

What Chinese Banks and Companies Should Know About DOJ Overseas Subpoenas and Asset Seizures

July 10, 2018 | Client Update

Recent actions by the United States Department of Justice (“DOJ”) against Chinese companies in the technology sector made headlines. DOJ has also recently issued subpoenas to Chinese entities seeking information regarding U.S. sanctions compliance. In addition, the U.S. Government designated a number of Chinese and Hong Kong entities earlier this year for transacting with North Korean entities in violation of U.S. sanctions and more may follow, depending on the progress of high-level talks between the United States and North Korea.

These developments highlight the role that DOJ can have in sanctions enforcement at a time when the U.S. Government is increasingly focused on Chinese banks’ and companies’ business dealings with North Korea and Iran. Part I of this memorandum summarizes the means by which DOJ can obtain information held by Chinese banks outside of the United States concerning their customers and transactions. Part II of this memorandum discusses DOJ’s use of civil forfeiture proceedings in U.S. courts to indirectly seize the non-U.S. assets of Chinese companies through correspondent banking accounts maintained at U.S. banks or U.S. branches of Chinese banks.

If you have any questions regarding the matters covered in this publication, please reach out to any of the lawyers listed below or your usual Davis Polk contact.

John B. Reynolds III

+1 202 962 7143
john.reynolds@davispolk.com

Martin Rogers

+852 2533 3307
martin.rogers@davispolk.com

Will Schisa

+1 202 962 7129
will.schisa@davispolk.com

Yuan Zheng

+852 2533 1007
yuan.zheng@davispolk.com

This communication, which we believe may be of interest to our clients and friends of the firm, is for general information only. It is not a full analysis of the matters presented and should not be relied upon as legal advice. This may be considered attorney advertising in some jurisdictions. Please refer to the firm's privacy notice for further details.

Related materials

[Read the full update](#)