

## ZHIYI REN

PARTNER

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### PRACTICE AREAS

ZHIYI 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.

### REPRESENTATIVE MATTERS AND CASES

Since the new round of opening up of China's financial sector, Zhiyi, as in charge lawyer, has assisted several offshore financial/asset management companies to set up the groundbreaking first batch of foreign-controlled financial institutions and obtain onshore business permits. During the process, Zhiyi worked with regulators and clients to explore how to implement the relevant regulatory provisions so as to effectively enforce the supervisory and internal control requirements in a reasonable and practical manner. In particular, the team has advised on:

- The first foreign controlled securities firms
- The first wholly foreign owned futures firm
- The first case of the acquisition of a majority stake in a public fund management company by its foreign shareholder through the public listing process
- The first case of foreign shareholder becoming single largest shareholder in a public fund management company
- The first Fintech Services Sub established by a multinational bank for its wealth management business
- The first subsidiary of a foreign bank to obtain the license of fund distribution business

- The first company to obtain a funds advisory license
- One of the first wholly foreign-owned Non-Performing Loan (NPL) disposal companies
- The first case of strategic cooperation between a foreign asset management company and a bank wealth management subsidiary
- The first foreign-invested company approved by the People's Bank of China (PBoC) to establish an onshore bank cards RMB clearing network
- One of the first batch of foreign private fund management licenses (PFMs) filed with Asset Management Association of China (AMAC)
- Other than these, Zhiyi also assisted from 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&A

In the changing regulatory and business environment, Zhiyi, together with the team, advises multiple domestic and multinational financial/asset management companies on products offering/marketing, internal control, data protection, anti-money laundering and continuous compliance. In particular:

- Assisting clients in offering one of the first batch of multi-asset funds products by Private Fund Managers (PFMs)
- Assisting clients in one of the first cases of Qualified Domestic Limited Partner (QDLP) products distribution by foreign-invested securities firms
- Assisting the first JV Wealth Management Company in issuing its first wealth management product
- Assisting clients in the first batch of offshore financing of cross-border NPL acquisition (relating to NPL portfolio and single asset)
- Assisting clients to analyze different requirements related to cross-border data transfer, personal information protection and setting up and outsourcing IT systems as they apply to financial infrastructure, banks, securities firms, futures companies, funds and financial services institutions, conducting data-mapping and designing general IT compliance frameworks
- Assisting clients to prepare policies, PnPs and business templates for IB, markets, research and asset management businesses of newly established financial institutions

There are many disputes in the asset management sector. Zhiyi, together with the team, has assisted many domestic and multinational companies in internal investigations, regulatory inspections and crisis management, such as:

- Advising a private funds custodian on legal disputes arising out of breach of private funds contracts, private funds managers being out of contact, and customers' claims in the case of failure of payment of interest
- Advising a Hong Kong broker to deal with cross-border regulatory inspection in relation to client transactions under China Connect
- Advising a public funds company subsidiary on how to improve internal control

Other representative transactions:

- Advising a major international investment bank on its establishment of its investment banking operations in the PRC by way of a joint venture with a newly formed domestic securities company (this involved an innovative structure in the establishment of a full-service platform on a greenfield basis)
- Advising JPMorgan on its securities joint venture with First Capital Securities
- Advising RBS on its securities joint venture with Guolian Securities
- Advising Morgan Stanley on its securities joint venture with China Fortune Securities
- Advising CLSA on its cooperation with Fortune Securities in respect of research and institutional broking businesses through their securities joint venture
- Advising JPMorgan on the acquisition of 49% shares of Zhongshan Futures Brokerage Co., Ltd.
- Advising a major domestic investment bank on its acquisition of a 100% shareholding in a PRC futures brokerage firm
- Advising UBS Securities on its investment into Pumin Futures Brokerage Co., Ltd.
- Advising JPMorgan on its investment in Bridge Trust Co., Ltd.
- Advising RBS on the acquisition of 19.99% shares of Suzhou Trust
- Advising Société Générale on its proposed acquisition of Fortune Trust
- Advising JPMorgan on its credit cards co-operation with Postal Savings Bank of China
- Advising Merrill Lynch on its proposed investment in a locally incorporated foreign bank
- Advising Citibank on its acquisition of 19.99% shares of Guangdong Development Bank

- Advising Crédit Agricole on the establishment of ABC- CA JV fund management company with Agricultural Bank of China and CHALCO
- Advising UBS on the establishment of UBS SDIC Fund Management Co., Ltd.
- Advising SGAM on the capital increase of its fund management joint venture in China
- Advising KBC on the operational matters of its fund management joint venture in China
- Advising Morgan Stanley on the establishment of its commodities trading platform in China
- Advising Deutsche Bank on the establishment of its commodities trading platform in China and its operating matters
- Advising a major international investment bank on the establishment of its commodities trading platform in China
- Advising Citadel on its trading joint venture with Citic Venture Capital and the futures trading activities of the trading joint venture
- Advised UPS for its proposed investment into a PRC listed company through QFII
- Advised KKR on its negotiation of RQFII custodian agreement and other compliance-related matters
- Advised Bank of Nova Scotia and SGAM in its QFII application
- Advised UBS in its change of local brokers and preparation of QFII compliance manual
- Advised Cascade LLC in its negotiation of QFII custodian and brokerage agreements
- Advised BMGI on matters in relation to its QFII trading activities
- Advised multinational banks on standard interbank bond market documentation for their PRC securities joint ventures
- Advised BMGI on its access to the interbank bond market and relevant compliance matters
- Advising Ernst & Young in setting up its global service centre in Dalian
- Advising Citic Securities on its proposed investment and co-operation with Bear Stearns
- Advising the liquidator of Lehman Brothers in disposal of its various PE investments
- Advising JPMorgan on its first underwriting of PRC government bonds

- Advising JPMorgan on the underwriting of financial bonds in China
- Advising BBVA on its standard PRC bank accounts documentation
- Advising RBS on the transfer of the contracts and employees of its retail business in China
- Advising Bank of Montreal on its advisory services in China
- Advising Bank of America on banking and securities licence and activities in China
- Advising MLBS on its bank account documents
- Advising Wachovia Bank on the PRC regulatory requirements on real estate lending/financing activities
- Advising Merrill Lynch on opening of offshore accounts by PRC individuals and entities for trading securities
- Advising MSCI on its licensing agreement with Shanghai Stock Exchange in respect of use of securities information
- Advising a major international accounting firm on liquidation and dissolution of one of its operations in China

## **OTHER INFORMATION**

### **Education**

- Law School Peking University, LL.B
- Columbia Law School, LL.M

### **Professional Qualification**

- Admitted to practice in the PRC
- Admitted to practice in New York

### **Publications**

- China Chapter of The Asset Management Review (Fifth Edition)
- China Chapter of The Hedge Funds — A Practical Global Handbook to the Law and Regulation (Second Edition)

### **Professional Background**

Prior to joining Fangda Partners, he 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 financial enterprises. He also worked in an international law firm for many years.