



K&L Gates' Australian offices have an experienced team of lawyers providing legal advice to the investment management community. Our lawyers advise a wide range of participants in the local and global financial services industry and are regularly consulted on commercial, structuring and regulatory issues by wholesale and retail fund managers, banks, financial advisers, superannuation fund trustees, and financial services intermediaries.

Clients of K&L Gates Australia value the ability of our investment management practice to work through the rapidly evolving Australian regulatory regime and to deliver clear practical advice that focuses on their strategic and commercial goals.

### Global Platform

The K&L Gates' global platform, with broad, deep, and sophisticated investment management capability in Australia, Asia, the United States and the United Kingdom, gives our local and international clients seamless access to exceptional financial services counseling and assistance in the places that they need it. We regularly advise Australian investment product issuers on international distribution and outsourcing arrangements and often assist offshore investment managers wishing to offer products in Australia and the Asia Pacific.

### Our Capabilities

#### Fund Establishment and Operation

The investment management practice is experienced in establishing a wide variety of collective investment vehicles, targeted at wholesale or retail clients, using simple or complex investment strategies

in a range of asset classes. Clients seek our assistance with the preparation of disclosure documents and ongoing compliance obligations and to negotiate arrangements with a range of service providers to the investment management industry, including administrators, custodians and distributors.

Whatever the business model and the location of counterparties, we seek to develop innovative structures that maximise the strategic objectives of our clients.

#### Superannuation

Members of our team have been involved in Australia's superannuation industry since the introduction of mandatory employer contributions and are intimately familiar with the issues faced by industry participants in an increasingly complex legal and regulatory landscape. We regularly advise superannuation trustees and service providers on formal disclosure

obligations, the prudential supervision framework, board and investment governance matters, outsourcing arrangements and the delivery of financial advice and other services to members.

#### ASIC Licensing and Compliance

The Australian Financial Services Licensing regime is comprehensive and complex. Clients value our advice and assistance in licence applications and meeting the ongoing compliance obligations for licensees. We regularly assist clients in developing formal compliance programs and processes.

#### Regulatory Reform

Recent reforms to Australian regulations governing financial advice delivery and superannuation have been extensive, significantly increasing the compliance hurdles for regulated firms. We have kept at the forefront of these developments through participation in government and peak industry body consultation. Our clients have sought our help to respond pro-actively to the challenges of these reforms and to find the hidden opportunities.

#### Financial Planning

Distribution of financial products, particularly to retail clients, requires a developed compliance culture and sophisticated compliance processes. The duties imposed on retail client advisers in Australia are now very prescriptive, and clients often seek out

assistance to develop their compliance processes and train advisers. Financial planner fee arrangements have recently come under increased scrutiny, and we have experience assisting clients in auditing their remuneration practices and developing compliant fee-for-service models.

### Innovative Products

Many of our clients in the financial services industry are exploring new and innovative products and technology solutions. In assisting these clients, we bring to bear not just sound legal and regulatory knowledge, but also an ability to appreciate the value proposition of the product and to address any regulatory challenges creatively to ensure the product can be delivered.

### Mergers and Acquisitions

Our dynamic client base means we often work with K&L Gates' mergers and acquisition lawyers. Their strong technical ability, combined with deep industry knowledge, enable us to provide real value and market insight to clients looking to complete transactions.

### Interaction with Regulators

As a heavily regulated industry, providing financial services inevitably involves relationships with government regulators. Having advised many clients in their interactions with regulators, including in connection with regulatory investigations,

audits and, examinations, we offer a strategic perspective and assist clients manage the dialogue effectively.

### Governance

Corporate governance expectations have risen significantly in recent years, particularly in the financial services industry, and clients regularly consult us for practical guidance on governance matters. The management of conflicts now attracts increased prominence for superannuation fund trustees and financial advisers. A principled and practical approach is required to manage conflicts effectively, and we are well placed to assist our clients develop such an approach.

### Representative Matters

- Establishing a wholesale quantitative hedge fund investing in Asian equities, including preparing disclosure documentation and negotiating prime brokerage arrangements.
- Advising a managed fund platform operator about the implications of the Australian Federal Government's "Future of Financial Advice" reforms.
- Developing a financial advice delivery model for a superannuation fund and providing practical guidance to the advisers on regulatory compliance.
- Assisting numerous clients to apply for Australian Financial Services Licences and Australian Credit Licences.

- Advising U.S., European, and Asian investment managers about the Australian financial services regulatory regime, including the types of activities which could be conducted without formal licensing.
- Assisting a number of foreign fund managers and other financial service providers establish operations in Australia through applying for an AFSL or relying on specific mutual recognition exemptions.
- Advising a superannuation fund trustee about responding to the strategic implications of the Australian Federal Government's "Stronger Super" reforms.
- Advising a financial planning group in connection with its proposed acquisition of a key Australian stockbroker and research house, including conducting regulatory due diligence on the target's stockbroking activities.
- Advising a global payment facility provider about the Australian regulation of non-cash payment facilities and assisting it to respond to inquiries from Australian Securities and Investment Commission.
- Establishing a special purpose lending vehicle to provide mezzanine finance to small to medium enterprises, using funds raised through a collateralised note program.

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Learn more about our Investment Management practice at [klgates.com](http://klgates.com).

# K&L GATES

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