

Haiwen Finance and Asset Management Monthly (November 2025)

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Introduction

To make the finance and asset management industry keep abreast of the latest industry developments, Haiwen prepares the “Haiwen Finance and Asset Management Monthly”. This monthly reading aims to introduce and provide brief comments on regulatory development and industry news.

In November 2025, regarding regulatory updates, the People’s Bank of China (“**PBOC**”) issued the Administrative Measures for Interbank Market Brokerage Business; the China Securities Regulatory Commission (“**CSRC**”) issued the Implementation Measures for Regulatory Measures in the Securities and Futures Market (Draft for Comments); the Asset Management Association of China (“**AMAC**”) issued the Notice on Soliciting Public Comments on the Detailed Rules on Investor Suitability Management for Publicly Offered Securities Investment Funds (Draft for Comments).

Regarding industry developments, the CSRC issued the Announcement of the CSRC on Launching the Pilot Program of Commercial Real Estate Investment Trusts (Draft for Comments); the Shanghai Stock Exchange (“**SSE**”) and the Shenzhen Stock Exchange (“**SZSE**”) issued, respectively, the SSE Guidelines for the Application of Self-regulatory Rules for Funds No. 1—Index Funds and the SZSE Business Guidelines for Securities Investment Funds No. 1—Index Funds.



I Latest Rules and Regulations

1. The PBOC issued *the Administrative Measures for Interbank Market Brokerage Business*

On November 12, 2025, PBOC issued the Administrative Measures for Interbank Market Brokerage Business (the “**Measures**”), which will take effect on January 1, 2026. The Measures consist of six chapters and twenty-five articles, with the main contents including:

(1) Clarifying the scope of brokerage business and access requirements, stipulating that brokerage institutions may provide brokerage services to clients in the money market, bill market, gold market, interbank bond market, and related derivatives markets, but shall not provide brokerage services for financial institutions participating in bond issuance business;

(2) Strengthening the management of brokerage institutions and practitioners, requiring brokerage institutions to establish independent brokerage business departments, strictly segregate brokerage business from proprietary business, and stipulating that the heads of brokerage business departments should have more than 5 years of experience in financial markets, and brokerage personnel should have more than 1 year of relevant experience;

(3) Improving business operation standards and information disclosure requirements, clarifying that brokerage institutions must sign service agreements with clients, disclose optimal brokerage quotes and transaction-by-transaction information in real-time, completely and accurately, and establish communication management systems to ensure that transaction-related materials are retained for at least 5 years;

(4) Establishing a comprehensive regulatory coordination mechanism, specifying that the PBOC conducts supervision and inspection of brokerage institutions in accordance with the law, interbank market infrastructure conducts monitoring, self-regulatory organizations conduct self-regulation management, and establishing a regulatory coordination mechanism with financial regulatory authorities to strengthen information sharing and communication coordination.

Haiwen Comment

The Measures systematically establish a full-chain management system covering institutional access,

business standards, and behavioral supervision. By clarifying business boundaries, strengthening internal control requirements, and standardizing operational procedures, the Measures help enhance market transparency and transaction standardization, prevent conflicts of interest and market manipulation risks, and provide institutional safeguards for the stable operation of the interbank market.

2. The CSRC issued *the Implementation Measures for Regulatory Measures in the Securities and Futures Market (Draft for Comments)*

On November 28, 2025, CSRC issued the Implementation Measures for Regulatory Measures in the Securities and Futures Market (Draft for Comments) (the “**Implementation Measures**”), soliciting public comments with a deadline of December 28, 2025. The Implementation Measures consist of twenty-five articles, with the main contents including:

- (1) Clarifying the definition and types of regulatory measures, defining them as timely corrective actions taken by the CSRC and its local offices to protect public interests, prevent market risks, and maintain market order, and enumerating fourteen commonly used measures such as ordering corrections, regulatory interviews, issuing warning letters, and ordering public explanations;
- (2) Establishing the basic principles for implementing regulatory measures, requiring adherence to the principles of legality, efficiency, and fairness, implementation according to statutory procedures, timely correction of illegal activities, prevention of risk spread and harm expansion, and combining risk prevention with education;
- (3) Standardizing the procedures and time limits for implementing regulatory measures, stipulating that decisions should generally be made within six months of discovering illegal activities or risk hazards, extendable to two years in complex situations, and detailing procedural requirements such as prior notice, statement and defense, legal review, decision document preparation, and service;
- (4) Establishing a rapid response mechanism for emergency situations and supporting systems, clarifying that procedures can be simplified in emergencies such as major risk events, while also

specifying the relationship between regulatory measures and administrative penalties, the connection with the administrative law enforcement party commitment system, and the accountability mechanism for regulatory personnel.

Haiwen Comment

By clarifying the types of measures, standardizing implementation procedures, setting time limits, and establishing emergency response mechanisms, the Implementation Measures helps enhance the standardization, transparency, and predictability of regulatory enforcement, achieving the unity of precise supervision and risk prevention, and providing solid institutional safeguards for the high-quality development of the capital market.

3. AMAC issued the Detailed Rules on Investor Suitability Management for Publicly Offered Securities Investment Funds (Draft for Comments)

On November 12, 2025, the AMAC issued the Notice on Soliciting Public Comments on the Detailed Rules on Investor Suitability Management for Publicly Offered Securities Investment Funds (Draft for Comments), and released the Detailed Rules on Investor Suitability Management for Publicly Offered Securities Investment Funds (Draft for Comments) (the “**Rules**”) for public consultation. The deadline for submitting comments is November 26, 2025. The main contents of the Rules include:

(1) Scope of application and general requirements. The Rules apply to investor suitability management activities conducted by fund managers and fund distributors when selling publicly offered funds. They emphasize compliance-based, diligent and prudent performance of duties, requiring identification of investors’ risk preferences and loss-bearing capacity and matching funds with appropriate investors,

together with enhanced communication and risk disclosure to investors;

(2) Allocation of responsibilities and ex-ante assessment of distributors. Fund managers are required to prudently select fund distributors and assess, before entering into distribution agreements, the distributors' compliance/internal controls, IT systems, assessment mechanisms and investor service capabilities. The distribution agreement should specify, among others, responsibilities regarding knowing-the-investor, fund risk grading, suitability matching standards and execution of matching opinions, record-keeping, ongoing suitability management, and provision of evidence for complaints/litigation. Fund distributors, when selecting funds for distribution, must perform fund risk grading, investors' risk tolerance assessment and suitability matching, and must refuse to distribute a fund where the fund manager fails to provide complete information on the factors and results of fund risk grading;

(3) Process and methodological requirements for investor risk tolerance assessment and fund risk grading. The Rules cap the frequency of risk tolerance assessments (no more than twice per day with the same institution and no more than eight times within 12 months), and provide that assessment results are generally valid for no more than 12 months. They also require the establishment of a structured risk grading indicator system (including the quantitative/qualitative weighting, thresholds, etc.), and mandate a combined quantitative and qualitative approach taking into account factors such as equity exposure, historical NAV volatility and maximum drawdown, with consistency requirements across products. In addition, an annual review and dynamic adjustment mechanism is required, and distributors must not use a risk grading result lower than that determined by the fund manager when marketing a fund;

(4) Ongoing suitability management and enhanced requirements for key scenarios and investor groups. Where changes in investors' risk tolerance or fund risk rating result in mismatch, fund managers and distributors must promptly notify investors and adjust matching opinions. Enhanced duty of care is required when selling funds rated R4 or above to ordinary investors aged 65 and above. The Rules also address fund promotion via live streaming and non-face-to-face online sales by requiring embedded suitability controls, strengthened risk disclosures, and traceable record-keeping. AMAC may conduct self-disciplinary inspections and impose disciplinary measures, and suspected violations may be

referred to the CSRC or other competent authorities.

Haiwen Comment

The Rules further translate the “suitability” principle into more operational, traceable and enforceable standards. They tighten front-end governance by clarifying the division of responsibilities between fund managers and distributors and by introducing a “no complete risk-grading information, no distribution” rule. They also enhance process controls through caps on risk assessment frequency/validity, model-driven fund risk grading with annual review, embedded suitability management for live streaming and other non-face-to-face channels, and heightened duty of care when selling higher-risk funds to elderly investors. Fund managers and distributors may consider promptly reviewing their product risk grading methodologies, channel cooperation arrangements, online sales workflows, and record-keeping/ongoing management mechanisms to align with the upgraded self-regulatory expectations.

II Industry News

1. the CSRC issued *the Announcement of the CSRC on Launching the Pilot Program of Commercial Real Estate Investment Trusts (Draft for Comments)*

On November 28, 2025, CSRC issued the Notice on Public Solicitation of Comments on the “Announcement on Launching the Pilot Program for Commercial Real Estate Investment Trusts (Draft for Comments)” (the “**Announcement**”), with the comment period ending on December 27, 2025. The Announcement consists of eight articles and provides a systematic framework for the pilot program of

commercial real estate REITs, covering institutional arrangements and regulatory requirements. The key points are as follows:

(1) Clarification of the Positioning and Institutional Framework of Commercial REITs: Commercial REITs are closed-end publicly offered securities investment funds that primarily invest in commercial real estate asset-backed securities, acquire ownership or operational rights of commercial real estate, generate stable cash flows through professional management (including rents and service fees), and distribute the main profits to fund unit holders.

(2) Strict Requirements on Eligible Entities and Asset Conditions: Fund managers and custodians must comply with the Securities Investment Fund Law, the Measures for the Administration of the Operation of Publicly Offered Securities Investment Funds, and other relevant regulations. Fund managers are required to maintain a comprehensive investment management, asset operation, and risk control system. The underlying commercial real estate assets should align with national strategies and industrial policies, have clear ownership and completed legal procedures, and have established stable and continuous cash flows.

(3) Emphasis on Fund Manager Responsibilities: Prior to fundraising, fund managers must conduct comprehensive due diligence on the target commercial real estate and engage professional institutions for appraisal, legal, and audit services. When applying to raise a commercial REIT, fund managers are required to submit registration materials to the CSRC.

(4) Enhanced Regulatory and Institutional Coordination: The CSRC and its dispatched offices are responsible for registration oversight and risk monitoring/management, while exchanges and industry associations carry out self-regulatory duties. Matters not explicitly addressed shall refer to the Guidelines for Publicly Offered Infrastructure Securities Investment Funds (Trial) to ensure alignment between commercial REITs and the existing REITs framework.

2. the SSE and the SZSE issued the SSE Guidelines for the Application of Self-regulatory Rules for Funds No. 1—Index Funds and the SZSE Business Guidelines for Securities Investment Funds No. 1—Index Funds

On November 19, 2025, the SSE and the SZSE respectively issued the SSE Guidelines No. 1 on the Self-Regulatory Rules for Funds — Index Funds and the SZSE Guidelines No. 1 on Securities Investment Fund Business — Index Funds (collectively, the “**Index Fund Guidelines**”). The key contents are as follows:

(1) Scope of Application: The Index Fund Guidelines apply to fund managers of index funds listed and traded on the SSE and SZSE, including exchange-traded index funds and listed open-ended funds.

(2) Preparation Requirements for Development and Listing: During the development and listing of an index fund, fund managers must ensure adequate staffing, establish robust business procedures and technical systems, and comprehensively assess the feasibility of the proposed fund as well as its impact on the stable functioning of the market.

- The underlying index of non-broad-based equity index funds must meet specific criteria:
- The index must include no fewer than 30 constituent securities.
- The weight of any single constituent security shall not exceed 15%, and the combined weight of the top five constituents shall not exceed 60%.
- The index must have been published for at least three months (except for indices approved by the CSRC that align with national strategies and industrial policies).
- At least 90% of the index weight must consist of securities whose average daily trading value over the past year ranks within the top 80% of all listed stocks on the relevant exchange.

(3) Application and Approval Process for Fund Issuance: Prior to the fund issuance, fund managers are required to submit to the exchange:

- The fund issuance application;
- Documentation on compliance of the underlying index submitted during registration;
- A statement and commitment regarding any significant changes to the index or its compilation methodology;
- Approval documents from the CSRC for fund registration; and
- Any other materials required by the exchange.

If the underlying index and related materials meet the requirements, the exchange will proceed with the fund issuance process. After the index fund contract takes effect, the fund manager may submit a listing application to the exchange.

The source of Information

- <https://www.pbc.gov.cn/tiaofasi/144941/3581332/5901060/index.html>
- <https://www.csrc.gov.cn/csrc/c101981/c7598050/content.shtml>
- https://www.amac.org.cn/xwfb/tzgg/202511/t20251112_27034.html
- <https://www.csrc.gov.cn/csrc/c101981/c7598021/content.shtml>
- https://www.sse.com.cn/lawandrules/sselawsrules2025/fund/listing/c/c_20251119_10798956.shtml
- <https://docs.static.szse.cn/www/lawrules/rule/allrules/bussiness/W020251119531782152793.pdf>

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