

INDEX

- Airswap, 85
 Alder, Ashley, 113–14
 Alipay, 141, 143–4, 145–6, 172,
 180–1, 216
 Allcoin, 61
 Altius Management, 89–90
 AML. *See* money laundering
 and anti-money
 laundering
 Angelcrunch, 263
 Antsdaq, 266
 Anxindai, 22
 Apple Pay, 142, 168
 asset management business, 234–6,
 238. *See also* investment
 advisors and consultants
 Australia
 initial coin offerings, 77–80
 robo-advisors, 251
 Australian Securities & Investment
 Commission (ASIC),
 77–80
 automated investment services. *See*
 robo-advisors

 Baidu, 181, 216
 Bank for International Settlements
 (BIS), 131
 Bank of England, 269, 274
 banking system. *See* Chinese banking
 system
 Beijing Local Financial Supervision and
 Administration, 11–13
 Betterment, 222, 224, 251
 big data, 184
 Bitcoin
 nature of, 100–1, 102, 112, 274
 price volatility, 104, 274
 regulation, 113, 276–7

 security and verification, 274–6
 supply and generation, 54, 66,
 101, 275
 blockchain, 55–6, 63, 64, 98–9, 100–1,
 274–6
 blockchain information services, 276–7
 ByteDance, 216

 Cambridge Analytica, 186
 Canada
 cybersecurity breaches, 107
 digital currency, 273
 initial coin offerings, 75–7
 CBIRC. *See* China Banking and
 Insurance Regulatory
 Commission
 CBRC. *See* China Banking Regulatory
 Commission
 Centra, 73
 central bank digital currency. *See*
 sovereign digital currency
 CFT. *See* terrorism, combatting
 financing of
 CFTC (Commodity Futures Trading
 Commission, US), 73–5, 127
 China Banking and Insurance
 Regulatory Commission
 (CBIRC), 8, 9, 232, 235,
 282–3
 China Banking Regulatory
 Commission (CBRC), 8, 9,
 14, 32–4, 57–8
 online lending guidelines, 25, 27, 29
 China Construction Bank, 271
 China Insurance Regulatory
 Commission (CIRC), 8, 9
 China Securities Regulatory
 Commission (CSRC)
 corporate bond development, 19

- CSRC (cont.)
 regulation of
 equity crowdfunding, 259, 261, 263, 266
 securities investment consultancy and advisory, 230, 232, 233, 235, 237–8, 243, 249
 responsibilities and powers, 8, 9, 33, 242–3
- Chinese banking system
 custodian services, 31–2
 inefficiency of, 18–19
 interest rates, 16–17
- Commodity Futures Trading
 Commission, US (CFTC), 73–5, 127
- Consumer Financial Protection
 Bureau, US (CFPB), 40, 161
- corporate bonds, 19
- Creditease, 15, 23
- crowdfunding, 93. *See also* equity crowdfunding; online P2P lending
- cryptoassets, 97–136
 benefits, 109–11
 initial coin offerings. *See* initial coin offerings
 nature of, 100–4
 overview, 3–5, 97
 regulation in Hong Kong, 111–36
 AML and CFT standards, 128–9
 commercial importance of, 124
 derivatives, 113
 fund distributors, 116–17, 131–2
 initial coin offerings. *See under* initial coin offerings
 investor protection, 124–7
 Mainland China, compared, 122–4
 overview, 4–5, 97–8, 112–14
 platform operators, 117–21
 portfolio managers, 114–16, 131–2
 regulatory sandbox, 84–5, 117–20, 127–8, 132–3
 remaining concerns, 129–35
 regulatory approach in China, 4, 122–4
- risks, 104–9
 types of, 99
 use of term, 98–100, 268–9
- Cryptoassets Taskforce, UK, 109
- cryptocurrency, use of term, 54–5, 100, 268–9. *See also* cryptoassets; initial coin offerings; sovereign digital currency
- cryptojacking, 107
- CSRC. *See* China Securities Regulatory Commission
- Cyberspace Administration of China, 200
- DAO Report, 70–3
- DAO, The, 70, 79
- data controllers, 195–6
- data privacy in mobile payment, 178–221
 consumer approach to, 144
 overview and conclusions, 5–6, 220–1, 287–8
 privacy risks, 180–6
 data harvesting, 184
 data profiling, 184–6
 regulation in China, 186–201
 adoption of current regime, 189–92
 concept of personal information, 193–4
 enforcement, 200–1
 entities responsible, 195–6
 fundamental principles, 157–9, 196–9
 merits, 210–11
 overview, 5–6
 pre-2016 approach, 187–8
 problems and recommendations, 212–20
 consent and disclosure requirements, 212–14
 data minimisation, 214–15
 public and private enforcement, 216–20
 purpose limitation, 214
 unification of law, 215
 unified enforcement agency, 215–16

- regulation in other jurisdictions
 - European Union, 204–7
 - generally, 209–10
 - Hong Kong, 208–9
 - Singapore, 207–8
 - United Kingdom, 164–5
 - United States, 161–2, 175, 196, 201–4
- data processors, 195–6
- DC/EP. *See* Digital Currency Electronic Payment project
- Demohour, 258
- Dian Ming Shi Jian, 258
- digital currency. *See* cryptoassets; cryptocurrency; Digital Currency Electronic Payment project; initial coin offerings; sovereign digital currency
- Digital Currency Electronic Payment project (DC/EP), 268–85
 - Bitcoin, compared, 274–7, 280–1
 - development progress, 269–71
 - financial inclusion, 282–3
 - Libra, compared, 277–81
 - major characteristics, 271–3
 - overview and conclusions, 7, 256, 257, 288
 - regulatory issues, 281–5
 - terminology and definitions, 268–9
- distributed ledger technology (DLT), 98–9. *See also* blockchain
- equity crowdfunding, 257–68
 - categories, 257–8
 - Feidu v. Nuomiduo* case, 263–5
 - importance, 268
 - market size, 266
 - Meiwei Media* case, 262–3
 - origins, 258
 - overview and conclusions, 7, 257, 288
 - private offerings, 260–3, 266–8
 - public offerings, 258–60, 266, 267–8
 - regulatory framework
 - China, 33, 93–4, 258–60
 - Hong Kong, 41, 93
- Ethereum, 66, 88–9, 126–7
- European Central Bank, 101
- European Commission, 137
- European Parliament, 149
- European Securities and Markets Authority (ESMA), 85–6
- European Union
 - data privacy, 201–4
 - initial coin offerings, 85–6, 87
 - robo-advisors, 251
- exchange tokens, 99
- Facebook, 186, 278
- Fair Information Practices (FIPs), 196, 207
- FCA. *See* Financial Conduct Authority, UK
- Federal Deposit Insurance Corporation (FDIC), 160, 170
- Federal Trade Commission, US (FTC), 186, 202–3
- Feidu v. Nuomiduo*, 263–5
- Financial Action Task Force (FATF), 128–9
- Financial Conduct Authority, UK (FCA), 38–9, 85–6
- Financial Crimes Enforcement Network, US (FinCEN), 101–2, 103, 159, 161
- Financial Stability Board (FSB), 108–9, 126, 128
- Fintech
 - future regulation, 288–90
 - importance to China, 286
 - regulatory balance, 2, 288–9
 - use of term, 1, 2, 7
- France, statement on Libra, 278–9
- FSB. *See* Financial Stability Board
- FTC. *See* Federal Trade Commission, US
- fund distributors, 116–17, 131–2
- Fundingcircle, 20
- G7, research paper on Libra, 279
- Germany
 - robo-advisors, 251
 - statement on Libra, 278–9
- governmental regulators, 8–9
- Guangdong, 21, 26, 147

- Guiding Opinions on Promoting the Healthy Development of Internet Finance (Guiding Opinions), 8–9
- Hong Kong
 crowdfunding, 41, 93, 259
 cryptoassets, 111–36
 AML and CFT standards, 128–9
 commercial importance of, 124
 derivatives, 113
 fund distributors, 116–17, 131–2
 improvements in new regime, 125–9
 initial coin offerings, 84–5
 investor protection, 124–7, 133–5
 Mainland China, compared, 122–4
 overview, 4–5, 112–14
 platform operators, 117–21
 portfolio managers, 114–16, 131–2
 regulatory sandbox, 84–5, 117–20, 127–8, 132–3
 remaining concerns, 129–35
 Lehman Brothers Minibond saga, 105
 mobile payment, 167–9, 208–9
 online lending, 40–3
 regulatory structure, 130–1
 robo-advisors, 247, 249, 251, 254
- Hong Kong Monetary Authority (HKMA), 112, 168–9
- Hong Kong Steering Group on Financial Technologies, 1
- Howey* test, 70–2, 76–7, 78–9, 94, 126–7, 277
- Hunan, 48
- initial coin offerings (ICOs), 52–96
 benefits, 62–4, 67–8, 111
 introduction of, 52
 market size, 52, 56
 overview and conclusions, 3–4, 95–6, 287
 regulation in China
 2017 ban, 58–62, 67–8
 background, 56–7
 overview, 4
 pre-2017 ban, 57–8
 suggested reform, 87–94
 regulation in other jurisdictions
 Australia, 77–80
 Canada, 75–7
 European Union, 85–6, 87
 generally, 68–9, 87
 Hong Kong, 84–5
 Singapore, 81–4
 United Kingdom, 85–7
 United States, 69–75
 risks, 56, 64–7
- Inland Revenue Service (US) (IRS), 69–70
- interest rates, 16–17
- International Monetary Fund (IMF), 109, 128, 285
- International Organization of Securities Commissions (IOSCO), 21, 104, 279
- Internet Finance, use of term, 1
- internet, use of, 16
- investment advisors and consultants
 entry threshold, 236–7, 241–2, 243
 fiduciary duties, 239–40, 242, 246–7
 information disclosure duties, 240–1, 248
 KYC process, 247
 permitted activities, 229, 234–5, 238, 244–5
 regulatory overview, 230–3
- Japan
 cybersecurity breaches, 107
 online lending, 37
- JD.com, 144, 243
- Jenkins, Patrick, 43–4
- Jingdong Dongjia, 266, 267
- Kickstarter, 89–90
- KYC (know-your-client), 120, 247, 254
- LedgerX, 74
- Lehman Brothers Minibond saga, 105
- Lending Club, 20, 39, 41, 43
- Libra, 277–80
- Liu Mingkang, 37

- local regulators, 11–13, 25–6, 34–6, 48–50
- Luxembourg House of Financial Technology, 54
- Ma, Jack, 286
- MAS. *See* Monetary Authority of Singapore
- McKinsey Corporate Banking, 36–7
- Meiwei Media, 262–3
- Menon, Ravi, 82–3
- Ministry of Industry and Information Technology (MIIT), 34, 200
- Ministry of Public Security, 34
- mobile payment, 137–77
 benefits, 138, 178
 data privacy. *See* data privacy in mobile payment
 market size, 137, 139–40, 143–6, 179–80
 meaning of term, 137–8
 online banking, distinguished, 138
 overview and conclusions, 5–6, 176–7, 287–8
- regulation in China, 151–9
 consumer protection, 157–9
 improvement suggestions, 171–5
 licensing scheme, 152–3
 management of client reserves, 153–6
 money laundering and terrorism financing, 156–7
 regulatory environment, 151–2
 strengths and weaknesses, 169–71
- regulation in other jurisdictions
 generally, 169–70
 Hong Kong, 167–9
 Singapore, 165–7, 171, 174
 United Kingdom, 162–5, 174
 United States, 159–62, 174
- risks, 146–51
 data security, 149–50
 mistakes and misconduct, 150–1
 money laundering and terrorist financing, 148
 overview, 178–9
 unauthorized transactions, 146–8
 typology, 140–2
- Monetary Authority of Singapore (MAS), 81, 82–3, 134–5, 165–7
- money laundering and anti-money laundering (AML)
 cryptoassets, 108, 128–9
 mobile payment, 148–9, 156–7, 160–1, 163–4, 174–5
- MoneySQ.com, 42–3
- Nakamoto, Satoshi, 54
- National Internet Finance Association of China (NIFAC), 9–11, 28–9, 34
- Near Field Communications (NFC), 141–2, 149
- NEO (Antshares), 68, 90–1
- NetsUnion, 154
- network operators, 195
- New Generation of AI Development Plan, 223, 225
- NIFAC. *See* National Internet Finance Association of China
- online P2P lending, 14–51
 business models, 21–3
 client segregated account model, 22
 guaranteed return model, 22–3, 24
 notary model, 39
 originate-to-distribute model, 23, 24
 platform lender model, 23, 24
- definitions, 21, 23–4
- interest rates, 17
- market in China
 dispersed nature, 20
 entrepreneurial focus, 20–1
 geographical distribution, 20–1
 growth, 15–19, 29–30
- market worldwide, 14
- overview and conclusions, 2–3, 50–1, 286–7
- problematic platforms, 30, 31, 32, 43–4, 48–9
- regulation in China, 23–51
 ‘one plus three’ framework, 23, 30

- online P2P lending (cont.)
 central and local regulators,
 32–6, 48–9
 comparative perspectives, 36–46
 custodian requirement, 27, 31–2
 implications of, 30–2
 information disclosure, 27–9
 lending limits, 26–7, 44–6
 registration, 25–6
 scope of business, 24
 Special Rectification Campaign,
 46–50
 suitability of lenders, 26
 regulation in other jurisdictions
 Hong Kong, 40–3
 United Kingdom, 37–9, 46
 United States, 39–40, 43–4
- Paipaidai, 22
 PayMe, 103
 Payment Systems Regulator (PSR), 162
 PBOC. *See* People's Bank of China
 peer-to-peer lending. *See* online P2P
 lending
 People's Bank of China (PBOC)
 digital currency. *See* Digital
 Currency Electronic
 Payment project
 influence over commercial banks,
 16–17
 regulatory activities
 generally, 8–9, 33, 34
 initial coin offerings, 57, 58–60,
 61, 123
 mobile payment, 151–8, 180, 216
 securities investment consultancy
 and advisory, 232, 235
 Ping an Insurance, 144, 243
 Pingan Puhui, 266
 Pooler, Judge Teresa Mary, 69
 portfolio managers, 114–16,
 131–2
 Prosper, 20, 39, 41
 Public Security Bureau, 200
- qualified investors, 235
 quick response code (QR code),
 142, 143
- regional governments. *See* local
 regulators
 regulatory framework
 governmental regulators, 8–9
 local regulators, 11–13, 25–6, 34–6,
 48–50
 self-regulatory organizations,
 9–11, 34
 regulatory sandboxes
 China, 95–6
 Hong Kong, 84–5, 117–20, 127–8,
 132–3
 Singapore, 82–3, 127–8, 134–5
 United Kingdom, 86–7, 127–8
 robo-advisors, 222–56
 benefits, 222–3, 228
 categories of, 226–7
 characteristics of service users,
 227
 definitions, 222, 230
 development and size of market,
 224–5, 228, 251
 extent of use, 243–4
 human interaction with, 226
 investment and management
 process, 225–6
 legal risks, 244
 overview and conclusions, 6–7,
 256, 288
 regulatory framework, 230–56
 enforcement and penalties, 242–3
 entry threshold, 236–7, 241–2,
 243–4, 249–50
 fiduciary duties, 239–40, 242,
 246–7, 253–4
 information disclosure duties,
 240–1, 242, 248–9, 254–6
 KYC process, 247, 254
 overview, 230–6
 permitted activities, 237–8, 243,
 244–6, 250–3
 reform suggestions, 249–90
 rules and regulations
 2017 Asset Management
 Guidance, 246
 2018 Asset Management
 Guiding Opinions, 234–6,
 237–8, 239–40, 241

- 2019 Notice of Standards, 231, 240, 247, 248
- 2020 Investment Advisor Provisions, 238, 239, 240–1, 242, 248
- 2020 Stockpicking Software Provisions, 233–4, 237, 239, 240, 241
- fiduciary duties, 246–7
- risks and concerns, 223, 229
- SAC. *See* Securities Association of China
- SEC v W. J. Howey Co.* *See* Howey test
- Securities and Exchange Commission, US (SEC), 39–40, 70–3, 100, 126–7, 230, 254–5
- Securities and Futures Commission, Hong Kong (SFC)
 - crowdfunding, 41
 - cryptoassets. *See under* cryptoassets
 - initial coin offerings, 84–5
 - robo-advisors, 254
- Securities Association of China (SAC)
 - equity crowdfunding, 261, 262
 - robo-advisors, 232, 240–1, 243
 - 2019 Notice of Standards, 231, 240, 247, 248
- securities investment advisors. *See* investment advisors and consultants
- security tokens, 99
- self-regulatory organizations, 9–11, 34. *See also* National Internet Finance Association of China; Securities Association of China
- SFC. *See* Securities and Futures Commission, Hong Kong
- Shenzen, 49, 270
- Simple Token, 85
- Singapore
 - cryptoassets, 128, 134–5
 - equity crowdfunding, 259
 - initial coin offerings, 81–4, 124, 134
 - mobile payment, 165–7, 171, 174, 207–8
 - regulatory sandbox, 82–3, 127–8, 134–5
 - robo-advisory market, 251
- SMS mobile payments, 140
- sovereign digital currency, 269, 273–4. *See also* Digital Currency Electronic Payment project
- Standing Committee of the National People's Congress (NPCSC), 260
- State Administration of Foreign Exchange (SAFE), 232, 235
- State Internet Information Office, 34
- Stellar Development Foundation, 54
- stockpicking software, 233–4, 237
- Sweden, digital currency, 273
- Tabao, 262
- Taiwan, online lending, 37
- target advertising, 186, 210, 214
- Target Corporation, 185
- Tenpay, 141, 143, 144, 172. *See also* WeChat Pay
- terrorism, combatting financing of (CFT), 108, 128–9, 148–9, 160–1, 163–4
- Tian Shi Hui, 263
- Tian Shi Jie, 263
- token sales. *See* initial coin offerings
- TokenCapital, 61
- tokenisation, 110
- UnionPay, 154
- United Kingdom
 - digital currency, 273–4
 - equity crowdfunding, 258, 259
 - initial coin offerings, 85–7
 - mobile payment, 162–5, 174
 - National Risk Assessment, 108
 - online lending, 15, 20, 21, 37–9, 46
 - regulatory sandbox, 86–7, 127–8
 - robo-advisors, 251
- United States
 - digital currency custody services, 277
 - equity crowdfunding, 259
 - Fedcoin, 273
 - initial coin offerings, 69–75, 277
 - Libra digital currency, 278

- United States (cont.)
 mobile payment, 159–62, 174, 201–4
 nature of cryptoassets, 100
 online lending, 15, 20, 21,
 39–40, 43–4
 robo-advisors, 227, 251, 253, 254–5
 investment advice and consulting,
 223, 244–5, 247, 250–1, 254
 utility tokens, 99
- virtual asset trading platforms (VATP),
 119–21
- virtual assets. *See* cryptoassets
- virtual currency. *See* cryptoassets;
 cryptocurrency; Digital
 Currency Electronic
 Payment project; initial coin
 offerings; sovereign digital
 currency
- Wealthfront, 224, 251
- WeChat Pay, 143, 180. *See also*
 Tenpay
- Willett, J. R., 52
- window guidance, 17
- Wireless Application Protocol (WAP),
 140–1, 149
- Zhongtou 8, 266
- Zopa, 15, 20, 37–8, 40