

## Paul Hastings Successfully Defends Against Allegations of Unregistered Chinese Agency



Paul Hastings LLP has secured a court order imposing sanctions on a group of Chinese nationals residing in the United States. The group had leveled accusations against the law firm, alleging that it operated as an unregistered foreign agent for the People's Republic of China.

The US District Court for the Southern District of New York swiftly dismissed the claim under the Foreign Agents Registration Act (FARA), deeming it "frivolous" and "patently untenable." The court cited the claim's failure to establish any injury linked to the actions of Paul Hastings or its co-defendant, firm partner Luc Despins.

The court ruling, delivered on Wednesday, revealed that the lawsuit was part of a broader strategy orchestrated to shield Ho Wan Kwok, a self-proclaimed billionaire-in-exile. Kwok had initiated an online campaign to harass Despins and his family. This campaign ensued after Despins was appointed as the Chapter 11 trustee for Kwok's controlled entities during the latter's bankruptcy proceedings in Connecticut.

**See also: [Paul Hastings Retains Position in Lawsuit as Coca-Cola's Bid Fails](#)**

Judge Valerie E. Caproni clarified that although Kwok wasn't directly involved as a party, he occupied a central position in the lawsuit. Caproni pointed out a pattern in the plaintiffs' counsel's behavior—frequently initiating baseless FARA claims against Kwok's adversaries. She highlighted the repetitive nature of these lawsuits, even noting an incongruous paragraph in the complaint that accused "Defendant Bo Shan of working as a spy for the CCP."

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This recent victory builds upon the Connecticut bankruptcy court's previous dismissal of conflict-of-interest allegations against Despins and Paul Hastings. The court had also issued an injunction prohibiting the plaintiffs from making unfounded claims that the defendants were affiliated with the Chinese Communist Party.

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Caproni not only dismissed the claims but also ordered the plaintiffs to cover attorneys' fees for Paul Hastings and Despins. The court justified this decision by pointing to the plaintiffs' counsel's disregard for the claims' merits, along with their conduct that defied the injunction from the Bankruptcy Court.

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