

CHINA IN THE NEWS



Joanna Zhou (周娜), now residing in Knoxville TN, immigrated to Indianapolis with her husband from Beijing in 2013, where she worked in Human Resources for a U.S. Fortune 500 company. She enjoys her new life with her husband and kept in touch with her LAAT friends and readers by contributing to this column.

China's new high-speed train debuts on Beijing-Shanghai route

China's next generation bullet train "Fuxing" debuted on the Beijing-Shanghai line on Monday. A CR400AF model departed Beijing South Railway Station at 11:05 a.m. for Shanghai. At the same time, the CR400BF model left Shanghai Hongqiao Railway Station for Beijing. The new bullet trains, also known as electric multiple units (EMU), boast top speeds of 400 kilometers an hour and a consistent speed of 350 kilometers an hour. The train was designed and manufactured by China. The train includes a sophisticated monitoring system that constantly checks its performance and automatically slows the train in case of emergencies or abnormal conditions. Thanks to a remote data-transmission system, a control center will be able to monitor the train in real time.

中国标准动车组“复兴号” 26日京沪高铁正式双向首发

6月26日11时05分，世界建设等级最高的京沪高铁两端，两列流线型的“子弹头”率先在京沪高铁两端的北京南站和上海虹桥站双向首发，分别担当G123次和G124次高速列车。他们有个共同的名字叫“复兴号”，这也标志着中国标准动车组时代的到来。“复兴号”实验速度可达时速400公里以上，与“和谐号”相比设计寿命更长，车内随时充电、连WiFi。

Mazda to recall RX-8 vehicles in China

Mazda will recall 361 imported vehicles in China due to faulty fuel pump components. The recall will involve RX-8 vehicles manufactured between April 14, 2005 and Feb. 15, 2008, according to the General Administration of Quality Supervision, Inspection and Quarantine. The recall will begin on July 24. The model in question may have problematic fuel feed pipes. In extreme cases, the oil leaked from the pipes may cause a fire.

马自达召回部分进口RX-8系列汽车存漏油火灾隐患

马自达(中国)企业管理有限公司向国家质检总局备案了召回计划，将自2017年7月24日起，召回2005年4月14日至2008年2月15日期间生产的部分进口2005年款RX-8系列汽车。据该公司统计，中国大陆地区共涉及361辆。本次召回范围内部分车辆由于燃油泵的树脂燃油管耐久性不足，在受到内部燃油压力和发动机、排气管产生的热影响后，燃油管会发生劣化。在此情况下持续使用时，可能导致燃油管劣化加剧，出现裂纹并发生漏油。某些情况下，可能发生火灾，存在安全隐患。马自达(中国)企业管理有限公司将为召回范围内的车辆免费更换新的燃油滤清器组件(内含燃油管)，以消除缺陷。

Disney CEO says Shanghai park "tremendous success" with 11 million visits in 1st year

The Walt Disney Company's chairman and CEO Bob Iger said Friday that its Shanghai theme park is a "tremendous success", logging more than 11 million visits in just a year. Attendance is better than he ever imagined and the company looks forward to welcoming many more in the years to come. Iger said at a ceremony held to mark the first anniversary of Shanghai Disney Resort. The resort, located in the district of Pudong, consists of Shanghai Disneyland -- the theme park, a Disneytown shopping and dining district, two hotels, and the Wishing Star Park recreational area. Disney called the Shanghai theme

park one of its most ambitious projects, as the most technologically advanced park to date, with the biggest, tallest castle of any Disney park and the first pirate-themed land. The resort has already announced its first post-opening expansion, a new immersive land themed on the Toy Story franchise set to open in 2018.

迪斯尼CEO认为上海迪斯尼大获成功

今年五月，上海迪士尼乐园迎来了第1000万名游客，截至目前为止，上海迪士尼的游客数量已经超过1100万人，平均每日接待3万名游客，这个数字是上海欢乐谷的六倍左右。盈利方面，截至2017年4月1日为止的2017财年迪士尼第二季度报告显示，该财季华特迪士尼公司营收为133.36亿美元，净利润同比增长11%，其中，上海迪士尼乐园表现亮眼，有望在2017财年实现盈亏平衡。同时，去年在中国内地，迪士尼通过8部影片获得了61.5亿的票房成绩。这一切，让迪士尼在中国的多元化业务受到关注，但挑战仍然存在。上海迪士尼度假区二期扩建工程已经开始启动，未来还将继续推进扩建工程。

Jiangsu's first private bank begins operation

The first private bank in east China's Jiangsu Province went into operation Friday. Headquartered in Nanjing, Suning Bank gained approval from China's banking regulator in December 2016, and was co-sponsored by seven private companies with a combined registered capital of 4 billion yuan (about 590 million U.S. dollars). The lender mainly provides financial support to small- and micro-sized firms.

江苏私人银行迅速崛起

成立不足两年时间，江苏银行私人银行业务可谓“一骑绝尘”，迅速成为国内城商行私人银行业务的发展标杆。随着零售业务向财富管理转型，新富阶层客群不断壮大，私人银行业务成为城商行的布局重点。江苏银行私人银行业务便是其中的后起之秀，2016年管理客户资产规模增幅达50%，增速为上市银行之首。江苏银行私人银行业务起步于2015年10月，截至2016年年底，该行高净值客户达1.79万户，资产规模达800亿元，两年增幅分别达到53%和50%。而截至今年一季度，该行客户数量已经超过2万，资产突破1000亿元，单季度增幅超过25%。成立不足两年时间，江苏银行私人银行业务可谓“一骑绝尘”，迅速成为国内城商行私人银行业务的发展标杆。

Beijing Hyundai to recall 43,764 cars over defective engines

Beijing Hyundai Motor will recall 43,764 vehicles over a defect that may lead to potential engine failure, according to China's top-quality watchdog. The affected vehicles are Santa Fe models with 2.4-liter Theta GDI engines produced between Nov. 29, 2012 and May 31, 2013 as well as those with 2.0-liter Theta GDI engines manufactured between Nov. 29, 2012 and Nov. 30, 2013, the General Administration of Quality Supervision, Inspection and Quarantine said on its website. The recall aims to address a manufacturing flaw that leaves debris in some engines, potentially restricting oil flow and causing engine failure. The company will replace the faulty engine parts for free. The recall will start on July 31.

现代召回部分全新胜达车型因发动机异常

日前，北京现代汽车有限公司根据《缺陷汽车产品召回管理条例》的要求，向国家质检总局备案了召回计划，召回部分全新胜达车型，共计43764辆。召回范围：(一)2012年11月29日至2013年5月31日期间生产的搭载韩国进口2.4L THETA GDI发动机的全新胜达汽车，共计29937辆；(二)2012年11月29日至2013年11月30日期间生产的搭载韩国进口2.0T THETA GDI发动机的全新胜达汽车，共计13827辆。召回原因：本次召回范围内的车辆，由于曲轴交叉油孔加工毛刺去除不良，产生的金属碎屑阻碍了机油流向主轴承，造成轴承不能充分润滑，轴承加速老化。造成发动机内部产生周期性的敲缸声，发动机故障灯以及机油报警灯点亮，长时间使用后可能产生抱轴现象，车辆失去动力，存在安全隐患。

'INTELLIGENT' EV MAKER AGREES TO BUY AM GENERAL PLANT



A Chinese-owned, Silicon Valley-headquartered company has announced an agreement to acquire the Mishawaka commercial assembly plant of South Bend-based AM General LLC. SF Motors says it plans to produce "environmentally-friendly, intelligent" electronic vehicles in St. Joseph County. The company is a subsidiary of Chongqing Sokon Industry Group and says it intends to retain the facility's full current work force and invest \$30 million into upgrades.

The plant, which employs around 430 in Mishawaka, is operated independently of AM General's military assembly plant in the area. MAP operations will not

be affected. SF Motors says it is not releasing financial details of the acquisition, but says the only current customer contract at the CAP is slated to expire at year's end, which would result in the shutdown of a production line. AM General's website says its commercial operations have assembled more than 1.5 million vehicles in more than 50 years, including the Hummer H1 and H2, Ford Transit Connect Electric, MV-1 paratransit vehicles and Mercedes-Benz R-Class.

SF Motors Chief Executive Officer John Zhang "this transaction represents a unique opportunity to grow our intelligent electric vehicle business through the addition of an existing production facility and a skilled work force. We are excited to work closely with our new Indiana-based team to produce SF Motors' next-generation electric vehicle in South Bend, Indiana, and we look forward to becoming a part of the local community and a strong contributor to Indiana's economic growth."

SF Motors recently set up its North American headquarters in the Silicon Valley and a research and development operation in Ann Arbor, Michigan. The company has ambitious plans in the U.S., which include establishing an EV clean mobility brand based on the West Coast that will source its parts primarily in the U.S. and create a supply chain in the country.

The acquisition is expected to close in the fourth quarter. It is awaiting industry approvals, as well as clearance from regulators in the United States and China.

Dr. Lawrence Lumeng 1939-2017



Dr. Lawrence Lumeng passed away peacefully on June 21, 2017 leaving a tremendous legacy in Indiana and the country. His family, friends, colleagues and students mourn the loss and shared the remembrance of his contributions last Sunday with Indiana Honored Guards opened the funeral service and the presentation of the American flag to Mrs. Lumeng.

Dr. Lawrence Lumeng was born in Manila, Philippines as a Chinese immigrant, and one of the six children of Ming Lu and Lucia Lin. In 1960, he graduated from Indiana University with a BS Degree in Bacteriology. In 1964, he graduated near the top of his class with an MD Degree at Indiana University School of Medicine (IUSM). He interned at the University of Chicago and then returned to IUSM for Internal Medicine residency and a subsequent fellowship training in Gastroenterology. From 1969 to 1971, he served in the US Army as a Major and a Research Internist stationed at the Walter Reed Army Medical Center. He was appointed Assistant Professor

INDY BUSINESS BULLETIN



'Hoosier Cities Among 'Lowest Cost of Living'

Three Indiana cities are ranked among the top 10 in the nation for having the lowest cost of living. The rankings from Niche.com were determined by metrics including home value, rent, gas prices and property taxes.

Steve Case: Startup Momentum Building in Indianapolis

AOL co-founder Steve Case says there's a "sense of possibility" surrounding the startup community in Indianapolis. The comment comes with Monday morning's announcement that the city will be part of a Case-led national tour highlighting communities that receive less attention for their entrepreneurial prowess than traditional hubs like the Silicon Valley and Boston. Rise of the Rest is in its third year and involves Case investing \$100,000 into five startups.

Indiana Key to \$31B in GE Orders

GE Aviation says its Indiana operations will play a large part in more than \$31 billion in orders and commitments the company announced at last week's Paris Air Show. GE's \$110 million jet engine assembly plant in Lafayette has more than 70 employees, and could grow to more than 230 when the LEAP engine program reaches peak production.

Anthem Reaches \$115M Data Breach Settlement

Indianapolis-based Anthem Inc. (NYSE: ANTM) has reached a \$115 million settlement agreement over the 2015 data breach involving nearly 80 million people. Attorneys for the plaintiffs in the class action lawsuit say the agreement, if approved by the court, would be the largest data breach settlement in history.

Indy Announces New Sister City

The city of Indianapolis has established its first Sister City relationship with an African country. The city's Office of International and Latino Affairs has developed the relationship with Onitsha, Nigeria, marking the ninth Sister City for Indy.

Borg Warner Center New Chapter in Noblesville

An executive with Michigan-based BorgWarner Inc. (NYSE: BWA) says employees will be able to "just feel the innovation, the collaboration, the creativity" of the company's new technical center in Noblesville. Vice President of Product and Manufacturing Strategy Tania Wingfield was on-hand today as the company broke ground on the \$28 million facility. She says the location, which will consolidate existing centers in Anderson and Pendleton, will allow for maximum retention of the employees at those operations.

Roche HIV Testing Technique Lands FDA Approval

FINANCIALLY SPEAKING

"Fiduciary Rule" or no, all financial advice is conflicted



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According to The Wall Street Journal, "a fiduciary—rooted in the Latin words 'fides' (faith) and 'fiducia' (trust)—is someone who must put your interests ahead of his or her own. That means acting prudently, revealing all relevant information, eliminating as many conflicts as possible and disclosing any conflicts that remain."

The Department of Labor's ("DOL") fiduciary rule ("Rule") was years in the making and holds financial professionals providing investment advice on retirement savings to a fiduciary standard (i.e. requiring them to act in customers' best interests, charge no more than reasonable fees and avoid misleading statements). The Obama administration had said conflicted advice costs U.S. families \$17 billion a year and reduces annual returns on retirement savings by a full percent. Opponents asserted the Rule would limit investment options and cause advisors to abandon smaller accounts.

The Rule was to be effective April 10, 2017, but on February 3rd President Trump ordered the DOL to further examine the Rule. The DOL subsequently postponed implementation of the Rule to June 9, 2017. Labor Secretary Alexander Acosta subsequently determined there was no legal basis for further delay.

Though effective now, the Rule may eventually be changed or even scrapped. In addition, new SEC Chair Jay Clayton has indicated the SEC intends to take a leading role in the discussion of a fiduciary standard covering all investors.

The U.S. Food and Drug Administration has approved a Premarket Approval Application for a new HIV testing technique developed by Roche Diagnostics in Indianapolis. The company says the technique could increase the likelihood of early detection of HIV infection.

High Alpha Formalizes Women in Tech Initiative

Indianapolis-based High Alpha has formalized an effort billed as "more intentional" professional development for the women of its portfolio companies. The Blue Angels initiative involves guest speakers and mentoring groups focused on community outreach and better representation in the tech community.

Consul-General: Indiana-Japan Ties Getting Stronger

The new Consul-General of Japan in Chicago says Indiana's strong incentive offerings and cooperation from economic leaders are keys to continued strong relations with the Asian nation. Naoki Ito, who represents Indiana and nine other Midwestern states, says there are currently about 280 Japanese companies operating in Indiana, supporting around 58,000 jobs. During a Studio(i) interview, Ito said, while the manufacturing and auto industries will lead that growth, he would like to see the relationship grow into other industries, including life sciences and aerospace.

Insurers Anthem, MDwise Leaving Indiana Exchange

The Indiana health insurance marketplace will have two fewer providers next year. Indianapolis-based Anthem Inc. (NYSE: ANTM) and MDwise Marketplace, also in Indianapolis, announced they will not be offering individual plans in Indiana through the federally-subsidized Affordable Care Act exchanges next year.

Lilly Completes San Diego Expansion

Indianapolis-based Eli Lilly and Co. (NYSE: LLY) has completed the \$90 million expansion of its Biotechnology Center in San Diego. Lilly says the new space will help foster and accelerate the discover of medicines in immunology, diabetes, oncology and neurodegeneration.

IKEA Adding EV Charging Stations in Fishers

IKEA says it is continuing its commitment to sustainability at its new location in Fishers. The Swedish retailer has announced plans to install three electric vehicle charging stations at the store, which is set to open this fall.

Purdue, Rolls-Royce Announce \$24M Aerospace R&D Partnership

Purdue University and Roll-Royce, which employs more than 4,000 Hoosiers, have announced a \$24 million partnership. The agreement, announced today by Governor Eric Holcomb and Rolls-Royce officials at the Paris Air Show, involves launching a turbine laboratory for gas turbine engine research and development at Purdue. It will be housed at Zucrow Laboratories on Purdue's campus, which is one of the largest propulsion labs of its kind at a university in the U.S.

Terminology is confusing. Registered investment advisers (RIAs) are registered with the SEC or state securities regulators and governed by the Investment Advisers Act of 1940, which already holds investment advisers to a fiduciary standard. RIAs typically charge fees based on a percentage of assets under management.

Stockbrokers who work as "registered representatives" of broker-dealers can earn commissions, other fees, and bonuses on stocks, bonds, mutual funds and other financial products they buy and sell for customers. Brokers are held to a lower suitability standard, which means the broker can recommend a security that is "suitable"—though not necessarily the best option for their customer.

Now that the Rule is effective, does that mean you can relax your vetting process? Absolutely not, as it's been proven time and again it's impossible to legislate ethical behavior. Regarding financial products, it will always be Caveat Emptor (let the buyer beware).

The three most important words in financial products are: Follow the Money. Ask your prospective advisor how much money she will make from the recommendation, the different ways she will receive it, both upfront and ongoing, and from whom. Is your firm or the company providing the product running a sales contest that could lead to additional benefits to you (like a trip)? Similarly, do any of the companies your firm works with offer "educational" trips? Finally, will your firm collect any "revenue sharing" fees because they have limited their platform to certain favored products and locked out others?

We are big believers in "eating our own cooking," so my favorite is, "how much of your own wealth do you have invested in the product you are recommending to me?"

There is no such thing as conflict-free advice, including mine. At the end of the day, it's all about trust. Remember, this isn't "Miracle on 34th Street" and the Macy's Santa isn't going to send you to Gimbel's.



of Medicine and Biochemistry at IUSM in 1971, advanced to Associate Professor in 1974, and then promoted to Full Professor in 1979.

Concurrently, he served as a Research Associate and later as a Clinical Investigator at the VAMC. He was appointed the Chief of the Division of Gastroenterology and Hepatology at IUSM from 1984 to 2007 and also at the VAMC from 1984 to 2003. He successfully built one of the foremost academic Gastroenterology divisions in the country that ranked continually in the top 15 since 1993. When he stepped down as Division Chief in 2007, the Division ranked #9 nationally as a top digestive disease unit in the country.

Dr. Lumeng published more than 300 full-length scientific papers, reviews, and book chapters. He was the recipient of a VA High Priority Research Program on Alcoholism (1979); elected to the American Society of Clinical Investigation (1980); recipient of an Annual Award for Scientific Excellence, RSA (1991); elected to the American Association of Physicians (1995); appointed to the Council of the Sagamore of the Wabash by Governor Frank O'Bannon, State of Indiana (2004), and recipient of two IU Trustee Teaching Awards (2004 and 2008). As tributes of his contributions to the Division of Gastroenterology and Hepatology, the Board of Trustees in 2008 approved in perpetuity an endowed Lectureship with him as the named holder and in 2016, also an endowed named Professorship.

Dr. Lumeng was honored in 2013 by Indiana Asian American Times and the Indiana History Center as a Living Legend of the Chinese American community.

Dr. Lumeng was survived by his wife, Pauline, his son & daughter-in-law, Dr. Carey Lumeng & Dr. Julie Lumeng of Ann Arbor, MI with three grandchildren, Avery, Payton, and Kieran; daughter & son-in-law, Emily & Mike McGibbon of Pelham NY with three grandchildren, Blythe, Tess, and Thomas; three siblings, Henry, James and Alice; and 19 nephews and nieces.