

#### NAFMII WEEKLY UPDATE

7 April - 11 April, 2014

### Regulatory Developments

#### CBRC issues 2014 Guidance on the Supervision of Wealth Management Products

Recently, China Banking Regulatory Commission (CBRC) issued 2014 Guidance on the Supervision of Wealth Management Products in banking industry, which includes eight supervision requirements for the year, such as strengthening off-site supervision, exploring division system in management framework, and encouraging the exploration of new wealth management products and models. <u>Media News (</u>Currently Only Available in Chinese)

## CSRC issues information disclosure rules for listed companies issuing preferred stock

The rules covers "Application Documents for Preferred Stock Issuance", "Issuance Plans and Issuance Status Report on " and "Issuance Prospectus on Preferred Stock". The rules guide the issuance of Preferred Stock to strengthen disclosure on issuance reserve plan as well as risk factor's exposure in issuance prospectus <u>CSRC News</u> (Currently Only Available in Chinese)

# CIRC issues "Administrative Measures for Merger and Acquisition of Insurance Companies"

The Measures mainly regulates the merging and acquisition behaviors of domestic insurance companies, excluding insurance companies' equity investment in non-insurance companies or foreign insurance institutions. First, the Measures encompasses all types of insurance consumers who enjoy insurance protection over consumption and service by signing insurance contracts; second, it writes out obligations of insurance companies on full information disclosure during the entire process; and third, it requires insurance companies to provide continuous reports for a certain period of time upon the completion of mergers and acquisitions. CIRC News (Currently Only Available in Chinese)

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