



Investment Management Business

| Fangda Overview

Founded in 1993, Fangda Partners is the preeminent China-based international law firm with more than 700 lawyers in our offices in Beijing, Guangzhou, Hong Kong, Shanghai, and Shenzhen.

We excel at complex cross-border transactions and projects, domestic and cross-jurisdictional dispute resolution, and government investigations. We combine top-quality PRC legal expertise with global-standard international transaction and case management to provide clients with a one-stop service. Our lawyers are qualified in many jurisdictions, including the People's Republic of China, Hong Kong SAR, England and Wales, the United States, Singapore and Australia.

We are the firm of choice for clients' most challenging transactions and legal issues in many practice areas. Since we were founded, we have advised on some of the largest and most complex corporate and finance transactions in China, the region and globally. We have also assisted our clients with many renowned and complex cases and arbitrations, compliance and government investigations in the region.

We serve a wide variety of major clients—including large multinationals, global financial institutions, leading Chinese enterprises and fast-growing hi-tech companies—on an extensive range of commercial matters, offering PRC law and Hong Kong law.

Our strengths have been widely recognized by our clients and peers. Chambers has commented on our cross-border capabilities in the following terms – “outstanding quality of its lawyers”, “high level of service that is comparable to international firms”, and “strong global outlook”.



Our Experience

Fangda Partners is renowned for our asset management expertise in China. Since the most recent round of the opening-up of China's financial sector in 2018, we have successfully assisted many offshore financial/asset management companies to set up groundbreaking first batch of foreign-controlled financial institutions and to obtain onshore business permits. During the process, we, together with regulators and clients, explored the implementation of applicable statutory provisions, so that regulatory rules and internal control requirements are implemented reasonably, pragmatically and effectively.

We have more than 20 years' experience of advising traditional fund management and alternative asset management companies on legal and compliance issues for all their complex asset management requirements.

Some of the high-profile cases on which we have advised include:

- Assisting Hua An Funds to set up China's first open-ended publicly offered fund, Hua An Chuangxin Securities Investment Fund
- Assisting in setting up the first foreign-controlled securities firms
- Assisting in setting up the first wholly foreign-owned futures company
- Assisting a foreign shareholder to acquire a majority stake in a public fund management company through the public listing process, the first such case in China
- Assisting a foreign shareholder to become single largest shareholder in a public fund management company, the first base in China;
- Assisting a subsidiary of a foreign bank to obtain the license of fund distribution business, a first in China
- Assisting the Ant Finance and Vanguard Group to establish a joint venture company to provide fund investment consulting business services for individual Chinese investors. This was one of the first fund investment consultancy licenses issued by the China Securities Regulatory Commission ("CSRC")
- Assisting in the set-up of a foreign-invested non-performance assets disposal company, one of the first licensed foreign-invested non-performing loan ("NPL") enterprises
- Assisting a foreign-invested asset management company on its strategic partnership cooperation with a wealth management subsidiary of a commercial bank, the first time this had been done in China
- Assisting in setting up the first Fintech services subsidiary established by a multinational bank for its wealth management business
- Advising the first foreign-invested company approved by the People's Bank of China ("PBC") to establish an onshore bank cards RMB clearing network
- Assisting offshore private fund management companies (including Bridgewater) with their filing with the Asset Management Association of China ("AMAC"). These filings were among the first batch of foreign private fund management licenses (PFMs) filed with AMAC
- Assisting the first JV wealth management company in issuing its first wealth management product

- Assisting clients in one of the first cases of Qualified Domestic Limited Partner ("QDLP") products distributed by a foreign-invested securities firm
- Assisting clients in the first batch of the offshore financing of cross-border NPL acquisition (relating to NPL portfolio and single asset)
- Assisting from the PRC perspective, a top US asset manager to acquire a minority interest in the general partner ("GP") of a leading Asia private equity manager and a well-known British asset management group in its merger with an international insurance group, both of which are representative transactions in the area of funds M&As
- Assisting a wholly foreign-owned private fund management company with the issuance of multi-asset fund products
- Representing a globally renowned hedge fund in administrative investigation and hearings conducted by the CSRC
- Dealing with a number of major and complex cases involving financial derivatives in domestic court proceedings, and dealing with a number of domestic and international arbitrations related to fund investments
- Providing crisis management for renowned securities companies in relation to asset management products.
- Providing advice to a securities firm acting as custodian to private investment funds, participated in negotiations and represented the securities firm in litigations, with respect to actions taken by investors seeking to protect their benefits after default of private investment fund products, loss of contact of private investment fund managers and failure in honoring of products
- Advising a broker with respect to a cross-border regulatory investigation arising from clients' trading through Shanghai-Hong Kong Stock Connect
- Assisted a mutual fund manager in reviewing the business operation of its fund subsidiary and improving the risk control of the fund subsidiary



Our Team

Our team members have extensive experience in China's asset management market, both as legal practitioners and in the industry. Many of our team members have worked in the legal and compliance departments of leading fund management companies. We offer clients in-depth knowledge, and practical experience, of governance structures, operational models, business practice and transactions and products within the asset management sector.

We have highly developed relationships with regulators and understand how they think and work. We are able to provide insight to our clients in the asset management sector as they develop their business, including advising on groundbreaking products, in the China market.

In addition, we offer clients dispute resolution capability. We have advised clients in many challenging asset management disputes and have successfully represented them in cases before tribunals. Our compliance team has great knowledge of data compliance, network security and privacy protection, all areas that are critical in the context of asset management.



Our dispute resolution and compliance lawyers work closely in the best interests of clients by:

- Making sure they understand well our clients' business needs;
- Providing all-inclusive risk management advice, covering comprehensive regulatory, judicial and arbitration considerations;
- Helping our clients to innovate, while managing risk effectively;
- Providing practical solutions for asset management companies whether related to products, operation, compliance, and internal control, among other issues, as well as helping clients to achieve the optimal result in any dispute they are facing.

Key Areas of Focus

We have extensive experience in the following areas:

Institutions

We handle all matters related to the establishment of fund management businesses, license applications, governance (of institutions and funds), ongoing compliance and other aspects for traditional and alternative asset management companies.

Transactions

We represent onshore and offshore funds in asset management investments, mergers and acquisitions, establishment of joint ventures and exit transactions, including domestic and cross-border transactions. Benefiting from Fangda Partners' leadership in cross-border mergers and acquisitions, capital markets, and acquisition financing, we have advised on many of the most complex transactions in the asset management sector.

Products and Markets

We provide a wide range of traditional and alternative asset management companies that invest in China with comprehensive and in-depth legal and compliance services, including covering products and transactions. Our expertise includes securities trading, financial futures, mezzanine financing, cross-border equity swaps, and cross-border transfers of non-performing assets, among others. We also have extensive experience in the areas of exchange rates, interest rates, credit and risk hedging for commodities and equity derivatives trading at exchanges or OTC.

Operation

We provide a wide range of services to various institutions in aspects of product issuance and distribution, internal control systems, information security (including financial infrastructure), data compliance (including cross-border data transmission), personal privacy protection, and anti-money laundering. We assist clients develop policies, procedures and standard documents, on compliance systems, advice and risk inspection and evaluation.

Law Enforcement and Investigations by Government

We assist clients with investigations by regulatory authorities in finance, securities, data and other fields. We assist companies to establish procedures and policies for internal investigations, in ongoing internal investigations and self-monitoring that may be required in conjunction with external investigations. We represent asset management companies and other financial institutions when communicating with government departments.

Our team also has an abundance of experience in cross-border investigations, including cross-border regulatory investigations related to Shanghai-Hong Kong Stock Connect and Shenzhen-Hong Kong Stock Connect.

Dispute Resolution

We have advised asset management clients to help them resolve disputes. These include assisting managers, custodians, underwriters, and investors on all aspects of disputes and judicial proceedings. Our experience includes disputes involving default, responses to investors' claims of their rights after product redemption failure, investor disputes, securities disputes, bond default events, professional liability, and representing institutions in administrative procedures and administrative litigation.

Team Members



Zhiyi REN

Zhiyi REN is a leading regulatory lawyer in China, specializing in regulatory, financial markets, fund products and M&A transactions in the financial sector. Since 2003, he has provided legal services to multinational financial/asset management companies in China covering such areas as entity establishment, products, compliance, regulatory investigations, crisis management and cross-border transactions. Prior to joining Fangda Partners, Zhiyi worked as Head of Compliance in an internationally renowned investment bank's domestic subsidiary on all its China investments covering securities, futures, funds, commodities, trusts, guarantees, special opportunity group and quant research. He gained an abundance of experience handling the legal and compliance affairs of several financial enterprises. He also worked in an international law firm for many years and is a member of the PRC Bar and the New York State Bar.



Tony ZHONG

Tony ZHONG specializes in corporate matters, including cross-border M&A, foreign direct investments, joint ventures, and corporate restructuring. He has more than 13 years of experience in providing transaction and regulatory legal services to insurance companies, banks and other financial institutions. Prior to joining Fangda Partners, Tony worked in a number of leading international law firms. He was ranked as the "Next Generation Lawyer" under Corporate and M&A: Foreign Firms, Legal 500 Asia Pacific for three consecutive years from 2016 to 2018. He was also featured as one of the 15 top rising lawyers in China by Asian Legal Business in 2019.



Allen WANG

Allen WANG focuses on financial regulation, foreign exchange products, fund products and compliance, anti-money laundering/sanctions and commercial arbitrations. Before joining Fangda Partners, he worked as China Chief Compliance Officer for a number of European and American banks and asset management companies, gaining extensive experience in financial compliance. He is an arbitrator attached to the Shanghai International Economic and Trade Arbitration Commission and has adjudicated on a number of disputes involving cross-border investments and financing and asset management. He is also a certified anti-money laundering specialist (CAMS).



Blake WANG

Blake WANG specializes in financial regulatory and compliance, asset management, M&A, and general corporate matters. He assisted multiple international financial institutions in establishing or investing in PRC entities, and advised asset managers and proprietary trading firms in relation to PRC financial markets. Prior to joining Fangda, Blake worked for another leading PRC firm focusing on asset management and M&A. Blake also worked at the head office of the Bank of China from 2010 to 2011.



Yanhua LIN

Yanhua LIN has extensive experience in court proceedings, arbitrations and administrative investigations in relation to finance and asset management. She has frequently represented clients in cases in domestic court proceedings and before domestic and international arbitration tribunals and in administrative proceedings. She used to work in an international law firm. She is a member of both the PRC Bar and New York State Bar and holds a master's degree in common law in Hong Kong.



Allan CHEN

Allan CHEN has extensive litigation and arbitration experience in the financial and commercial fields. In the context of asset management, he has assisted clients to resolve a wide range of disputes, including, but not limited to, fundraising disputes, disputes between general partners and limited partners, external investment, liquidation, and custody. He advises foreign investors, state-owned and private securities firms, banks, fund management companies, and private fund managers.



Gil ZHANG

Gil ZHANG is a leading lawyer specializing in data and privacy protection and network security, with extensive experience in data protection and network security in China and international data protection compliance (such as EU GDPR, and laws of data protection in the US and Asia-Pacific countries). He has participated in the formulation and discussion of many important regulations and national standards. Prior to joining Fangda Partners, he worked as Asia-Pacific Legal Counsel and Chief Compliance Officer of a medical and scientific research devices manufacturing company based in Singapore and listed in the US, where he was responsible for compliance, regulatory and government enforcement matters in China and many other Asia-Pacific countries.

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