the company in contracts?

- Yes, it is a [statutory requirement](#).
- For PRC registered entities, use the company's **full registered Chinese legal name** as it appears on the business license. An English name may be included for convenience, but the registered Chinese name should be used because an English translation may not uniquely identify the entity.

5. Is there a necessity for incorporating the corporate identity number of the company in contracts?

- **Strongly recommended** although not a statutory requirement.
- For PRC registered entities, include the company's **18-digit Unified Social Credit Code**, which is its unique official identification number and appears on the business license.

Practice Areas cont.

Trusts and Estates Law

Unfair Competition Law

Wills Law

Workers Compensation Law

Zoning, Planning, and
Land Use Law

6. Is there any local convention of signing of contracts?

- **Yes.** Contracts become effective upon either the company's official seal (a.k.a., chop) or the signature of the legal representative or an authorized signatory.
- China relies heavily on company chops, with different chops used for different purposes (e.g., company, financial, legal representative chops). Lawyers often advise foreign clients on their proper use and control.
- Modern business practices increasingly make use of **digital seals** registered with certificate authorities, using approved hardware security modules. Under the current [PRC Electronic Signature Law](#), these electronic chops (e-chops) have the same legal validity as physical ones, and it is **strongly advised** to establish strong physical and digital controls over it.
- Every company must also appoint a legal representative to be listed on the business license. The legal representative may be a foreigner and serves as the company's official representative, bearing statutory responsibility for the company's operation and acting on its behalf in legal and commercial matters.

7. Any requirement of notarization/legalization of contracts?

Inside China

If a joint venture agreement, shareholder's agreement, or commercial contract is executed physically within mainland China by authorized representatives, it does not require notarization. The application of the company's official physical corporate chop (or contract chop) along with the signature of the legal representative is generally sufficient to establish legal validity. Private notarization is generally optional.

Outside China

When a foreign investor establishes a joint venture or changes the shareholder structure with the Market Supervision Administration (SAMR), the foreign parent company's eligibility documents must be notarized and accompanied by an Apostille (if the originating country is a Hague Convention member). The required documents typically include:

- The foreign parent company's Certificate of Incorporation.
- Official board resolutions appointing directors.
- A formal power of attorney granting an authorized signatory to sign relevant on behalf of the foreign parent company.

CHINA

If a dispute proceeds to litigation or arbitration within China, any evidentiary materials that were formed or executed outside mainland China – regardless of whether they are corporate documents – must also be authenticated in accordance with Chinese procedural law. Without such authentication, the court or arbitral tribunal may refuse to admit them.

The protocol for validating these documents formed or executed outside China depends on whether the originating country is a member of the Hague Apostille Convention:

For Apostille Member Countries: the old “Consular Legalization” process has been abolished. All that is required is:

Notarizing the document by a local public notary in the home country.

Obtain a single Apostille Certificate from the country’s designated government authority, like the UK Foreign Office.

For Non-Apostille Countries: the traditional multi-layered route must be followed:

Local notarization → Foreign ministry authentication → Consular legalization by the local Chinese Embassy.

Even if a document formed or executed outside China has been perfectly notarized and has a valid Apostille certificate, it will be legally inadmissible in a Chinese court or government agency without a certified translation. The entire document must be translated into Simplified Chinese by a legally recognized translation agency inside China.

8. Sectors where there is a cap on foreign investment?

According to the Negative List of Special Management Measures for Foreign Investment Access (2024) (“Negative List”), there are seven industries subject to restrictions on foreign investment:

- Agriculture
 - For the selection and breeding of new wheat varieties and the production of wheat seeds, the Chinese side must hold no less than 34% of the shares. For the selection and breeding of new corn varieties and the production of corn seeds, the Chinese side must hold a controlling stake.
- Energy
 - The construction and operation of nuclear power plants must be controlled by Chinese investors.
- Transportation
 - Domestic water transport companies must be controlled by Chinese investors.
 - Public air transport companies must be controlled by Chinese investors, and the proportion of investment by a single foreign investor (and its affiliates) shall not exceed 25%. The legal representative must be a Chinese citizen.

CHINA

- General aviation companies serving agriculture, forestry, and fishery industries shall be limited to joint ventures.
- For other types of general aviation companies, Chinese investors must hold a controlling stake.
- The construction and operation of civil airports require Chinese investors to hold a relative controlling stake, and foreign investors may not participate in the construction or operation of airport control towers.
- Telecommunications
 - Foreign investment in value-added telecommunications services (excluding e-commerce, domestic multi-party communications, store-and-forward services, and call centers) shall not exceed 50% of the shares.
 - Basic telecommunications services must be controlled by Chinese investors.
- Business Services
 - Market surveys shall be limited to joint ventures.
 - Radio and television ratings surveys must be controlled by Chinese investors.
- Education
 - Pre-school education institutions, regular upper secondary schools, and higher education institutions shall be limited to Sino-foreign cooperative education.
 - Chinese investors must play a dominant role (the principal or chief administrative officer must be a Chinese national, and no less than half of the board members must be Chinese representatives).
- Medical Institutions
 - Investment in medical institutions shall be limited to joint ventures.

9. Sectors where no foreign investment can be made?

The Foreign Investment Negative List identifies 22 prohibited industries that are entirely closed off to foreign investment, including:

- Agriculture, Forestry, Animal Husbandry, and Fishery
 - Research and development, breeding, planting, and production of China's rare and unique crop varieties and related reproductive materials
 - Breeding and production of genetically modified varieties of crops, livestock, and aquatic breeds
 - Fishing in Chinese jurisdictional waters and inland waters

CHINA

- Mining
 - Exploration, mining, and processing of rare earth, radioactive minerals, and tungsten
- Nicotine Products
 - Wholesale and retail of tobacco products
- Transportation, Storage, and Postal Services
 - Postal companies and domestic express mail services
- Information Transmission, Software, and IT Services
 - Internet news information services
 - Online publishing services
 - Online audio-visual program services
 - Internet cultural operations (except music)
 - Internet public information publishing services
- Leasing and Business Services
 - Chinese legal affairs and partnerships in domestic law firms
 - Social surveys
- Scientific Research and Technical Services
 - Development and application of human stem cells, gene diagnosis, and treatment technologies
 - Humanities and social sciences research institutions
 - Certain surveying and mapping activities (geodetic surveys, marine surveying, aerial photography, etc.) and geological surveys
- Education
 - Compulsory education institutions and religious education institutions
 - *Note: The prohibition applies to schools serving Chinese citizens in mainland China. Schools for foreign nationals are not prohibited and are generally treated as a restricted sector.*
- Culture, Sports, and Entertainment
 - News agencies or organizations
 - Editing, publishing, and production of books, newspapers, periodicals, audio-visual products, and electronic publications
 - Radio and television stations, networks, and related services

CHINA

- Radio and television program production and management companies
- Film production, distribution, and cinema chains
- Cultural relic auction companies, cultural relic stores, and state-owned museums
- Performing arts groups

10. What are the rates of tax (Corporate Tax Rate/On Dividend/On Royalty/On Sale of Shares in Local Company)?

Corporate Tax Rate

The standard rate is 25% for both domestic and foreign-invested enterprises. Reduced rates are available: 15% for High-and-New Technology Enterprises (HNTE), an effective 5% for Small Low-Profit Enterprises (SLPE) on annual taxable income up to RMB 3 million, and 15% for encouraged enterprises in certain regions like the Hainan Free Trade Port or Western Regions.

On Dividend

10% statutory withholding tax on dividends paid out of China to a foreign parent, reduced to 5% under most double tax agreements (e.g., with Hong Kong, Singapore, UK) if the recipient holds at least 25% of the Chinese paying company.

On Royalty

10% statutory withholding tax, potentially reduced under tax treaties (treaty rates vary by jurisdiction, e.g., 10% for UK, 7% for Hong Kong, 10% for Germany, 10% for US).

On Sale of Shares in Local Company

For foreign enterprises, capital gains from selling shares in a Chinese company are generally taxed as ordinary income at the 10% corporate tax rate, subject to potential treaty reductions. For foreign individuals, gains are generally subject to 20% individual income tax on the net profit, though certain exemptions exist for listed company shares and specific cases. *Note: that China does not have a separate “capital gains tax” but taxes these gains under the corporate or personal income tax systems.*

11. Is your country a signatory to the following international treaties related to IP (Berne Convention on Copyrights/Patent Cooperation Treaty/Madrid Protocol)?

Yes. China is a signatory to all three WIPO-administered systems.

CHINA

12. What are the safeguards to be taken to enforce joint venture agreement/shareholder's agreement?

Governance Alignment & Articles of Association Integration

- **AoA Supremacy:** Chinese courts prioritize Articles of Association (AoA) over private agreements. Dispute resolution clauses must explicitly state that parties are contractually bound to amend the AoA to match the joint venture agreement (JVA)/shareholder's agreement SHA in the event of inconsistencies.
- **Voting and Veto Thresholds:** Incorporate reserved matters directly into the AoA with explicit voting thresholds (e.g., 2/3 supermajority or unanimous consent) for critical actions such as capital increases, AoA amendments, mergers, or dissolution.
- **Authority Delineation:** Expressly define the boundaries between the Shareholders' Meeting and the Board of Directors within the AoA, mandating that partner-nominated directors vote in strict alignment with SHA/JVA terms.
- **Employee Representation:** For companies with 300 or more employees, state whether the company will (i) appoint an Employee Director to the Board, or (ii) establish a Board of Supervisors that includes employee representatives (as the latter option exempts the company from the mandatory Employee Director requirement), as written in Art. 68 of the 2024 PRC Company Law. (24PCL)
 - Structure board nominations in the SHA to ensure employee seats do not erode agreed shareholder veto power.
- **Fiduciary Duties and Director Liability:** Explicitly state that directors face personal indemnification liability to the JV if they fail to cause the company to issue mandatory written capital calls per Art. 51 of the 24PCL, or cause third-party/company damage through gross negligence or willful misconduct, per Arts. 180 & 191 of the 24PCL.
- **Post-2024 Corporate Updates:**
 - *Audit Committee Option:* Under the PRC Company Law, JVs can replace the Board of Supervisors with a Board Audit Committee to streamline governance.
 - *Capital Call Default:* For limited liability companies, registered capital must be fully paid within five years from establishment. Include a dedicated Capital Call Default clause outlining exact buyout mechanisms for forfeited shares if a partner defaults.

Operational Control and Asset Protection

- **Chops and Digital Portal Protocols:** Physical chop custody equals operational control in Mainland China. Implement joint-custody protocols (e.g., lockboxes requiring dual authorization), maintain mandatory usage logs, and secure dual-approval workflows for e-chops and official online government portals.
- **Legal Representative Safeguards:** Limit the statutory binding authority of the legal representative in the AoA by requiring shareholder resolutions for major corporate decisions. Clearly define removal and replacement procedures from outset.
- **Financial Controls:** Require dual signatures and authorizations for all bank transactions exceeding pre-agreed financial thresholds.

CHINA

- **Profit Repatriation and Forex Protocols:** Contractually define dividend distribution schedules and related board/shareholder approval procedures. Under Art. 210 of the 2024 PRC Company Law, prior to any profit distribution, the JV must allocate 10% of its post-tax profits to the statutory reserve fund (unless the fund has already reached 50% of the registered capital). Profits may only be distributed after offsetting prior years' losses to the extent that the statutory reserve fund is insufficient to cover them. For remittances of distributed profits overseas, the JV shall complete the necessary procedures with banks in accordance with the SAFE Capital Project Foreign Exchange Business Guidelines; such procedures typically require submission of profit distribution resolutions, audited financial statements, and relevant tax documents.
- **Anti-Corruption and Audit Access:** To ensure compliance with applicable anti-bribery and anti-corruption laws, including but not limited to the U.S. Foreign Corrupt Practices Act (FCPA), the UK Bribery Act, and China's Anti-Unfair Competition Law (Article 8 on commercial bribery), the shareholders' agreement shall contractually grant the foreign partner audit and inspection rights over the JV's financial accounts and records. Such rights shall be exercised in accordance with the terms and conditions mutually agreed upon in the SHA/AoA, balancing compliance needs with the JV's operational confidentiality and the legitimate rights of all shareholders.
- **Labor and Human Resources Risk Controls:** Mandate dual-management approval thresholds for executive hiring and termination. PRC labor law is heavily employee-protective: written employment contracts are mandatory within 30 days to avoid double-salary statutory penalties, at-will termination does not exist, and in the event of an unlawful dismissal, the employer shall pay compensation equal to two times the statutory severance amount (2N) as prescribed by Article 87 of the Labor Contract Law.

Deadlock Escalation & Dispute Resolution

- **Deadlock Resolution:** Prevent corporate paralysis using a tiered escalation model: Parent company CEO negotiation → non-binding mediation → contractual exit triggers ("Russian Roulette" or "Texas Shootout" clauses).
- The parties shall ensure that the above deadlock resolution provisions are consistently reflected in both the shareholders' agreement and the AoA of the JV to avoid inconsistencies that may undermine their enforceability.
- **Dispute Forum Selection:** Opt for international arbitration (e.g., SIAC, HKIAC, CIETAC) under the New York Convention for cross-border enforceability. If selecting PRC courts, designate a court with an authentic connection (e.g., place of incorporation).
- **Pre-Trial Asset Preservation:** Apply for Chinese court orders prior to or during proceedings to freeze bank accounts, equity holdings, or seal real estate, preventing counterparty asset-stripping. Under the Arrangement Concerning Mutual Assistance in Court-ordered Interim Measures in Aid of Arbitral Proceedings by the Courts of the Mainland and of the Hong Kong Special Administrative Region (the "Interim Measures Arrangement"), parties to arbitral proceedings seated in Hong Kong and administered by qualified arbitral institutions including HKIAC may apply to Mainland Chinese courts for interim measures, including asset preservation.

CHINA

- **Execution and Language Dominance:** Execute dual-language contracts. Explicitly state which version prevails; note that Chinese text practically carries primary weight in PRC courts and CIETAC. Ensure execution includes both authorized signatures and official company chops.
- **Non-Compete and Non-Solicitation:** Restrict partners and their affiliates from creating competing businesses or soliciting JV staff/customers during operations and post-exit.
- **Exit Triggers and Remedies:** Link material breaches (e.g., non-compete breach, IP theft, insolvency) to specific remedies including Right of First Refusal (ROFR), Tag-Along/Drag-Along rights, or pre-formula buyouts.

IP & Ancillary Agreements

- **Standalone IP Contracts:** Execute distinct, standalone IP licensing or transfer agreements rather than relying solely on umbrella SHA clauses.
- **Local Registration:** Register all patents, trademarks, software copyrights, and domain names directly with relevant PRC administrative authorities before initiating JV operations.
- **Data Security and Outbound Data Flows:** Ensure strict compliance with China's core privacy regime – the Personal Information Protection Law, Data Security Law, and Cybersecurity Law. Require the JV to establish compliant cross-border data transfer mechanisms (e.g., CAC standard contracts or security assessments) so the foreign partner retains legal access to operational and financial reporting data without violating regulatory export limits or risking severe administrative fines.

13. Are foreign arbitration awards enforceable?

Yes. Foreign arbitration awards can generally be enforced in China.

- The successful party applies to the competent Chinese court for recognition and enforcement. If the court intends to refuse enforcement, it must follow a mandatory internal reporting system.
- The Intermediate People's Court must first report its proposed non-enforcement to the Higher People's Court (provincial level) for review.
- If the Higher People's Court agrees to refuse, it must then report the case to the Supreme People's Court (SPC) for final approval.
- A formal decision to refuse can only be made after the SPC issues its reply.
- This system promotes consistency and supports a generally pro-enforcement approach through Foreign arbitration awards.

CHINA

14. Is your country a signatory to the following international treaties related to dispute resolution?

Geneva Convention: No. China is not a signatory to the 1927 Geneva Convention on the Execution of Foreign Arbitral Awards. This convention was largely superseded by the New York Convention of 1958, limiting the impact of their absence.

New York Convention: Yes. China acceded to the Convention on the Recognition and Enforcement of Foreign Arbitral Awards on January 22, 1987. The Convention entered into force for China on April 22, 1987. The government made a commercial reservation, exclusively limiting its application to disputes which arise out of a commercial legal relationship.

- Under Article I(3) of the New York Convention, countries can declare that they will only apply the Convention to disputes arising out of legal relationships considered “commercial” under their domestic law.
- The landmark judicial notice Fa Jing Fa [1987] No. 5 defined ‘commercial legal relationships’ as economic rights and obligations which arise from contracts, statutory provisions, or torts, which includes:
 - Sale of goods and property leases
 - Engineering and project contracting
 - Licensing, patent, and technology transfer
 - JVs and commercial partnerships
 - Exploration and development of natural resources
 - Trade, banking, insurance, and transportation
- This definition excludes disputes between a foreign investor and the state government, although these may often be tried under separate agreements such as the ICSID.
 - It also excludes administrative and regulatory enforcement actions, which must be dealt with either internally or via litigation.

WATSON & BAND

Practice Areas

Administrative Law
 Asset Protection Law
 Bankruptcy Law
 Civil Law
 Commercial Law
 Commercial Real Estate Law
 Construction Law
 Contracts Law
 Corporate Law
 Employment Law
 Entertainment Law
 Family Law
 Finance Law
 Government Contracts Law
 Intellectual Property Law
 Internet Law
 Investment Law
 Labor and Employment Law
 Litigation
 M&A Law
 Patents Law
 Real Estate Law
 Tax Law
 Trademarks Law
 Unfair Competition Law

China

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CHINA

1. Website for company registry search:

Company registry can be searched through the official website of the National Enterprise Credit Information Publicity System at <https://www.gsxt.gov.cn/>.

2. Websites for foreign investment related info or services:

Foreign investment information can be found on the Ministry of Commerce websites.

State level: <https://www.mofcom.gov.cn/>.

Local level (Shanghai): <http://www.sh.gov.cn/>.

3. Websites for IP-related search and registration:

Trademark searches: Trademark Office of China National IP Administration (<https://sbj.cnipa.gov.cn/sbj/sbcx/>).

Patent searches: Patent Search and Analysis platform run by China National IP Administration (<https://pss-system.cponline.cnipa.gov.cn/conventionalSearch>).

Copyright searches: National Copyright Registration Information Database (<https://www.ccopyright.com.cn/>).

4. Is there a necessity for incorporating the corporate name of the company in contracts?

From best practice perspective, it is recommended to incorporate the company legal name in Chinese in contracts to avoid any possible dispute. The English name is not legally required to be registered with authorities and can be changed by the company at its sole discretion.

5. Is there a necessity for incorporating the corporate identity number of the company in contracts?

The corporate registration number is good-to-have in international trading contracts, especially if the company name in Chinese is not incorporated. However, it is not a must-have and is not commonly seen in practice.

6. Is there any local convention of signing of contracts?

The preference of contract signing convention in PRC is: company is official chop/seal (preferred) > legal representative of the company > authorized representative of the company (with proper power of attorney).

CHINA

7. Any requirement of notarization/legalization of contracts?

Contracts are not required to be notarized or legalized in order to be legally effective or binding. However, notarization of contracts will be helpful to prove the authenticity of the contract in case of future disputes.

8. Sectors where there is a cap on foreign investment?

Under the current FDI Negative List (Y2024 version), certain restricted sectors remain subject to foreign ownership caps.

Examples include: value-added telecommunications services (limited to 50% foreign ownership, though certain FTZs have removed this cap), basic telecommunications (limited to 49%), and certain rare earth and cultural sectors. Restrictions are specified in the Negative List on an item-by-item basis. Sectors not listed in the Negative List are fully open with no foreign ownership restrictions.

9. Sectors where no foreign investment can be made?

PRC is now applying the rules of Negative List to foreign investments, generally running as follows:

1. Sectors in the Negative List for market access are forbidden or subject to restrictions to both domestic and foreign investors.

The current effective version is the Y2025 version, with in total 106 items (including both forbidden and restrictive sectors).

2. Sectors in the Negative List for access of foreign investments are forbidden or subject to restrictions to foreign investors ("State-level FDI Negative List").

The current effective version is the Y2024 version, with in total 29 items:

3. However, if the foreign investment is made within the Pilot Free Trade Zone, the Negative List for Access of Foreign Investments to FTZ ("FTZ FDI Negative List") will be applied instead of the State-level FDI, which is more open with less forbidden or restrictive sectors.

10. What are the rates of tax (Corporate Tax Rate/On Dividend/On Royalty/On Sale of Shares in Local Company)?

Corporate Tax Rate

The standard Enterprise Income Tax (EIT) is 25%. For small and micro enterprises with annual taxable income ≤ RMB 3 million, the effective rate is as low as 2.5%-5% under current preferential policies. Small-scale VAT taxpayers also benefit from a reduced 1% rate.

CHINA

On Dividend

10% withholding tax applies for non-resident enterprise shareholders. This rate may be reduced under an applicable double taxation agreement between PRC and the shareholder's jurisdiction.

On Royalty

10% withholding tax applies on royalty payments to non-resident enterprises. This rate may be reduced under an applicable double taxation agreement.

On Sale of Shares in Local Company

10% capital gains tax applies on direct transfer of shares by non-resident enterprises. Indirect transfers may trigger PRC tax under Announcement No. 7 of 2015 (PN7) especially if PRC asset thresholds are met.

11. Is your country a signatory to the following international treaties related to IP (Berne Convention on Copyrights/Patent Cooperation Treaty/Madrid Protocol)?

PRC is a signatory to the Berne Convention on Copyrights, the Patent Cooperation Treaty (PCT), and the Madrid Protocol.

12. What are the safeguards to be taken to enforce joint venture agreement/shareholder's agreement?

It is advisable to include proper exit mechanisms and restrictions based on the parties' intentions, such as causes for unilateral termination, buy-out plans, asset evaluation methods upon termination, and post-termination non-competition restrictions.

For foreign-related Joint venture or shareholder agreements expected to be enforced in PRC, it is recommended to subject the agreement to PRC court or PRC arbitration (e.g., CIETAC or SHIAC in Shanghai), or Hong Kong arbitration, to facilitate future enforcement.

13. Are foreign arbitration awards enforceable?

Recognition and enforcement of foreign arbitration awards can be applied for with the intermediate court at the respondent's residence or at the location of assets to be enforced. Since PRC is a signatory of the New York Convention on Recognition and Enforcement of Foreign Arbitral Awards, foreign arbitration awards made in member countries are generally enforceable, unless reasons provided in the New York Convention apply (e.g., procedural flaws or conflict with public interest).

14. Is your country a signatory to the following international treaties related to dispute resolution?

Geneva Convention: No. PRC is not a signatory to the Geneva Convention.

New York Convention: Yes. PRC is a signatory to the New York Convention on Recognition and Enforcement of Foreign Arbitral Awards.

ONC LAWYERS

Practice Areas

Alternative Dispute Resolution Law
Arbitration Law
Asset Protection Law
Banking Law
Capital Markets Law
China Attesting Services
China Practice Law
Commercial Law
Compliance Law
Construction Law
Corporate and Transactional Law
Corporate Finance Law
Corporate Law
Criminal Litigation Law
Discrimination Law
Employment Law
Family Law
Finance Law
Immigration Law
Insolvency Law
Insurance Law
Intellectual Property Law
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Matrimonial Law
Notary Public Services
Personal Injury Law
Privacy Law
Private Equity Law
Probate Law
Property Law
Real Estate Law

Hong Kong

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HONG KONG

Practice Areas cont.

Regulatory Law
 Restructuring Law
 Securities, Futures,
 and Funds
 Shipping and Logistics
 Technology Law
 Trust Law
 Venture Capital Law
 Wills Law

1. Website for company registry search:

Companies Registry e-Services Portal – e-Search: <https://www.icris.cr.gov.hk/csci/>. The Registry's public e-Search service permits searches of current registered-company data and images of registered documents. Since implementation of the Unique Business Identifier, the Business Registration Number (BRN) is the key identifier; the service includes a CR No./BRN mapping search.

2. Websites for foreign investment related info or services:

The principal government body responsible for foreign direct investment (FDI) promotion and facilitation is Invest Hong Kong (InvestHK), a department of the HKSAR Government, at www.investhk.gov.hk. InvestHK provides free advisory and aftercare services to overseas and Mainland Chinese companies establishing or expanding a Hong Kong presence, but it is a facilitation body rather than an investment-approval authority, reflecting Hong Kong's general policy of not requiring FDI screening or approval.

For trade-policy and licensing matters (import/export licensing, rules of origin under the Closer Economic Partnership Arrangement with the Mainland, etc.) the relevant portal is the Trade and Industry Department, www.tid.gov.hk. Sector-specific regulators (e.g., the Office of the Communications Authority for broadcasting/telecoms, the Hong Kong Monetary Authority for banking, and the Securities and Futures Commission for regulated financial activities) publish their own guidance where a licensing or notification requirement applies to a proposed investment.

3. Website for IP-related search and registration:

IP searches in Hong Kong are conducted through the Intellectual Property Department (IPD). Its free Online Search System at esearch.ipd.gov.hk allows public searches of registered and pending trademarks, patents, and designs. A companion tool, the Image Mark Finder at image-mark-finder.ipd.gov.hk, supports image-based (device mark) trademark searches.

Copyright is not a registration-based right in Hong Kong (it arises automatically on creation of a qualifying work), so there is no copyright register or corresponding search facility. For a comprehensive company/business name clearance exercise, practitioners typically combine an IPD trademark search with a Companies Registry name search (see Question 1) and a domain-name availability check.

HONG KONG

4. Is there a necessity for incorporating the corporate name of the company in contracts?

Yes. According to the Companies (Disclosure of Company Name and Liability Status) Regulation (Cap. 622B), a company incorporated in Hong Kong must state its registered name in all communication documents, transaction instruments and any website of the company.

5. Is there a necessity for incorporating the corporate identity number of the company in contracts?

There is no strict legal requirement under the Companies Ordinance that a company's registration number appear in every private contract for the contract to be valid; validity turns on proper execution under section 121/127, not on inclusion of the number. However, including the company's Business Registration Number (BRN), now used as the company's Unique Business Identifier (UBI) for all Companies Registry filings since December 27, 2023, is strongly recommended and is standard drafting practice, particularly:

- to remove any doubt about the identity of the contracting entity where similarly-named companies exist;
- in regulatory filings, tenancy agreements, and any document lodged with a government department, where the BRN/UBI is now the standard identifier used across the Companies Registry's revised statutory forms;
- in tender, banking, and cross-border transaction documents, where counterparties or regulators commonly request the BRN for KYC/due-diligence verification against the public register.

Separately, every person carrying on business in Hong Kong (including every company) must, under the Business Registration Ordinance (Cap. 310), display its Business Registration Certificate at its place of business; the BRN on that certificate is the number described above.

6. Is there any local convention of signing of contracts?

Hong Kong follows English common-law drafting and execution conventions, refined by the Companies Ordinance. Since the 2014 companies law reform, a company is no longer required to have or use a common seal; a document (other than a deed, discussed in Question 7) can be validly executed in either of two ways under section 127 of the Companies Ordinance:

- under the company's common seal, affixed in accordance with its articles of association, if the company chooses to keep one; or
- without a seal; for a company with a sole director, by that director signing on the company's behalf; for a company with two or more directors, by any two directors, or by any director together with the company secretary, signing on the company's behalf and the document being expressed to be executed by the company

HONG KONG

This flexible “no-seal” execution mechanism under section 127(3) is now the dominant market convention for ordinary commercial contracts.

Typical local conventions layered on top of the statutory minimum include: (i) each signatory signing in wet ink (or a recognized electronic signature – see below) beside a printed statement of their name and title (e.g., Director/Authorized Signatory); (ii) a bilingual (English/Chinese) company chop (seal) impression affixed alongside signatures as an evidentiary/commercial convention, even though not a legal requirement post-2014; (iii) initialling of each page for lengthy commercial agreements; and (iv) counterpart execution clauses permitting signature in counterparts, common in cross-border transactions.

Electronic signatures are legally recognized for most commercial contracts under the Electronic Transactions Ordinance (Cap. 553), which gives an electronic signature the same effect as a manual signature where a reliable method is used and both parties consent, subject to the exclusions in Schedule 1 (which include deeds, wills, powers of attorney, and certain government/court documents, discussed further below).

7. Any requirement of notarization/legalization of contracts?

Ordinary commercial contracts under Hong Kong law generally do not require notarization or legalization to be valid and enforceable between the parties. Notarization/legalization becomes relevant chiefly in three situations:

- Deeds and certain instruments: a deed must be in writing, must make clear on its face that it is intended to be a deed, and must be validly executed (signed, and in the case of an individual, attested by a witness; in the case of a company, executed in accordance with the Companies Ordinance) and delivered, under the Conveyancing and Property Ordinance (Cap. 219) and Companies Ordinance provisions on execution of deeds; deeds and several other categories of document (wills, powers of attorney, etc.) are also excluded from the electronic-signature regime under Schedule 1 of the Electronic Transactions Ordinance, so they must be executed in original wet ink hard-copy form.
- Documents for use outside Hong Kong: where a Hong Kong contract, board resolution, power of attorney, or supporting corporate document must be produced to a foreign court, land registry, or regulator, the receiving jurisdiction commonly requires notarization by a Hong Kong notary public (often a solicitor holding a notary public practicing certificate) and, where the destination state is a party to the 1961 Hague Apostille Convention, an Apostille rather than full consular legalization.
- Documents for use in the Mainland China or from abroad for use in Hong Kong: cross-boundary arrangements between Hong Kong and the Mainland continue to rely on attestation by China-Appointed Attesting Officers (Mainland-bound documents) or, for foreign documents coming into Hong Kong from Apostille Convention member states, Apostille certification.

HONG KONG

The 1961 **Apostille Convention** has applied to Hong Kong since April 25, 1965 (extended by the United Kingdom and continued after 1997), independently of and prior to Mainland China's own accession, which took effect on November 7, 2023; documents apostilled by the High Court Registry (the Hong Kong competent authority) are accepted without further legalization in all other Contracting States. Hong Kong notarial services for both Apostille and non-Convention legalization purposes are commonly provided by local solicitor-notaries.

8. Sectors where there is a cap on foreign investment?

Hong Kong operates one of the world's most open, non-interventionist investment regimes. Article 105 of the Basic Law protects the ownership of enterprises and investment from outside Hong Kong, and there is no general foreign-investment screening or approval regime. The sole sector subject to a numerical foreign/non-resident ownership cap is **broadcasting**:

- Sound broadcasting licensees: under the Telecommunications Ordinance (Cap. 106), the aggregate voting shares held by "unqualified persons" (broadly, non-Hong-Kong-resident individuals/companies) must not exceed 49% of the total voting shares of a sound broadcasting licensee.
- Domestic free-to-air and pay television licensees: under the Broadcasting Ordinance (Cap. 562), such licenses may only be granted to Hong Kong-resident corporations or permanent residents; "unqualified persons" acquiring or exercising voting control at tiered thresholds of 5%, 10%, and above 15% must first obtain the written approval of the Office of the Communications Authority (OFCA), and where aggregate unqualified-person voting control would exceed 49% of a free-to-air TV licensee, a statutory dilution formula reduces their exercisable votes; no equivalent voting-control cap applies to domestic pay-TV licensees.

Outside broadcasting, sectors such as banking, insurance, and certain financial services are subject to *licensing* and "*fit and proper*"/*prudential requirements* that apply equally to domestic and foreign applicants (see Question 9) rather than to a foreign-ownership percentage cap as such.

9. Sectors where no foreign investment can be made?

There is no generally prohibited private-sector category in Hong Kong: foreign investors may ordinarily establish and wholly own businesses. The limited restrictions are regulatory or licence-specific (especially broadcasting) rather than a blanket prohibition on foreign investment. Investments involving Mainland securities through Stock Connect, public assets, sanctions, national-security concerns, or regulated licences require separate analysis and may involve restrictions imposed under regimes beyond ordinary Hong Kong company law.

HONG KONG

10. What are the rates of tax (Corporate Tax Rate/On Dividend/On Royalty/On Sale of Shares in Local Company)?

Hong Kong operates a low, simple, territorial-source tax system under the Inland Revenue Ordinance (Cap. 112), with no VAT/GST, no general sales tax, no capital gains tax, and no dividend withholding tax.

Corporate (Profits) Tax Rate

Two-tiered profits tax: 8.25% on the first HKD 2 million of assessable profits; 16.5% on the remainder (corporations). Unincorporated businesses: 7.5%/15%. Only Hong Kong-source profits are taxable (territorial system); no tax on offshore-sourced profits, subject to the Foreign-Sourced Income Exemption (FSIE) regime for certain foreign-sourced income.

Tax on Dividend

No withholding tax on dividends paid by a Hong Kong company, to resident or non-resident shareholders. Dividend income is generally not taxable in the hands of the recipient (capital nature/ specifically excluded from profits tax).

Tax on Royalty

No general royalty withholding tax on domestic royalty payments between residents, but royalties paid to a non-resident for the use of, or the right to use, IP in Hong Kong (or outside HK but deductible against HK profits) are deemed HK-sourced. A deemed profit of 30% of the gross royalty (100% if paid to certain associates) is taxed at the payer/associate's applicable profits tax rate, producing an effective withholding of approximately 2.475-4.95% (non-treaty) of the gross royalty, potentially reduced by an applicable double tax treaty (many treaties cap the rate around 3%).

Tax on Sale of Shares in Local Company

No capital gains tax in Hong Kong. Gains on the sale of shares are not taxed unless the seller is regarded as trading in securities (in which case profits tax applies under the two-tiered rates). Ad valorem stamp duty of 0.13% of the higher of consideration or value is charged on each of the buyer and the seller (i.e., 0.26% in aggregate) on a Hong Kong Stock transfer under the Stamp Duty Ordinance (Cap. 117).

HONG KONG

11. Is your country a signatory to the following international treaties related to IP (Berne Convention on Copyrights/Patent Cooperation Treaty/Madrid Protocol)?

Berne Convention (copyright) – Applies

The Berne Convention for the Protection of Literary and Artistic Works applies to Hong Kong. It was originally extended to Hong Kong by the United Kingdom (with effect from 1973 for the Paris Act text; the Brussels 1948 revision from 1957) and continued in application by the People's Republic of China, which is itself a Berne member, with effect from the resumption of sovereignty on July 1, 1997. Hong Kong copyright owners accordingly enjoy reciprocal protection in all other Berne contracting states, and Hong Kong protects works originating in other Berne states, under the Copyright Ordinance (Cap. 528).

Patent Cooperation Treaty (PCT) – Applies

The PCT has applied to Hong Kong since July 1, 1997, when the People's Republic of China (PRC) (a PCT contracting state since October 1, 1993) extended the Treaty to the HKSAR. The Hong Kong Patents Registry is not itself a PCT receiving office or designated/elected office; a Hong Kong resident/applicant files the international application with the China National Intellectual Property Administration or WIPO's International Bureau, and, after the PCT application enters the national phase in China (a designated patent office), may separately apply to re-register that granted Chinese patent as a Hong Kong standard patent, or pursue a short-term patent based on the Chinese national-phase utility model.

Madrid Protocol (trademarks) – Not Yet Apply

The Madrid Protocol currently does not apply to Hong Kong, even though the PRC has been a Madrid Protocol member since 1995. Because only sovereign states and certain intergovernmental organizations may be Madrid Protocol contracting parties, Hong Kong (as a SAR) cannot join independently; the Trade Marks (Amendment) Ordinance 2020 created the domestic legal framework to implement the Protocol once the Central People's Government formally extends it to Hong Kong under Basic Law Article 153, but as of early 2026 no commencement date has been announced and preparatory (legislative and IT) work remains ongoing. Trademark protection in Hong Kong therefore currently requires a stand-alone national application filed directly with the Hong Kong Trade Marks Registry under the Trade Marks Ordinance (Cap. 559); Hong Kong cannot presently be designated in an international registration, and even once implemented, an international registration designating China will not automatically extend to Hong Kong, and vice versa.

Other IP Treaties Applied to Hong Kong

Beyond the three named above, the following IP-related multilateral instruments have also been applied to the Hong Kong SAR: the Paris Convention for the Protection of Industrial Property; the Universal Copyright Convention; the Nice Agreement (international classification of goods and services); the Geneva Phonograms Convention; the Convention Establishing WIPO; the WIPO Copyright Treaty; the WIPO Performances and Phonograms Treaty; and the Marrakesh Treaty for persons who are blind or visually impaired.

HONG KONG

12. What are the safeguards to be taken to enforce joint venture agreement/shareholder's agreement?

Hong Kong law affords freedom of contract, and a properly drafted joint venture (JV)/shareholders' agreement (SHA) is directly enforceable as a matter of contract between its parties. Because company-law remedies (see below) are comparatively slow and discretionary, the following contractual and structural safeguards are standard Hong Kong market practice:

- Entrenchment in the constitution: mirror key SHA protections (reserved matters, board composition, transfer restrictions, pre-emption rights) in the company's Articles of Association, since the Articles bind the company and members generally under section 82 of the Companies Ordinance, whereas a SHA binds only its signatories.
- Reserved matters/veto rights and supermajority/unanimous consent requirements for fundamental decisions (e.g., new share issues, related-party transactions, change of business, winding up).
- Deadlock resolution mechanisms: escalation to senior management, mediation, buy-sell/Texas shoot-out, Russian roulette, or compulsory sale clauses.
- Transfer restrictions: rights of first refusal, tag-along/drag-along rights, and put/call options, to control the identity of co-venturers.
- Robust boilerplate: governing law and jurisdiction/arbitration clauses (see Question 13), confidentiality, non-compete/non-solicit covenants (enforceable if reasonable in scope, geography and duration), and specific performance/injunctive relief clauses.
- Security and guarantees: parent company guarantees, share charges, and, in funding JVs, shareholder loan subordination and default/step-in rights.
- Statutory minority-protection fallback: a member (including a JV partner holding shares) may petition the Court under sections 724-725 of the Companies Ordinance for relief (including a buy-out order) where the company's affairs are conducted in a manner unfairly prejudicial to members' interests.
- Winding-up on just and equitable grounds: as a last resort, a member may petition for the company to be wound up under the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) where the substratum of the JV has failed or there is a fundamental breakdown of the quasi-partnership relationship.

HONG KONG

13. Are foreign arbitration awards enforceable?

Yes. Hong Kong is a leading pro-enforcement arbitration seat, and the Arbitration Ordinance (Cap. 609) provides a unified regime (based on the UNCITRAL Model Law) under which both domestic and foreign/international awards, whether made in or outside Hong Kong, are enforceable in Hong Kong “in the same manner as a judgment of the Court that has the same effect,” but only with the leave of the Court.

Foreign awards are enforced principally through one of four channels:

- New York Convention (Convention) awards: Awards made in any of the (currently around 170) other contracting states to the 1958 New York Convention are enforceable under Part 10, Division 2 of the Arbitration Ordinance, subject only to the narrow, exhaustive refusal grounds mirroring Article V of the Convention (e.g., invalid arbitration agreement, lack of proper notice, award exceeding the scope of the submission, improper tribunal/procedure, award not yet binding or set aside, or enforcement contrary to public policy).
- Mainland China awards: Enforced under the 1999 Arrangement Concerning Mutual Enforcement of Arbitral Awards between the Mainland and the HKSAR, as refined by the Supplemental Arrangement (signed 27 November 2020; fully implemented 19 May 2021).
- Macao SAR awards: Enforced under the 2013 Arrangement Concerning Reciprocal Recognition and Enforcement of Arbitral Awards between the HKSAR and the Macao SAR.
- Non-Convention foreign awards: Even awards from a small number of non-Convention states can still be enforced as a matter of common law (an action on the award as a contractual debt) or, if the court so permits, via the general enforcement mechanism in section 84 of the Arbitration Ordinance, subject to the party seeking enforcement producing the authenticated award and arbitration agreement (and a certified translation if not in English or Chinese).

Hong Kong is also the first jurisdiction outside the Mainland where parties to eligible arbitral proceedings (seated in Hong Kong, administered by a designated arbitral institution such as HKIAC) may apply directly to Mainland courts for interim measures (property, evidence, or conduct preservation) in aid of the arbitration, under the 2019 Interim Measures Arrangement, which materially strengthens the practical value of Hong Kong-seated arbitration for Mainland-facing disputes.

HONG KONG

14. Is your country a signatory to the following international treaties related to dispute resolution?

Geneva Convention: Not Applicable/Superseded

The 1927 Geneva Convention on the Execution of Foreign Arbitral Awards was never separately extended to Hong Kong and has no current application. The United Kingdom's obligations under the 1927 Geneva Convention were, in respect of Hong Kong, superseded by the 1958 New York Convention, which the UK extended to Hong Kong with effect from 1977; the historical Geneva Convention framework has since become obsolete worldwide as New York Convention membership expanded (the PRC itself acceded only to the New York Convention, in 1987, not the Geneva Convention). In practical terms, no live Geneva Convention obligations affect Hong Kong today, and this superseded instrument is not relied upon in Hong Kong enforcement practice.

New York Convention: Applies

Yes. The New York Convention on the Recognition and Enforcement of Foreign Arbitral Awards applies to Hong Kong, originally through the United Kingdom's 1977 extension and continued after the 1997 handover through the PRC's accession (1987), which the PRC has confirmed extends to the HKSAR. The Convention is given domestic statutory effect through Part 10, Division 2 of the Arbitration Ordinance (Cap. 609) (formerly Part IV, sections 41-46, of the pre-2011 Arbitration Ordinance, Cap. 341), under which "Convention awards" enjoy a presumption of enforceability subject only to the narrow, exhaustive grounds for refusal set out in section 89 (mirroring Article V of the Convention). As discussed in Question 13, Hong Kong additionally maintains bespoke, functionally equivalent reciprocal-enforcement arrangements with the Chinese Mainland and the Macao SAR, which – while not New York Convention instruments as such, given the "one country" relationship – mirror the Convention's pro-enforcement approach.

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India

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INDIA

1. Website for company registry search:

Ministry of Corporate Affairs (MCA) portal, available at www.mca.gov.in, provides a Company/LLP Master Data search mechanism which enables users to search for company or LLP details using the company name, Corporate Identification Number (CIN), or Limited Liability Partnership Identification Number (LLPIN).

2. Websites for foreign investment related info or services:

The Foreign Investment Facilitation Portal (FIFP), administered by the Department for Promotion of Industry and Internal Trade (DPIIT) (formerly accessible at www.fifp.gov.in), has been integrated with the National Single Window System (NSWS). Foreign investment proposals requiring government approval may be submitted through the NSWS portal (www.nsws.gov.in). The DPIIT's Foreign Direct Investment (FDI) Policy, Press Notes, and other related publications are available on its official website at www.dpiit.gov.in.

3. Website for IP-related search and registration:

The Office of the Controller General of Patents, Designs and Trade Marks (CGPDTM), accessible at www.ipindia.gov.in, provides online search facilities for patents, trademarks, copyright records, and industrial designs.

4. Is there a necessity for incorporating the corporate name of the company in contracts?

Yes, as a matter of practice. While the Companies Act, 2013 does not mandate that every contract to expressly set out a company's full corporate name for the contract to be legally valid, Section 12(3)(c) of the Companies Act, 2013 requires every company to print its full name on all business letters, billheads, letter papers, and official publications. Consistent with this statutory requirement and to ensure proper identification of the contracting parties, it is customary to identify each corporate entity in the array of parties of a contract by its full registered name as recorded in its Certificate of Incorporation. This approach promotes certainty of identity and reduces the risk of ambiguity regarding the contracting party.

5. Is there a necessity for incorporating the corporate identity number of the company in contracts?

While it is not mandatory to incorporate the corporate identity number, it is usual for it to be mentioned in the array of parties. Non-inclusion of the corporate identity number does not affect the enforceability of the contract.

INDIA

6. Is there any local convention of signing of contracts?

There is no single mandatory signing convention under Indian law; however, the following practices are generally followed:

- a. Execution by authorized signatory: Contracts are executed by a duly authorized signatory, authorized through a board resolution (in the case of a company), by a partner or designated partner (in the case of a partnership or LLP), or under a valid power of attorney.
- b. Common seal: Affixation of a company's common seal is no longer mandatory under the Companies Act, 2013. Execution by a duly authorized signatory is generally sufficient. However, parties do affix a stamp of the company to signed documents.
- c. Signature of witnesses: Witnesses are not mandatorily required for the execution of ordinary commercial contracts, though it remains a customary practice for deeds and certain other instruments. Some legislations such as the Transfer of Property Act, 1882 mandate attestation by at least two witnesses for instruments like mortgage deeds. Similarly, powers of attorney are generally witnessed and often notarized as a matter of practice, particularly where the instrument may need to be relied upon or produced in another country.
- d. Electronic signatures: Electronic signatures are recognized as valid under the Information Technology Act, 2000.
- e. Stamping and registration: Contracts are required to be stamped in accordance with the applicable State stamp laws to ensure admissibility in evidence. Certain instruments, such as conveyances and leases exceeding one year, must also be registered under the Registration Act, 1908.

7. Any requirement of notarization/legalization of contracts?

Notarization is not generally required for the validity or enforceability of ordinary commercial contracts in India. However, it is commonly required for certain instruments, such as powers of attorney, affidavits, gift deeds, and certain undertakings. Legalization or apostille becomes relevant only where a document executed in India is intended for use abroad, or vice versa. As India is a party to the Hague Apostille Convention, 1961, documents intended for use in other member countries may be apostilled through the Ministry of External Affairs (MEA) instead of undergoing consular legalization.

8. Sectors where there is a cap on foreign investment?

The regulatory framework governing foreign direct investment (FDI) in India is primarily set out in Chapter 5 (Sector-Specific Conditions on FDI) of the Consolidated FDI Policy, 2020 (FDI Policy). Paragraph 5.2 of the FDI Policy specifies the sectors open to foreign investment and prescribes the applicable sectoral caps, entry routes (Automatic or Government Route), and other sector-specific conditions. The FDI Policy adopts a negative list approach, under which FDI is generally permitted in all sectors unless expressly prohibited or made subject to sector-specific conditions.

INDIA

FDI up to 100% is permissible in most sectors under the automatic route. The exceptions, as set out in the sector-wise table below, fall into two broad categories.

Sectors in which the sectoral cap is below 100%:

- a. Petroleum Refining by Public Sector Undertakings (49%)
- b. Broadcasting Content Services: FM Radio and News/Current Affairs TV Channels (49%, Government Route)
- c. Uploading/streaming of News and Current Affairs through Digital Media (26%, Government Route)
- d. Print Media: Newspapers and Periodicals dealing with News and Current Affairs (26%, Government Route)
- e. Private Security Agencies (74%, automatic up to 49%)
- f. Multi Brand Retail Trading (51%, Government Route)
- g. Banking: Private Sector (74%, automatic up to 49%)
- h. Banking: Public Sector (20%, Government Route)
- i. Infrastructure Companies in the Securities Market (49%)
- j. Life Insurance Corporation of India (20%)
- k. Pension Sector (49%)
- l. Power Exchanges (49%)

Sectors in which FDI up to 100% is permitted but not wholly under the automatic route:

- a. Defense (automatic up to 74%; Government Route beyond)
- b. Scheduled Air Transport Services/Domestic Scheduled Passenger Airlines/Regional Air Transport Services (automatic up to 49%, and up to 100% for NRIs; Government Route beyond);
- c. Satellites: Manufacturing and Operation, Satellite Data Products and Ground and User Segment (automatic up to 74%)
- d. Launch Vehicles and Associated Systems/Sub-systems and creation of Spaceports (automatic up to 49%)
- e. Pharmaceuticals: Brownfield Projects (automatic up to 74%)
- f. Scientific and Technical Magazines/Specialty Journals and Publication of Facsimile Editions of Foreign Newspapers (100%, but entirely under the Government Route)

In addition, Other Financial Services attract 100% FDI under the automatic route only where the activity is regulated by a financial sector regulator and no specific approval is prescribed; failing which the Government Route applies.

INDIA

9. Sectors where no foreign investment can be made?

The sectors in which foreign investment is prohibited are specified in Paragraph 5.1 (Prohibited Sectors) of Chapter 5 (Sector-Specific Conditions on FDI) of the FDI Policy and are as follows:

- a. Lottery business, including government and private lotteries, online lotteries, and related activities (It is to be noted that foreign technology collaborations in any form, including licensing arrangements relating to franchises, trademarks, brand names, management contracts, are also prohibited in respect of lottery business and gambling and betting activities)
- b. Gambling and betting, including casinos and online betting activities
- c. Chit funds
- d. Nidhi companies
- e. Trading in Transferable Development Rights (TDRs)
- f. Real estate business or construction of farm-houses (provided that “real estate business” does not include the development of townships, construction of residential or commercial premises, roads or bridges, or investments in Real Estate Investment Trusts (REITs) registered under the SEBI (REITs) Regulations, 2014)
- g. Manufacturing of cigars, cheroots, cigarillos, and cigarettes using tobacco or tobacco substitutes
- h. Activities or sectors not open to private sector investment, such as atomic energy and railway operations (except for the permitted railway activities specified in Paragraph 5.2 of the FDI Policy)

10. What are the rates of tax (Corporate Tax Rate/On Dividend/On Royalty/On Sale of Shares in Local Company)?

Corporate Tax Rate

The rate depends on turnover and which concessional scheme (if any) the company opts for:

Category	Tax Rate
Turnover ≤ ₹400 crore (in the relevant base year)	25%
Turnover above ₹400 crore	30%

On Dividend

Dividend is generally taxable in the shareholder’s hands at the applicable slab rate. The standard tax deducted at source (TDS) rate is 10%.

INDIA

On Royalty

- a) For resident payments, royalty shall be subject to TDS at 10%.
- b) For franchise royalty (for use of brand/trademark/business model), TDS shall apply at 10%.
- c) Royalty received by a non-resident shall be taxable at the rate of 20%, subject to DTAA relief and withholding provisions.

On Sale of Shares in Local Company

- a) Long Term Capital Gains on listed equity shares/equity mutual funds (Section 198): 12.5% on gains exceeding INR 1,25,000 in a year.
- b) Short Term Capital Gains on listed equity (Section 196): 20%; [other STCG shall be taxed at the normal slab rate, for example: sale of property held short term; sale of gold held short term; sale of unlisted shares held short term; sale of foreign shares held short term].

11. Is your country a signatory to the following international treaties related to IP (Berne Convention on Copyrights/Patent Cooperation Treaty/Madrid Protocol)?

Yes. India is a signatory to all the three treaties.

- a) Berne Convention on Copyrights: India acceded April 1, 1928 (Declaration of Continued Application on April 23, 1928).
- b) Patent Cooperation Treaty: India acceded on September 7, 1998, becoming a Contracting State with effect from December 7, 1998.
- c) Madrid Protocol: India acceded on April 8, 2013, with the Madrid Protocol entering into force in India on July 8, 2013.

12. What are the safeguards to be taken to enforce joint venture agreement/shareholder's agreement?

The foremost requirement of any joint venture agreement or shareholders' agreement is that its terms must be consistent with, and not repugnant to, the laws of the jurisdiction in which the company or partnership is constituted. In the Indian context, this would mean legislations such as the Indian Contract Act, 1872, the Companies Act, 2013 and the foreign investment norms (where cross-border elements are involved).

Further, key elements of these types of agreements touching upon shareholders' rights like transfer restrictions, deadlock, corporate governance norms should be incorporated into the Articles of Association of the (joint venture or other) company. The incorporation of these rights into the articles is a must for these rights to be enforceable against the company.

INDIA

13. Are foreign arbitration awards enforceable?

Yes, foreign arbitral awards are enforceable in India. Enforcement is governed by Part II of the Arbitration and Conciliation Act, 1996. A two-step process is followed in enforcing a foreign arbitral award in India.

First, a petition is filed for the recognition and execution of arbitral award. The party seeking enforcement of foreign awards in India shall produce the original award or a copy of it, the original agreement for arbitration or a duly certified copy of it and, any other evidence which may be necessary to prove that the award is a foreign award. Unlike domestic awards, the requirement for stamping is dispensed with for foreign awards.

Once the court is satisfied that the foreign award is enforceable under the Arbitration and Conciliation Act, 1996 and not susceptible to challenge on any of the narrow public policy grounds to refuse enforceability, it shall be deemed to be a decree of that Court. Post such recognition, the foreign award is enforced in the same manner as a domestic decree.

14. Is your country a signatory to the following international treaties related to dispute resolution?

Yes, India is a signatory to both the International Treaties on Cross-border Dispute Resolution i.e., the Geneva Convention on the Execution of Foreign Arbitral Awards, 1927 and the Convention on the Recognition and Enforcement of Foreign Arbitral Awards, 1958.

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Japan

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Pakistan

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Communication: HJM Asia Law believes in communication, thus they take time to engage in detailed discussions with their partners, clients, and colleagues in order to clearly understand their goals, interests, and strategies.



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SINGAPORE

1. Websites for company registry search:

The Singapore Authority responsible for overseeing the registry of companies incorporated/registered in Singapore is the Accounting and Corporate Regulatory Authority (ACRA).

All company registry filing and extract transactions are performed via ACRA's BizFile website:
www.bizfile.gov.sg.

In addition to ACRA BizFile's website, individuals may access QuestNet to search and extract information of, amongst other things, incorporated/registered companies in Singapore.

The website of QuestNet is: www.questnet.sg.

2. Websites for foreign investment related info or services:

Various organizations exist to assist companies with foreign investment and associated incentives in Singapore.

The principal Government Authorities charged with attracting foreign investments into Singapore are:

- a. The Economic Development Board: www.edb.gov.sg
- b. Enterprise Singapore: www.enterprisesg.gov.sg

3. Websites for IP-related search and registration:

The sole authority in Singapore charged with the oversight of Intellectual Property (IP) related searches in Singapore is the Intellectual Property Office of Singapore (known as "IPOS").

The homepage of IPOS is: www.ipos.gov.sg.

To access and conduct Intellectual Property related searches, the relevant IPOS webpage is: https://digitalhub.ipos.gov.sg/FAMN/eservice/IP4SG/MN_BasicSearch. There are various search options, which can be selected from the menu at the top of the page.

4. Is there a necessity for incorporating the corporate name of the company in contracts?

According to Section 144 (1) (b) of the Singapore Companies Act 1967, the name of a company must be included, in legible romanized letters, within the following documents:

- a. Business letters
- b. Statements of account
- c. Invoices

SINGAPORE

- d. Official notices
- e. Publications
- f. Bills of exchange
- g. Promissory notes
- h. Indorsements
- i. Cheques
- j. Orders
- k. Receipts
- l. Letters of credit

While there is no express legal requirement under Singapore law for the name of a company to be included within a contract (aside from documents such as purchase orders), it is common practice for the name of a corporate contracting party to be expressly stated within any contract.

A contract is only enforceable if the parties involved can be objectively ascertained. If a company is intended to be a party to the contract, the contract should identify the company clearly enough that there is no real doubt as to its identity. Using the company's full registered name is the standard and safest approach.

5. Is there a necessity for incorporating the corporate identity number of the company in contracts?

According to Section 144 (1A) of the Singapore Companies Act 1967, the registration number of a company must be included, in legible form, within the following documents:

- a. Business letters
- b. Statements of account
- c. Invoices
- d. Official notices
- e. Publications

While there is no express legal requirement under Singapore law for the registration number of a company to be included within a contract (aside from documents such as purchase orders) it is common practice for the company registration number of a corporate contracting party to be expressly stated within any contract.

SINGAPORE

It is standard legal practice in Singapore to explicitly outline the following key identifiers in the very first clause (the “Parties” block) of a commercial contract:

1. The company’s full registered corporate name (for example: “XYZ Pte. Ltd.”)
2. The company’s Unique Entity Number (UEN) (UEN is the registration number, a unique number assigned to a company in Singapore during incorporation/registration)
3. The company’s registered office address

6. Is there any local convention of signing of contracts?

Section 41B of the Singapore Companies Act 1967 provides that a company may execute a document described or expressed as a deed without affixing a common seal onto the document by:

1. Signature of one director and one company secretary;
2. Signature of two directors; or
3. Signature of one director and one witness.

Pursuant to Section 6 of the Electronic Transactions Act 2010, electronically signed contracts are valid and enforceable in Singapore.

However, Section 4 and the First Schedule of the Electronic Transactions Act 2010 explicitly exclude the following categories of documents from its electronic signature framework:

- a. The creation or execution of a will
- b. The creation, performance or enforcement of an Indenture, Declaration of trust, or power of attorney (with the exception of implied, constructive and resulting trusts and a lasting power of attorney defined under section 2(1) of the Mental Capacity Act 2008)
- c. Any contract for the sale or other disposition of immovable property, or any interest in such property
- d. The conveyance of immovable property or the transfer of any interest in immovable property.

7. Any requirement of notarization/legalization of contracts?

There is no legal requirement for Notarization/Legalization of contracts per se for validity/enforceability in Singapore.

Unlike many civil law jurisdictions, notarized contracts do not create an irrebuttable presumption of the facts stated therein.

SINGAPORE

8. Sectors where there is a cap on foreign investment?

There are no sectors in Singapore in which foreign investment cannot be made.

Singapore maintains an open foreign investment regime with no general 'negative list' prohibiting foreign ownership across standard commercial and industrial sectors.

9. Sectors where no foreign investment can be made?

While there are no sectors in which foreign investment cannot be made in Singapore, there are regulated sectors in which there are specific regulations/restrictions (such as licensing, minimum capital requirements, and in certain cases, foreign ownership interest ceiling). These include:

- a. Financial Services and Banking
- b. Media and Publishing
- c. Telecommunications and Postal Services
- d. Legal Services
- e. Land Ownership and Real Estate
- f. Sectors involving Critical Infrastructure and National Security

10. What are the rates of tax (Corporate Tax Rate/On Dividend/On Royalty/On Sale of Shares in Local Company)?

Corporate Tax Rate

Singapore has a corporate income tax rate of 17%.

Companies that are granted an International Headquarters (IHQ) Award by the Singapore Economic Development Board (EDB) may qualify for a concessionary corporate income tax rate of 5%, 10%, or 15%, on qualifying headquarters income for an initial five-year period, subject to satisfying the applicable conditions of the award. Non-qualifying income remains subject to the prevailing corporate income tax rate.

SINGAPORE

On Dividend

Singapore does not tax locally sourced dividends which are declared from a company to its immediate shareholder. Under Singapore's one-tier corporate tax system, company profits are taxed only once at the company level, and dividends paid by a Singapore resident company are not taxable in the hands of its shareholders.

Singapore tax resident companies may also enjoy a tax exemption for foreign sourced dividends provided the company satisfies the following three-stage test:

1. The foreign income has been subject to tax in the foreign jurisdiction from which it is received (known as the 'subject to tax' condition). The rate at which the foreign income was taxed can be different from the headline tax rate
2. The highest Corporate Income Tax rate (i.e. 'foreign headline tax rate' condition) of the foreign jurisdiction from which the income is received is at least 15% at the time the foreign income is received in Singapore
3. The Comptroller of Income Tax is satisfied that the tax exemption is beneficial to the Singapore tax resident company

On Royalty

Royalties are taxable in Singapore where income is paid directly or indirectly by a resident in Singapore or by a permanent establishment in Singapore, or deductible against any income earned in or derived from Singapore.

The tax rate for royalty income in Singapore depends on who receives the royalties (corporate vs. individual) and their tax residency status.

- a. Royalty income received by a Singapore tax resident company is included in the company's taxable income and taxed at the normal 17% corporate income tax rate (subject to any applicable tax exemptions or incentives).
- b. Royalty income received by a Singapore tax resident individual is taxed at the individual's applicable progressive income tax rates.
- c. Singapore-source royalty payments received by a non-Singapore resident recipients are generally subject to 10% withholding tax on the gross payment, unless a lower rate or exemption applies under an applicable tax treaty or specific statutory provision.

SINGAPORE

Certain types of royalty income are eligible for a tax concession based on whichever is lower of the following:

1. Amount of royalties after allowable deductions; or
2. 10% of the gross royalties.

On Sale of Shares in Local Company

Singapore imposes a stamp duty of 0.2% on all instruments of transfer for transferring shares in a Singapore company.

The 0.2% stamp duty is payable by the transferee or buyer of the shares (subject to contrary agreement between the parties), and is calculated based on whichever is the higher of the following:

1. The purchase price of the transferred shares; or
2. The net asset value of the transferred shares.

11. Is your country a signatory to the following international treaties related to IP (Berne Convention on Copyrights/Patent Cooperation Treaty/Madrid Protocol)?

- a. Berne Convention for the Protection of Literary and Artistic Works: Yes. Singapore became a signatory to the Berne Convention on December 21, 1998.
- b. Patent Cooperation Treaty: Yes. Singapore became a signatory to the Patent Cooperation Treaty on February 23, 1995.
- c. Madrid Protocol: Yes. Singapore became a signatory to the Madrid Protocol on October 31, 2000.

In accordance with Article 5(2)(b) of the Madrid Protocol, Singapore has declared that the time limit to notify a refusal of protection shall be 18-months and that where a refusal of protection results from an opposition to the granting of protection, such refusal may be notified after the expiry of the 18-month time limit.

In addition, in accordance with Article 8(7)(a) of the Madrid Protocol, Singapore has declared that in connection with each international registration in which Singapore is designated and the renewal of any such international registration, it wishes to receive an individual fee, instead of a share in the revenue produced by the supplementary and complementary fees.

SINGAPORE

12. What are the safeguards to be taken to enforce joint venture agreement/shareholder's agreement?

The common measures taken by contractual parties to ensure enforceability of a joint venture (JV) shareholder's agreement (SHA) include:

a. Dispute resolution provisions

Parties can include Singapore as governing law/jurisdiction for enforcement of commercial agreement via the Singapore courts.

Alternatively, commercial parties may designate the Singapore International Arbitration Centre (SIAC) to be the governing tribunal to resolve any contractual disputes under a JV/SHA.

b. Contracting parties

Although the Singapore Companies Act 1967 has substantially limited the application of the doctrine of *ultra vires*, commercial parties may enhance their due diligence process by reviewing copies of the Constitutions of the contracting parties and obtaining evidence that the relevant transaction documents, such as JV/SHA, have been properly approved and authorized by the relevant contracting parties.

In general, a Singapore company has full capacity to carry on any business or activity, whether or not it is stated in its Constitution, unless its Constitution specifically places restrictions on this (for example: restrictions on specific activities, special approval requirements, limitations on directors' powers, shareholder consent requirements, signing requirements).

13. Are foreign arbitration awards enforceable?

Yes. Foreign Arbitral Awards awarded in foreign jurisdictions who are:

1. Contracting parties to the UN Convention on the Recognition and Enforcement of Foreign Arbitral Awards 1958 (New York Convention); and
2. Are recognized under the principle of reciprocity between Singapore and the foreign jurisdiction; may be enforced in the Singapore Courts (under the International Arbitration Act 1994), subject to the requirements and grounds for refusal of enforcement under the Act.

14. Is your country a signatory to the following international treaties related to dispute resolution?

Geneva Convention: Yes. Singapore became a signatory to the Geneva Convention on April 27, 1973.

New York Convention: Yes. Singapore became a signatory to the New York Convention on April 21, 1986.

Singapore works under the principle of reciprocity and applies the New York Convention to recognize and enforce only those awards which are made in the territory of another contracting state to the New York Convention.

PAMIR LAW GROUP

Practice Areas

Administrative Law
Advertising and
Marketing Law
Agency and
Distributorships Law
Alcoholic Beverage Law
Alternative Dispute
Resolution Law
Appellate Practice Law
Asset Protection Law
Banking Law
Bankruptcy Law
Business Law
Civil Law
Civil Practice Law
Civil Rights Law
Commercial Law
Commercial Real Estate Law
Commodities Law
Communications and
Media Law
Comparative Trade Law
Compliance Law
Computers and Software Law
Conflicts of Law
Constitutional Law
Construction Law
Contracts Law
Convention on the
International Sale
of Goods
Copyright Law
Corporate Law
Debtor and Creditor Law
Education Law
Eminent Domain Law
Employee Benefits Law
Energy Law

Taiwan

Pamir Law Group provides international business and legal advisory services in Asia with offices in Taipei and Shanghai. Pamir has a long track record of successfully supporting clients to achieve their goals in a broad range of industries in the People's Republic of China (PRC) and Taiwan.

Pamir has advised companies in a wide range of planning, entry, operational, transactional (expansion/re-structuring/partnering), and dispute resolution, enforcement and preventative, and crisis-response anti-corruption situations. Pamir has advised family groups and wealth management professionals in a full range of support services. Pamir's services have been instrumental to clients when the stakes really matter.

Their team of multilingual professionals is able to bridge the gap between different business cultures and support clients in multiple languages, including English, Chinese (Mandarin, Taiwanese, Cantonese, Shanghai, and Suzhou dialects), as well as Japanese and Spanish.

Their clients include multinational and Asia-based companies, international legal, accounting and other professional services firms, investor groups, and private equity firms, as well as high net worth family groups.

They co-counsel with leading law and accounting firms from Asia, North America, Latin America, and Europe on their client matters. They represent leading PRC corporate and family groups in their outbound investment and migration activities overseas.



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TAIWAN

Practice Areas cont.

Entertainment Law
 Environmental Law
 Equipment Finance and
 Leasing Law
 Family Law
 Finance Law
 Franchises and
 Franchising Law
 Government Contracts Law
 Health Care Law
 Hospital Law
 Housing Law
 Immigration Law
 Insurance Bad Faith Law
 Insurance Defense Law
 Insurance Law
 Intellectual Property Law
 International Arbitration Law
 International Law
 International Trade Law
 Internet Law
 Investment Law
 Labor and Employment Law
 Law Enforcement Law
 Leases and Leasing Law
 Legal Ethics and Professional
 Responsibility Law
 Legal Malpractice Law
 Libel, Slander and
 Defamation Law

1. Website for company registry search:

<https://findbiz.nat.gov.tw/fts/query/QueryBar/queryInit.do>

2. Website for foreign investment related info or services:

https://www.moea.gov.tw/Mns/dir_e/home/Home.aspx

3. Website for IP-related search and registration:

<https://www.tipo.gov.tw/en/tipo2/358.html>

4. Is there a necessity for incorporating the corporate name of the company in contracts?

Yes. In practice contracts should identify the company by its registered corporate name. The registered corporate name should be used in contracts to ensure that the contracting party is correctly identified.

In Taiwan, the registered company name is recorded in Chinese characters in accordance with Article 18 of the ROC Company Act. Although many companies also adopt or register an English name for international business purposes, there is no requirement under the Company Act for a company to register or use an English name.

5. Is there a necessity for incorporating the corporate identity number of the company in contracts?

ROC law does not require an entity's Government Uniform Invoice number ("GUI number" or 統一編號) to be included in contracts. In accordance with Article 153 of the ROC Civil Code, a contract is formed once the parties have mutually consented to its essential terms. However, as a matter of commercial practice, it is strongly recommended to include the GUI numbers of the Taiwan parties to facilitate precise identification.

6. Is there any local convention of signing of contracts?

Article 3(2) of the ROC Civil Code provides that a seal has the same legal effect as a handwritten signature. As such, in practice, it is common for individuals and corporate entities to execute contracts by affixing their name seal. Although not legally required, it is therefore common business practice in Taiwan for companies to use their registered company seal (or other seal in the company's name which has been specially carved for contract execution) together with their registered legal representative's seal or signature to execute contracts.

Practice Areas cont.

Litigation
 Local Counsel
 M&A Law
 Media Law
 Military Law
 Mortgage Law
 Municipal Law
 Negligence Law
 Patents Law
 Personal Injury Law
 Premises Liability Law
 Privacy Law
 Private International Law
 Property Law
 Public Procurement and Privatization Law
 Real Estate Law
 Regulatory Law
 Securities Law
 Social Security Law
 Tax Law
 Technology and Science Law
 Torts Law
 Trade Secrets Law
 Trademarks Law
 Unfair Competition Law
 White Collar Crime Law
 Workers Compensation Law
 Zoning, Planning, and Land Use Law

7. Any requirement of notarization/legalization of contracts?

A contract does not need to be notarized to be valid or enforceable, unless a specific law expressly requires a particular form or procedure. Although notarization is not generally required for commercial contracts, it may be used voluntarily to strengthen the evidentiary value of an agreement or, where permitted by the ROC Notary Act, to create a contract that may be directly enforceable. This therefore provides an additional level of legal certainty rather than being a general validity requirement for contracts.

Legalization does not affect the validity of a contract. It confirms the authenticity of the signature, seal, or issuing authority so that a document made by a foreign authority may be recognized in Taiwan. For cross-border transactions, legalization may be required when the receiving country or authority requests it. The Bureau of Consular Affairs (BOCA) of the ROC Ministry of Foreign Affairs explains that foreign documents intended for use in Taiwan must go through the legalization process.

8. Sectors where there is a cap on foreign investment?

Taiwan has a liberalized market entry system and almost 95% of industrial sectors are fully open to foreign capital.

However, the ROC Ministry of Economic Affairs (MOEA) uses the “Negative List for Investment by Overseas Compatriot and Foreign Nationals” as the regulatory framework to govern foreign direct investment. If a sector is not explicitly named on this Negative List, foreign nationals are permitted to invest, subject to standard prior approval from the MOEA’s Department of Investment Review (DIR). The list categorizes restricted areas into two distinct tiers:

1. Prohibited Industries: in which foreign capital is entirely barred from entry (for example, related to national defense or public utilities – see further in reply to Question 9 below); and
2. Restricted Industries: in which foreign investment is permitted but subject foreign equity caps, strict operational conditions, or sector-specific approvals from relevant government ministries.

For more detailed information, please refer to the Negative List for Investment by Overseas Compatriot and Foreign Nationals: https://www.moea.gov.tw/Mns/dir_e/Investment/DirApply_En.aspx?kind=A&subkind=02&menu_id=42925

TAIWAN

Note: there is a crucial distinction between foreign investors and those from the PRC (the People's Republic of China/Mainland China). For PRC investors, the MOEA instead applies a much stricter approach whereby PRC-linked entities (that is, any foreign entity with more than 30% PRC shareholding or direct operational control) are completely prohibited from investing in any industry that does not appear on the MOEA's "Positive List". [法規內容-僑外投資負面表列—禁止及限制僑外人投資業別項目](#)

9. Sectors where no foreign investment can be made?

Under Article 7 of the ROC Act for Investment by Foreign Nationals, foreign investors are prohibited from investing in industries which may negatively affect national security, public order, good morals, or national health, and those industries which are prohibited by the law.

Examples from the Negative List of prohibited sectors for foreign investors:

- National defense and military industries (e.g., the manufacture of firearms, ammunition, military explosives, fuses, and certain high-tech weapon systems)
- Postal Services
- Certain land passenger transportation services, such as taxi passenger transport services
- Certain chemical and materials industries (e.g., the manufacture of specific sensitive chemical materials, including certain defense-related chemical products)
- Certain broadcasting and communication-related industries (e.g., some radio/television broadcasting and programmed distribution activities may be restricted due to public interest and national security considerations)
- Specific financial services, such as those activities reserved to government entities or subject to sector-specific restrictions, such as postal savings-related activities
- Certain professions (legal, such as public notary services, and accounting)

Separately, as noted above, a related but distinct set of restrictions applies specifically to PRC/Mainland Chinese investors, who are governed by the separate, generally more restrictive regime of the Positive List. PRC investors can only invest in industries expressly listed as permitted under the MOEA's Positive List. In other word, any investment in industries not included in the Positive List is prohibited. For more detailed information, please refer to: https://www.moea.gov.tw/Mns/dir/Investment/DirApply.aspx?kind=B&subkind=02&menu_id=42825

TAIWAN

10. What are the rates of tax (Corporate Tax Rate/On Dividend/On Royalty/On Sale of Shares in Local Company)?

Corporate Tax Rate

20% (income up to TWD 120,000 is exempt; income of TWD 120,001 or more is taxed at 20% of total taxable income)

On Dividend

Where no treaty is in place, 21% tax must be withheld.

For tax residents of countries with a tax treaty with Taiwan, this rate is variously reduced to 5-15%.

The United States does not have a comprehensive tax treaty with Taiwan, so the non-treaty rates above are the relevant ones for a US-based counterparty.

On Royalty

Where no treaty is in place, 20% tax must be withheld.

Note: Royalties for use of certain IP rights may qualify for WHT exemption if pre-approved by the competent authority; and that for tax residents of countries with a tax treaty with Taiwan, this rate is variously reduced to 10-15%.

The US does not have a comprehensive tax treaty with Taiwan, so the non-treaty rates above are the relevant ones for a US-based counterparty.

On Sale of Shares in Local Company

0.3% securities transaction tax is imposed on gross proceeds from sale of domestic shares.

Capital gains on Taiwan-listed securities are otherwise exempt from CIT, but subject to a 12% Income Basic.

Tax with a TWD 500,000 exemption for corporate sellers.

11. Is your country a signatory to the following international treaties related to IP (Berne Convention on Copyrights/Patent Cooperation Treaty/Madrid Protocol)?

Taiwan is not a signatory of the Berne Convention on Copyrights, Patent Cooperation Treaty, or the Madrid Protocol.

Even though ROC is not a party to these treaties, it has developed a strong intellectual property framework, through its domestic legislation. The Patent Act, the Trademark Act, and the Copyright Act, constitute the principal intellectual property statutes in ROC and are largely aligned with internationally recognized IP standards.

TAIWAN

The Taiwan Intellectual Property Office, under the Ministry of Economic Affairs, is responsible for IP Policy formulation, the drafting and administration of IP legislation, the registration of patents, trademarks, as well as coordination of IP enforcement.

Furthermore, as a member of the World Trade Organization, ROC is bound by the Agreement on Trade-Related Aspects of Intellectual Property Rights. Consequently, ROC's IP legislation complies with the minimum standards of protection established by the TRIPS Agreement, which incorporates key principles derived from the Paris Convention and the Berne Convention, despite ROC not being a contracting party to those treaties.

To compensate for the lack of treaty membership of ROC, it also relies on bilateral agreements on IP cooperation and property rights, particularly with major trading partners, such as the United States and on its domestic legislation, which grants national treatment and priority rights to applicant from WTO members, in accordance with its obligation under the TRIPS Agreement.

12. What are the safeguards to be taken to enforce joint venture agreement/shareholder's agreement?

To ensure that provisions relating to the governance of the company are enforceable not only between the joint venture (JV) parties, but also against the JV company itself and its and future shareholders, draft key provisions, such as share transfer restrictions, should be drafted into the Articles of Incorporation of the JV company, as well as in the agreements.

Voting rights, quorums, and veto thresholds should be clearly defined, and consideration may be given to defining higher approval thresholds for certain fundamental activities to ensure minority shareholders are better protected.

In light of Taiwan's unique geopolitical situation (see more information in responses to Questions 13 and 14 below), care should be taken over the dispute resolution clause. From the perspective of ease of future enforcement of a prevailing judgment against counterparty assets located in Taiwan, defining ROC law as the governing law and a district court in Taiwan as the jurisdiction for dispute resolution by litigation would be recommended.

The agreement should also contain confidentiality and non-compete clauses to protect the parties' confidential information and trade secrets, though additional practical measures (such as labelling and access restriction) must also be used.

Finally, particular attention should be paid to IP rights. The agreement should clearly allocate ownership of pre-existing and newly created IP, define licensing arrangements where necessary, and establish procedures for the use, protection and commercialization of IP. All trademarks intended to be used in Taiwan should be registered in advance in both Taiwan and China since the shared Chinese language elements are vulnerable to internet porosity.

TAIWAN

13. Are Foreign arbitration awards enforceable?

Yes, foreign arbitral awards are enforceable in Taiwan, provided that they first obtain recognition from a Taiwanese court. According to Article 47 of The Arbitration Law of ROC, a foreign arbitral award, once recognized by a Taiwanese court, has the same effect as a final judgment rendered by a Taiwanese court, and may therefore be enforced.

However, recognition and enforcement are subject to certain conditions. First, the party seeking enforcement must apply for recognition of the foreign arbitral award to the competent Taiwan court together with the required supporting documents, the arbitral award and the arbitration agreement, in accordance with Article 48 of The Arbitration Law of ROC. Documents in a foreign language must generally be accompanied by a Chinese translation and be legalized.

Furthermore, pursuant to Article 49 of The Arbitration Law of ROC, the court may refuse recognition where:

- the subject matter of the dispute is not capable of arbitration under Taiwan law;
- recognition of the award would violate the public order or good morals of Taiwan; and/or
- the country where the arbitral award was rendered, or the country whose arbitration law governed the award, does not recognize awards made in Taiwan (lack of reciprocity).

14. Is your country a signatory to the following international treaties related to dispute resolution?

Geneva Convention: No

New York Convention: No

Although ROC is not a signatory to either the Geneva Convention or the New York Convention, arbitration remains a well-established and reliable dispute resolution mechanism in ROC. The Arbitration Act of the Republic of China constitutes the main legal framework governing both domestic and international arbitration. The act is influenced by internationally recognized arbitration principles, including those reflected in the 1985 UNCITRAL Model Law, thereby providing an arbitration-friendly legal framework.

BROSS & PARTNERS

Practice Areas

Administrative Law
Advertising and Marketing Law
Agency and Distributorships Law
Alcoholic Beverage Law
Alternative Dispute Resolution Law
Appellate Practice Law
Asset Protection Law
Banking Law
Bankruptcy Law
Business Law
Civil Law
Civil Practice Law
Civil Rights Law
Commercial Law
Commercial Real Estate Law
Commodities Law
Communications and Media Law
Comparative Trade Law
Compliance Law
Computers and Software Law
Conflicts of Law
Constitutional Law
Construction Law
Contracts Law
Convention on the International Sale of Goods
Copyright Law
Corporate Law
Debtor and Creditor Law
Education Law
Eminent Domain Law
Employee Benefits Law
Energy Law

Vietnam

Since 2008, Bross & Partners has served businesses, organizations, and families throughout Vietnam and around the globe. Founded through the merger of two respected law offices and two consulting companies, the firm combines deep local roots with a passion for the law. With offices in Hanoi and two other Vietnamese cities, Bross & Partners delivers sophisticated legal solutions tailored to each client's unique challenges.

Bridging Business and Law in Vietnam

With a team of over 30 experienced lawyers, legal experts, and support staff, Bross & Partners guides clients through every stage of their legal matters. The firm attracts top-tier talent and continually advances its expertise to address complex legal challenges while staying true to core values of responsiveness, open-mindedness, and responsibility.



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VIETNAM

Practice Areas cont.

Entertainment Law
Environmental Law
Equipment Finance and Leasing Law
Family Law
Finance Law
Franchises and Franchising Law
Government Contracts Law
Health Care Law
Hospital Law
Housing Law
Immigration Law
Insurance Bad Faith Law
Insurance Defense Law
Insurance Law
Intellectual Property Law
International Arbitration Law
International Law
International Trade Law
Internet Law
Investment Law
Labor and Employment Law
Law Enforcement Law
Leases and Leasing Law
Legal Ethics and Professional Responsibility Law
Legal Malpractice Law
Libel, Slander, and Defamation Law

1. Website for company registry search:

<https://dangkykinhdoanh.gov.vn/vn/Pages/Trangchu.aspx>

2. Websites for foreign investment related info or services:

The Ministry of Finance: <https://fdi.mof.gov.vn/Pages/TrangChu.aspx>

For Hanoi only: <https://qlda.hanoi.gov.vn/>

3. Website for IP-related search and registration:

<https://www.ipvietnam.gov.vn/en/web/english/home>

4. Is there a necessity for incorporating the corporate name of the company in contracts?

Yes. A company's name must be included in contracts and must appear on its transaction documents, records, and published printed materials.

5. Is there a necessity for incorporating the corporate identity number of the company in contracts?

The enterprise code, which also serves as the company's tax code, remains valid for the life of the company and is never reassigned. Therefore, while no single statutory provision mandates its inclusion in every contract, citing the enterprise code is standard and strongly advisable practice, because:

1. The enterprise code provides the most reliable means of identifying the exact contracting entity, particularly where similarly named affiliates or subsidiaries exist.
2. The enterprise code is required for tax invoicing (VAT) and accounting compliance.
3. The enterprise code facilitates counterparty verification via the National Enterprise Registration Portal.

Practice Areas cont.

Litigation
 Local Counsel
 M&A Law
 Media Law
 Military Law
 Mortgage Law
 Municipal Law
 Negligence Law
 Patents Law
 Personal Injury Law
 Premises Liability Law
 Privacy Law
 Private International Law
 Property Law
 Public Procurement and
 Privatization Law
 Real Estate Law
 Regulatory Law
 Securities Law
 Social Security Law
 Tax Law
 Technology and Science Law
 Torts Law
 Trade Secrets Law
 Trademarks Law
 Unfair Competition Law
 White Collar Crime Law
 Workers Compensation Law
 Zoning, Planning, and
 Land Use Law

6. Is there any local convention of signing of contracts?

A typical, safe convention of signing of contracts in Vietnamese follows some business practices:

1. The document must be signed by the legal representative or a duly authorized attorney-in-fact.
2. The signatory's full name and position should be clearly printed below the signature.
3. The company seal should be affixed on each signature page in a manner that partially overlaps the signature.
4. For multi-page documents, the company seal should be stamped across the fanned edges of the pages, or alternatively, each page should be initialed to safeguard against unauthorized alteration or page substitution.
5. In practice, a certified digital signature is increasingly recognized as a valid alternative to a physical company seal, particularly in the context of electronic contracts.

7. Any requirement of notarization/legalization of contracts?

Notarization is not a universal requirement for contract validity. Notarization applies only where specifically mandated by law, such as contracts for the transfer, gifting, mortgaging, or capital contribution using land use rights (exemptions may apply where a licensed real estate business is involved); Prenuptial/matrimonial property agreements and agreements converting separate property to joint property (in some cases, such as the property being real estate or an asset subject to ownership registration); Certain other transactions under specialized laws (e.g., specific security/mortgage instruments, wills in certain forms). Other than the noted contracts, most ordinary commercial contracts (sale of goods, services, distribution, cooperation agreements) are not subject to mandatory notarization and are valid upon signature (and seal, if applicable).

In terms of legalization, due to recent submission and acceptance of Vietnam's instrument of accession to the 1961 Hague Convention Abolishing the Requirement of Legalization for Foreign Public Documents (Apostille Convention), after September 11, 2026, Vietnamese public documents bearing an Apostille certificate will be recognized in other Contracting States to the Apostille Convention (and vice versa). Until September 11, 2026, the existing consular legalization regime continues to apply in Vietnam.

VIETNAM

8. Sectors where there is a cap on foreign investment?

Foreign market access in Vietnam is governed by the 2025 Investment Law and Decree No. 96/2026/ND-CP under a Negative List approach. Business lines not included in the Negative List are generally open to 100% foreign ownership. Those included are either prohibited or subject to market access conditions, such as foreign ownership caps or joint venture requirements.

- a. Under Section B, Appendix I, Decree No. 96/2026/ND-CP and domestic law, some common sectors where there is a cap on foreign investment include:
- b. Telecommunications
- c. Banking Services and Securitites
- d. Advertising Services
- e. Energy (including hydropower, offshore wind, nuclear)
- f. Ports & Aerodromes
- g. Transport Services
- h. Film Production and Film Distribution
- i. Entertainment (theatres, live music, circus)
- j. Electronic Gaming
- k. Agricultural, Hunting and Forestry Support Services

9. Sectors where no foreign investment can be made?

Under Section A, Appendix I, Decree No. 96/2026/ND-CP, there are 23 sectors which are closed to foreign investors entirely:

No.	Prohibited Business Line
1	Press and News Gathering Activities
2	Fishing and Exploitation of Marine Resources
3	Security and Investigation Services
4	Judicial Support Services (including notarization, bailiff, property auction, and judicial assessment)
5	Contract-based Overseas Labor Placement Services
6	Household Waste Collection Services
7	Public Postal Services

VIETNAM

8	Merchant Trading Activities
9	Temporary Import for Subsequent Re-export
10	Importation and Dismantling of Used Seagoing Vessels
11	Public Opinion Polling Services
12	Blasting Operations
13	Industrial Property Representation and Industrial Property Assessment Services
14	Maritime Signalling, Navigation Channel, and Nautical Chart Services
15	Maritime Safety Regulation and Electronic Maritime Information Services
16	Motor Vehicle Inspection and Certification Services
17	Investigation, Assessment, and Exploitation of Natural Forests
18	Research On or Use of Genetic Resources of New Domestic Animal Breeds Prior to Approval by the Ministry of Agriculture and Environment
19	Trading in Goods Subject to the State Monopoly Regime
20	Importation or Distribution of Goods included in the Foreign-Restricted List
21	Collection and Disposal of Public Assets at Armed Forces Units
22	Development of Cemetery Infrastructure for the Transfer of Land Use Rights
23	Travel Services excluding Inbound International Tourism

10. What are the rates of tax (Corporate Tax Rate/On Dividend/On Royalty/On Sale of Shares in Local Company)?

Corporate Tax Rate

20% standard. 17% where prior-year revenue is VND 3–50 billion; 15% where revenue does not exceed VND 3 billion. Oil and gas: 25–50%. Preferential rates of 10%, 15%, and 17% with tax holidays remain available for qualifying projects.

On Dividend

0% to foreign corporate shareholders (no withholding tax). 5% personal income tax on dividends to individuals (resident or non-resident). Remittance permitted only after-tax obligations are discharged and audited financial statements filed.

On Royalty

10% corporate income tax under the foreign contractor tax regime, reducible under an applicable double taxation agreement. VAT-exempt for technology transfer, IP rights and software; other royalties may attract VAT. Individual recipients: 5% personal income tax.

VIETNAM

On Sale of Shares in Local Company

will depend on whether the share seller is an individual or a company, and whether the seller is a tax resident or a non-tax resident.

1. For individuals:

- 20% (in cases where the purchase price and costs related to the capital transfer can be determined) or 2% (in cases where the purchase price and costs related to the capital transfer cannot be determined) for both tax resident or non-tax resident.
- 0.1% for securities transfer for both tax resident or non-tax resident.

2. For companies:

- With a permanent establishment: 20% for capital transfer and 0.1% for securities transfer.
- Without a permanent establishment: 2% for capital transfer and 0.1% for securities transfer.

11. Is your country a signatory to the following international treaties related to IP (Berne Convention on Copyrights/Patent Cooperation Treaty/Madrid Protocol)?

- Berne Convention on Copyrights: Yes, since October 26, 2004 (Paris Act 1971).
- Patent Cooperation Treaty: Yes, since March 10, 1993.
- Madrid Protocol: Yes, since July 11, 2006 (and the Madrid Agreement since March 8, 1949).

Vietnam is also party to the Paris Convention, TRIPS, the Hague Agreement (Geneva Act), UPOV 1991, the Rome, Geneva Phonograms and Brussels Satellite Conventions, and the WCT and WPPT.



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