

(Courtesy English Translation)

**Arrangement on Reciprocal Recognition and Enforcement of Judgments  
in Civil and Commercial Matters by the Courts of the Mainland  
and of the Hong Kong Special Administrative Region**

In accordance with the provisions of Article 95 of the *Basic Law of the Hong Kong Special Administrative Region of the People's Republic of China*, the Supreme People's Court and the Government of the Hong Kong Special Administrative Region (HKSAR), after consultation, hereby make the following arrangement on reciprocal recognition and enforcement of judgments in civil and commercial matters:

**Article 1**

This Arrangement applies to the reciprocal recognition and enforcement of legally effective judgments in civil and commercial matters between the courts of the Mainland and of the HKSAR.

This Arrangement also applies to the reciprocal recognition and enforcement of legally effective judgments in relation to civil damages awarded in criminal cases.

**Article 2**

“Civil and commercial matter” referred to in this Arrangement means a matter which is considered to be civil and commercial in nature under both Mainland law and Hong Kong law. It does not include judicial review cases and any other cases heard by the courts of the HKSAR arising directly out of the exercise of administrative powers.

**Article 3**

This Arrangement, for the time being, does not apply to judgments in the following civil and commercial matters:

(1) cases heard by a people's court of the Mainland on maintenance of parent(s) or grandparent(s), maintenance between siblings, dissolution of adoptive relationship,

guardianship of adults, disputes after divorce on liability for damages, or division of property arising from a co-habitation relationship; or cases heard by a court of the HKSAR on whether a decree of judicial separation should be granted;

(2) cases on succession, administration or distribution of estate;

(3) cases on the tortious infringement of invention patents and utility model patents heard by a people's court of the Mainland; cases on the tortious infringement of standard patents (including "original grant" patents) and short-term patents heard by a court of the HKSAR; cases on the confirmation of the licence fee rate of a standard-essential patent heard by a court of the Mainland or a court of the HKSAR; and cases concerning intellectual property rights not covered under Article 5 of this Arrangement;

(4) cases on marine pollution, limitation of liability for maritime claims, general average, emergency towage and salvage, maritime liens, and carriage of passengers by sea;

(5) bankruptcy (insolvency) cases;

(6) cases on the determination of a natural person's qualification as a voter, declaration of disappearance or death of a natural person, or the determination of limited or lack of legal capacity of a natural person for civil acts;

(7) cases on the confirmation of the validity of an arbitration agreement or the setting aside of an arbitral award;

(8) cases on the recognition and enforcement of judgments or arbitral awards of other countries or regions.

#### **Article 4**

A "judgment" referred to in this Arrangement includes, in the case of the Mainland, any judgment, ruling, conciliatory statement and order of payment, but does not include a ruling concerning preservation measures; in the case of the HKSAR, includes any judgment, order, decree and allocator, but does not include an anti-suit injunction or an order for interim relief.

A “legally effective judgment” referred to in this Arrangement:

(1) in the case of the Mainland, means a judgment of the second instance, a judgment of the first instance from which no appeal is allowed according to law or no appeal has been filed by the expiry of the statutory time limit for appeal, as well as the above types of judgments given in accordance with the trial supervision procedure;

(2) in the case of the HKSAR, means a legally effective judgment given by the Court of Final Appeal, the Court of Appeal and the Court of First Instance of the High Court, the District Court, the Labour Tribunal, the Lands Tribunal, the Small Claims Tribunal or the Competition Tribunal.

#### **Article 5**

“Intellectual property right” referred to in this Arrangement means an “intellectual property” as stipulated in Article 1(2) of the *Agreement on Trade-Related Aspects of Intellectual Property Rights*, as well as an intellectual property right enjoyed by an owner in respect of new plant varieties as stipulated in Article 123(2)(7) of the *General Provisions of the Civil Law of the People’s Republic of China* and the *Plant Varieties Protection Ordinance* of Hong Kong.

#### **Article 6**

“Place of residence” referred to in this Arrangement means, in the case of a natural person, his/her place of household registration, place of permanent residence or place of habitual residence; and in the case of a legal person or other organisation, its place of incorporation or registration, place of principal office, principal place of business or principal place of management.

#### **Article 7**

An application for recognition and enforcement of a judgment stipulated in this Arrangement:

(1) in the case of the Mainland, should be filed with an Intermediate People's Court of the place of residence of the applicant or the respondent, or the place where the property of the respondent is located;

(2) in the case of the HKSAR, should be filed with the High Court.

An applicant shall apply to a people's court of the Mainland which meets the requirement in sub-paragraph (1) of the preceding paragraph. If an application is made to two or more people's courts having jurisdiction, the people's court which accepts the case first shall exercise jurisdiction.

### **Article 8**

An applicant applying for recognition and enforcement of a judgment stipulated in this Arrangement shall submit the following documents:

(1) an application;

(2) a copy of the legally effective judgment affixed with the seal of the court which gave the judgment;

(3) a certificate issued by the court which gave the legally effective judgment certifying the judgment to be a legally effective judgment and, if the judgment has content which requires enforcement, certifying the judgment to be enforceable in the requesting place;

(4) where the judgment is a default judgment, a document certifying that the party concerned has been legally summoned, unless the judgment expressly states the same, or the absent party is the party applying for recognition and enforcement;

(5) documents of identity :

1. where the applicant is a natural person, a copy of the identity card shall be submitted;

2. where the applicant is a legal person or other organisation, copies of the certificate of incorporation or registration and of the identity card of the legal representative or the principal responsible person shall be submitted;

The above identity documents, if issued in a place outside the requested place, shall be certified in accordance with the law of the requested place.

Where a document submitted to a people's court of the Mainland is not in the Chinese language, the applicant shall submit an accurate Chinese translation.

### **Article 9**

An application shall specify the following:

(1) particulars of the parties: where the party is a natural person, his/her name, address, particulars of identity documents, means of contact, etc.; where the party is a legal person or other organisation, its name, address as well as the name, position, address, particulars of identity documents, means of contact, etc. of its legal representative or principal responsible person;

(2) details of the request and justifications for the application, and in the case of an application for enforcement, also the status and location of the property of the respondent;

(3) whether an application has been made for the enforcement of the judgment in any other court, and the status of its enforcement.

### **Article 10**

The time limits, procedures and manner for making an application for recognition and enforcement of a judgment shall be governed by the law of the requested place.

### **Article 11**

The court of the requested place shall consider the original court to have jurisdiction over the relevant action if one of the following conditions is satisfied and if, according to the law of the requested place, the courts of the requested place do not have exclusive jurisdiction over the action:

(1) at the time the original court accepted the case, the place of residence of the defendant is within the requesting place;

(2) at the time the original court accepted the case, the defendant maintained in that place a representative office, branch, office, place of business or such other establishment without separate legal personality, and the action arose out of the activities of that establishment;

(3) the action was brought on a contractual dispute and the place of performance of the contract is in the requesting place;

(4) the action was brought on a tortious dispute and the infringing act was committed in the requesting place;

(5) the parties to a contractual dispute or other dispute concerning interests in property had expressly agreed in writing that the courts of the requesting place shall have jurisdiction over the relevant proceeding, but where the place of residence of all the parties to the judgment was in the requested place, the requesting place should be the place where the contract was performed or signed, or where the subject matter was situated etc., being a place which has an actual connection with the dispute;

(6) the parties did not raise objection to the jurisdiction of the original court and appeared before and defended in the proceedings, but where the place of residence of all the parties to the judgment was in the requested place, the requesting place should be the place where the contract was performed or signed, or where the subject matter was situated etc., being a place which has an actual connection with the dispute.

“In written form” referred to in preceding paragraph means a form in which the contents may be displayed in a visible form, such as a written contract, a letter or an electronic data message (including a telegram, a telex, a facsimile, an electronic data interchange or an e-mail).

For tortious claims for infringement of an intellectual property right, civil disputes over acts of unfair competition under Article 6 of the *Anti-Unfair Competition Law of the People's Republic of China* heard by a people's court of the Mainland, and disputes over passing off heard by a court of the HKSAR, the original court shall be considered to have jurisdiction only if the act of infringement, unfair competition or passing off was committed in the requesting place, and the intellectual property right or interest concerned is subject to protection under the law of the requesting place.

Apart from as stipulated under the first and third paragraphs above, the original court may be considered to have jurisdiction if the requested court considers that the exercise of jurisdiction over the relevant action by the original court is consistent with the law of the requested place.

#### **Article 12**

With respect to an application for recognition and enforcement of a judgment, a court of the requested place shall refuse to recognise and enforce a judgment if, having examined the evidence adduced by the respondent to show any of the following, it is satisfied that:

(1) the exercise of jurisdiction by the original court over the action does not meet the requirements stipulated in Article 11 of this Arrangement;

(2) the respondent was not legally summoned in accordance with the law of the place of the original court; or although the respondent was legally summoned, the respondent was not given a reasonable opportunity to make representations or defend the respondent's case;

(3) the judgment was obtained by fraud;

(4) the judgment was rendered in an action which was accepted by the original court after a court of the requested place has already accepted an action on the same dispute;

(5) a court of the requested place has rendered a judgment on the same dispute, or has recognised a judgment on the same dispute given by another country or place;

(6) the requested place has made an arbitral award on the same dispute or has recognised an arbitral award on the same dispute made in another country or place.

Where a people's court of the Mainland considers that the recognition and enforcement of a judgment given by a court of the HKSAR is manifestly contrary to the basic principles of the law of the Mainland or the social and public interests of the Mainland, or where a court of the HKSAR considers that the recognition and enforcement of a judgment given by a people's court of the Mainland is manifestly contrary to the basic principles of the law of the HKSAR or the public policy of the HKSAR, the judgment shall not be recognised or enforced.

### **Article 13**

With respect to an application for recognition and enforcement of a judgment, the court may refuse to recognise and enforce a judgment if, upon examination of the evidence adduced by the respondent, the requested court is satisfied that the action in the original court was contrary to a valid arbitration agreement or a valid jurisdiction agreement entered into by parties on the same dispute.

### **Article 14**

A court of the requested place may not refuse to recognise or enforce a judgment solely because a preliminary issue determined in the judgment does not fall within the scope of application of this Arrangement.

### **Article 15**

Rulings by the original court on the validity of an intellectual property right or whether an intellectual property right is established or subsists are not recognised or enforced. However, a ruling on liability based on such rulings and which complies with the relevant requirements of this Arrangement, shall be recognised and enforced.

### **Article 16**

Reciprocal recognition and enforcement of judgments includes both monetary and non-monetary rulings.



Where the judgment provides for punitive or exemplary damages, the punitive or exemplary part of the damages would not be recognised and enforced except as provided under Article 17.

#### **Article 17**

For tortious claims for infringement of intellectual property rights and civil disputes over acts of unfair competition under Article 6 of the *Anti-Unfair Competition Law of the People's Republic of China* heard by a people's court of the Mainland, or disputes over passing off heard by a court of the HKSAR, reciprocal recognition and enforcement of the judgments of the courts of the Mainland and of the HKSAR is confined to rulings on monetary damages, including punitive or exemplary damages, for acts of infringement which were committed in the requesting place.

Reciprocal recognition and enforcement of a judgment concerning disputes over the infringement of trade secrets shall include both monetary (including punitive or exemplary damages) and non-monetary rulings.

#### **Article 18**

In respect of judgments for the award of property, the scope of recognition and enforcement by the courts of the Mainland and of the HKSAR shall include the property awarded, the corresponding interest, costs, payment for late compliance, or interest for late compliance awarded in the judgment, but shall not include taxes and penalties.

“Costs” referred to in the preceding paragraph, in the case of the HKSAR, means the costs taxed in an allocator or the costs awarded under an order.

#### **Article 19**

Where a court of the requested place cannot recognise and enforce a judgment in whole, it may recognise and enforce it in part.

#### **Article 20**

Where, in the case of a judgment given by a court of the HKSAR, a party has lodged an appeal, a people's court of the Mainland may, upon examination and verification of the above, suspend the recognition and enforcement proceeding. After the appeal, the

recognition and enforcement proceeding shall be resumed if the original judgment is upheld in whole or in part, or terminated if the original judgment is reversed.

Where, in the case of a judgment given by a people's court of the Mainland, a decision of retrial has been made by a people's court of the Mainland, the court of the HKSAR may, upon examination and verification of the above, suspend the recognition and enforcement proceeding. After the retrial, the recognition and enforcement proceeding shall be resumed if the original judgment is upheld in whole or in part, or terminated if the original judgment is reversed upon retrial.

### **Article 21**

Where the respondent has property in both the Mainland and the HKSAR which may be subject to enforcement, the applicant may file applications for enforcement with the courts of the two places respectively.

The court of one place shall, at the request of the court of the other place, provide information on the status of the enforcement of the judgment.

The total amount to be recovered from enforcing the judgment in the courts of the two places respectively must not exceed the amount determined in the judgment.

### **Article 22**

If in the course of adjudicating a civil and commercial case, the court of one place receives an application brought by a party for the recognition and enforcement of a judgment made by the court of the other place in respect of the same dispute, the application shall be accepted, and the action shall be suspended thereafter. The action shall be terminated or resumed depending on the ruling or order made in respect of the application for recognition and enforcement.

### **Article 23**

If in the course of examining an application for recognition and enforcement of a judgment, a party brings another action in respect of the same dispute, the action shall not be accepted, and any such action so accepted shall be dismissed.

If the judgment has been recognised and enforced in whole by the court, another action brought by a party in respect of the same dispute shall not be accepted.

Where the recognition and enforcement of a judgment has been refused in whole or in part, the applicant shall not file another application for recognition and enforcement, but the applicant may bring an action regarding the same dispute before the court of the requested place.

#### **Article 24**

A court of the requested place may, before or after accepting any application for recognition and enforcement of a judgment, impose property preservation or mandatory measures in accordance with the law of that place.

#### **Article 25**

The court shall examine the application for recognition and enforcement as soon as possible and make a decision or order.

#### **Article 26**

Where any party is aggrieved by a decision or an order made by a court of the requested place on an application for recognition and enforcement of a judgment, the party may, in the case of the Mainland, apply to a people's court at the next higher level for review within 10 days from the date of service of the decision or, in the case of the HKSAR, lodge an appeal according to its law.

#### **Article 27**

A party who applies for the recognition and enforcement of a judgment shall pay the fees in accordance with the laws and requirements on costs of the requested place.

#### **Article 28**

After this Arrangement is signed, the Supreme People's Court and the HKSAR Government may, after consultation, sign supplementary documents regarding the recognition and enforcement of judgments on the matters stipulated in Article 3 and assistance in preservation measures and interim relief referred to in Article 4.

Any problem arising from the implementation of this Arrangement or any amendment to be made to this Arrangement shall be resolved through consultation between the Supreme People's Court and the HKSAR Government.

#### **Article 29**

Following the promulgation of a judicial interpretation by the Supreme People's Court and the completion of the relevant procedures in the HKSAR, both sides shall announce a date on which this Arrangement shall commence.

This Arrangement shall apply to judgments made by the courts of the Mainland and of the HKSAR on or after the date of commencement of this Arrangement.

#### **Article 30**

Upon commencement of this Arrangement, the *Arrangement on Reciprocal Recognition and Enforcement of Judgments in Civil and Commercial Matters by the Courts of the Mainland and of the Hong Kong Special Administrative Region Pursuant to Choice of Court Agreements between Parties Concerned* shall be terminated.

However, the *Arrangement on Reciprocal Recognition and Enforcement of Judgments in Civil and Commercial Matters by the Courts of the Mainland and of the Hong Kong Special Administrative Region Pursuant to Choice of Court Agreements between Parties Concerned* remains applicable to a "choice of court agreement in writing" within the meaning of that arrangement and signed before the commencement of this Arrangement.

#### **Article 31**

After the commencement of this Arrangement, the *Arrangement on Reciprocal Recognition and Enforcement of Civil Judgments in Matrimonial and Family Cases by the Courts of the Mainland and of the Hong Kong Special Administrative Region* shall continue to apply.

This Arrangement is signed in duplicate in Beijing, this 18th day of January 2019.