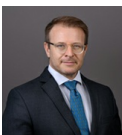


**Kobre & Kim's Cross-Border
Disputes Team**

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**Calvin K. Koo**Hong Kong
calvin.koo@kobrekim.com**Jason J. Kang**Shanghai / Hong Kong
jason.kang@kobrekim.com**Nicholas Surmacz**London
nicholas.surmacz@kobrekim.co.uk**Jian Wu**Shanghai
jian.wu@kobrekim.com**Peter Tyers-Smith**Cayman Islands
peter.tyers-smith@kobrekim.ky

Preparing for Politically Motivated Criminal Enforcement Against Companies and Individuals in Asia

As relations between China and the U.S. continue to be tense, companies and individuals with perceived Chinese associations – including in Greater China, Southeast Asia and the wider region – could be at risk of politically motivated government enforcement actions from both the U.S. and other authorities. We explain what those at risk could do to proactively protect their assets, reputation and liberty.

Relations between China and the U.S. will likely remain tense for the foreseeable future, as evidenced by the recent U.S. law mandating TikTok's Chinese owner divest from the U.S. business or have the app be banned.

Companies and individuals with perceived Chinese associations – including in Greater China, Southeast Asia, and the wider region – could see their global assets, investments, and other business interests come under threat, including invasive cross-border investigations and other government enforcement actions.

At-risk companies and individuals should consider taking several proactive steps, including:

1. **Prepare for parallel investigations across the Asia Pacific.** U.S. authorities frequently work with enforcement agencies in other countries when pursuing individuals and companies with a global footprint. A U.S. investigation could also spark other countries to launch their own enforcement actions. For example, authorities in Korea, who have developed a close working relationship with their counterparts in the U.S., and enforcement agencies in jurisdictions such as Australia, Singapore, and Malaysia, have started purportedly independent investigations after U.S. actions.
2. **Collect evidence proactively for global use.** When facing politically motivated allegations, it is important to quickly – and preemptively, if possible – gather evidence demonstrating that one's actions were lawful. Ideally, the evidence can be collected and prepared in a manner that would be accepted by the U.S. and other international authorities, allowing politically motivated investigations to be stopped in their tracks and shifted to the real wrongdoers.
3. **Assess asset vulnerabilities against future government attacks.** Companies and individuals at risk of attack by government authorities or politically motivated third parties can consider a detailed examination of their own asset structures – including those in offshore jurisdictions such as the British Virgin Islands, Cayman Islands and Dubai – and explore lawful measures that can be taken should such attacks be launched.

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4. **Develop a factual narrative to protect against attacks from the media spurred on by politically motivated investigations.**

Companies and individuals at risk can deploy a proactive communications strategy to discredit false allegations cast against them, mitigating any reputational harm and ensuring that the facts are properly reported against the real wrongdoers.

Continuing Sino-American tensions could bring an aggressive U.S. response to those perceived as unfriendly, putting innocent companies and individuals in Greater China and the wider Asia Pacific region at risk of becoming subject to politically motivated enforcement actions. At-risk companies and individuals should start taking preventive measures to protect their global business interests.

About Kobre & Kim

Kobre & Kim is a global law firm focusing on cross-border disputes and investigations, often involving fraud and misconduct.

To preserve the assets, liberty and reputation of companies and ultra-high-net-worth individuals with global business interests, our firm:

- Provides offensive and defensive cross-border litigation and crisis management strategies in court and out-of-court;
- Brings together roughly a dozen former U.S. and UK government lawyers across offshore jurisdictions in the BVI and Cayman Islands, Asia, EMEA, Latin America and the U.S., including former prosecutors from the U.S. Department of Justice (DOJ) and UK Serious Fraud Office (SFO).