



Wealth Talk: John Han on Risks and Strategies for Wealth Advisers and Clients Shifting Wealth Out of Hong Kong

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In the second episode of our “Wealth Talk” series on litigation scenarios facing high-net-worth individuals (HNWIs) around the world, created by Kobre & Kim’s International Private Client (IPC) team and *Wealth Briefing*, Kobre & Kim’s John Han sat down with Robin Rathmell to discuss risks to HNWIs and their wealth professionals as they shift assets out of Hong Kong.

The immediate cause of the wealth shift has been the Hong Kong national security law and subsequent U.S. response, creating uncertainty that have pushed individuals to move wealth away. When wealth crosses borders, clients and their advisers face risks from onboarding procedures, such as anti-money laundering (AML) and know-your-customer (KYC) due diligence requirements. Subjecting funds and individuals to multiple compliance regimes can also create conflicting obligations and attract government attention.

In addition, the U.S. Department of Justice (DOJ) has increased scrutiny of wealth professionals. Han notes that the DOJ tends to replicate their playbook elsewhere if it works in one region, and investigations have recently targeted Latin American wealth advisers, from bankers and wealth managers to even attorneys and real estate agents, with risks ranging from regulatory and civil to even criminal dimensions. Han advises professionals to be proactive to mitigate exposure, from learning about pitfalls to conducting clean funds analyses and game planning different scenarios.

[Click here to watch the full episode on *Wealth Briefing*.](#)