

**Order of the General Civil Aviation Administration of China, the Ministry of
Commerce of the People's Republic of China and the National Development and
Reform Commission of the People's Republic of China**

No. 174

Supplement II to the Provisions on Foreign Investment in Civil Aviation

Order No.174 of the General Civil Aviation Administration of China

Supplement II to the Provisions on Foreign Investment in Civil Aviation, which was adopted by the Executive Meeting of the General Civil Aviation Administration of China on November 30, 2006 and approved by the Ministry of Commerce and the National Development and Reform Commission, is hereby promulgated and shall enter into force as of January 4, 2007.

Yang Yuanyuan

Administrator of the General Civil Aviation Administration of China

Bo Xilai

Minister of Commerce

Ma Kai

Director of the National Development and Reform Commission

January 4, 2007

Supplement II to the Provisions on Foreign Investment in Civil Aviation

Subject to Supplement II to the Mainland and Hong Kong Closer Economic Partnership Arrangement, Supplement III to the Mainland and Hong Kong Closer Economic Partnership Arrangement, Supplement II to the Mainland and Macao Closer Economic Partnership Arrangement and Supplement III to the Mainland and Macao Closer Economic Partnership Arrangement as approved by the State Council, supplementary provisions to the Provisions on Foreign Investment in Civil Aviation (Order No. 110 of the Civil Aviation Administration of China, the Ministry of Foreign Trade and Economic Cooperation and the State Development Planning Commission) are hereby given as follows:

1. A Hong Kong or Macao aviation sales agency meeting the definition of Hong Kong or Macao service provider shall be allowed to establish an equity joint, contractual, or solely-funded air transport sales agency in the Mainland. It shall satisfy the same requirement of registered capital as that for Mainland enterprises.
2. The General Civil Aviation Administration of China, the Ministry of Commerce of the People's Republic of China and the National Development and Reform Commission shall be responsible for the interpretation of the present Supplement according to their respective functions.
3. The present Supplement shall enter into force as of January 4, 2007.