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Analysis on the Legal Motivations Behind the Innovation of Credit Enhancement Methods for Trust Products—From Credit Rating to Product Circulation

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This article discusses the innovation of credit enhancement methods for trust products. The original credit enhancement methods cannot fully cover the types of risks that trust products may encounter under the current economic environment, thus there is a significant demand for innovation in credit enhancement methods for trust products. Innovation is a rational market demand and reasonable existence for credit enhancement methods of the trust products. The innovation of credit enhancement methods of trust products means breaking through the constraints of the existing framework of credit enhancement methods. According to the needs of market development, new credit enhancement methods that meet the demands of economic development should be developed to activate market resources, and they should also be legally acceptable.

Keywords: trust products, credit enhancement, innovation in credit enhancement methods

Introduction

Since the outbreak of multiple trust product payment crises in 2012, the safety of trust products has attracted widespread attention from both mass investors and the industry. This has triggered discussions on the safety of trust products and the lagging nature of the original credit enhancement methods for trust products. It is generally believed that the original credit enhancement methods cannot fully cover the types of risks that trust products may encounter in the current economic environment. Therefore, the need for innovation in credit enhancement methods for trust products has been put on the agenda. From the perspective of the development of the trust market, innovation is a rational demand and reasonable existence for credit enhancement methods in trust products. The so-called innovation in credit enhancement methods for trust products means breaking through the constraints of the existing framework of credit enhancement methods, developing new types of credit enhancement methods that meet the needs of economic development according to the needs of market development, and activating market resources. According to the "resource allocation theory"[1] (Liu, 2008, p.

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[1] Neoclassical economists believe that optimal allocation of social resources can only be achieved in a fully competitive market environment. The assumption of resource scarcity is the basic premise for economic analysis. Due to the existence of resource scarcity, humans face the paradoxical situation of "limited resources and unlimited desires", making the optimization of resource allocation a core issue for neoclassical economists. See Liu Lingli, *Theory and Efficiency of Science and Technology Resource Allocation*, Enterprise Management Press, 2008, p. 37.

37) of neoclassical economics, in the operation of a market economy, resource allocation will promote the orderly flow of capital in physical form within the entire society according to market rules. Under the legal concept of statutory property rights, if the law can grant legal status to the diverse types of objects embodied in market-driven resource allocation, then the parties to trust product transactions will have more choices of external credit enhancement methods; conversely, if the law does not grant a legal status to these diverse types of objects, it will be unable to meet the diverse needs of parties to trust product transactions for financing guarantee methods in the development of the market economy. Therefore, although the innovation of credit enhancement methods for trust products is initiated by market demand, it should also be confirmed and recognized by law. This article will sort out and demonstrate the legal motivations for the innovation of credit enhancement methods for trust products.

Theoretical Analysis of Credit Enhancement Methods for Trust Products

Credit enhancement literally means increasing credit level. It can be understood as utilizing various effective means and financial instruments to enhance the payment security of trust products and ensure that investors receive investment returns on time. Credit enhancement is an effective means to reduce the risk of trust products. When the debtor fails to repay the trust property and its proceeds on time, credit enhancement methods can protect the basic rights and interest of investors and also safeguard the trust company's right to control the risk of trust products as a trustee. In China, the concept of "credit enhancement" was first introduced in the asset securitization business. Regulators require asset securitization originators to adopt certain credit enhancement measures to improve the credit of assets or securities (Peng, 2001, p. 28). Subsequently, this concept was expanded to apply to almost all financial products. Usually, when a new financial product is issued, due to the low acceptance and recognition of the new financial product in the market, the market credit rating of the new financial product is very low. Measures need to be taken to analyze, separate, restructure, and enhance the original credit of this new financial product. These measures to improve credit rating are known as credit enhancement. Especially in a market where there is asymmetric information between demand and supply of new financial products, whether a new financial product can be accepted by investors or the market, its credit risk level will play a very important role. Article 29 of the *Regulatory Measures for the Pilot Supervision and Administration of Credit Asset Securitization of Financial Institutions* issued by the China Banking Regulatory Commission in 2005 stipulates that:

> credit enhancement refers to the credit protection provided through contractual arrangements in the credit asset securitization transaction structure. Credit enhancement institutions provide a certain degree of credit protection to other participating institutions in the credit asset securitization transaction based on the obligations and responsibilities committed in relevant legal documents, and bear the corresponding risks in the credit asset securitization business activities,

and divides credit enhancement methods into internal credit enhancement and external credit enhancement[2].

[2] Article 30 of *the Regulations on the Supervision and Administration of the Pilot Program for Securitization of Credit Assets of Financial Institutions* states: "Credit enhancement can be provided through internal credit enhancement and/or external credit enhancement. Internal credit enhancement includes but is not limited to overcollateralization, asset-backed security layered structure, cash collateral account, and spread account. External credit enhancement includes but is not limited to standby letter of credit, guarantee, and insurance".

From the point of its nature view, trust products issued in the market are generally linked to their investment projects. Once fundamental aspects such as the macroeconomic cycle, industry development planning, or industrial policies change, these factors will have a significant impact on the risk of trust products through their investment projects. Credit enhancement involves analyzing these potential financial risks and restructuring the risk structure of trust products through specific mechanisms and a series of credit enhancement methods. At the same time, with the help of external credit guarantees, the original credit rating is upgraded to a high credit rating. Once the original credit of the issuer (trust company) and the financing party of the trust product is improved, the uncertainty in the original credit factors of the trust product can be reduced.

Credit enhancement can increase the market value of trust products and enhance their security, which has positive implications for both the financing party and issuers of trust products. The significance of credit enhancement for trust product investors lies in the fact that it can overcome potential risk factors arising from the novelty of trust products through internal or external credit enhancement methods, thereby increasing the value of trust products, enhancing their security, and effectively protecting investors' rights and interests. The significance of credit enhancement for trust product financing party lies in the fact that it can enhance the creditworthiness of trust products through internal or external credit enhancement methods, which means that trust product financing party can expand their fund-raising opportunities through these methods. In addition, credit enhancement can make the issuance of trust products no longer entirely dependent on the original credit of the financing party, thus activating the financings' assets with poor liquidity to some extent (Liu & Zhang, 2006, pp. 131-137).

Credit enhancement methods include external credit enhancement methods (such as third-party guarantees, bank credit, asset (pledge) mortgages (such as land use rights and property mortgages), etc.) and internal credit enhancement methods (mainly the application of priority/subordinate structuring) and other risk control measures (such as the use of dual guarantees of property pledge and credit guarantee). The innovation of credit enhancement methods for trust products is essentially an innovation of credit tools for credit creation and property rights creation. According to the aforementioned definition of financial innovation, this undoubtedly belongs to an innovation of financial means. The innovation of credit enhancement methods discussed by the author here also follows the principle of balancing risk and efficiency, that is, to maximize the efficiency of capital utilization while ensuring that the credit enhancement methods can guarantee the safety of investors' funds, in order to achieve the purpose of expanding the business of trust companies while facilitating corporate financing. At the same time, the innovation of credit enhancement methods for trust products is also beneficial to the development of trust companies. The innovation of credit enhancement methods for trust products is mainly reflected in the use of risk control measures for trust products. In addition to relying on the government credit of the state and government departments at all levels, as well as the credit of high-credit entities such as large enterprise groups or listed companies, external credit enhancement methods (such as commercial credit pledge of investor shareholders, asset or right (pledge) mortgages (such as forest right mortgage and accounts receivable pledge), etc.) and internal credit enhancement methods (including the establishment of trust industry security funds) can also be innovated.

Market Demand Factors for Innovation in Credit Enhancement Methods for Trust Products

The traditional credit enhancement methods for trust products are based on the starting and ending points of ensuring market transaction security. The institutional design revolves around transaction security, which in itself does not have any problems. However, under the current economic model, due to the contagious nature of risks, focusing solely on the transaction security of a single trust product is insufficient. It is also necessary to consider the safety and development path of the entire trust industry. If consideration is limited to safety, the development and innovation of the industry may be neglected, leading to the limitations of the "financialization" role of trust products. In terms of credit enhancement methods for trust products, safety should be the reasonable value orientation, while taking into account the positive development of the market, so that trust products can truly become a connecting channel for capital in the market. This creates a demand for innovation in credit enhancement methods for trust products in the market. Against the backdrop of "deepening economic system reform by firmly focusing on enabling the market to play a decisive role in resource allocation"[3] and "encouraging financial innovation and enriching the levels and products of the financial market"[4], only by expanding the types of financial innovation and reducing restrictive or prohibitive regulations on the scope of credit enhancement methods for trust products can the diversified financial service needs of the real economy be met. Considering the substantial differences in transaction modes and costs of trust products using different assets (movable and immovable property) as credit enhancement methods, market transaction entities should decide on specific credit enhancement methods based on their own allocation of property resources. In the presence of a multi-level and diversified financial market and abundant financial products, the market plays a decisive role in the allocation of financial resources (Yi, 2013, p. 132). This basic function of the market in optimizing resource allocation determines that market development will promote the acceleration of the frequency of optimizing social resource allocation. With changes in the needs of financing parties and investors' considerations regarding capital security, there is a demand for innovation in credit enhancement methods.

On the other hand, in order to fully and effectively control the risks of trust products, in practice, issuers of trust products also adopt a combination of multiple credit enhancement methods to ensure the safety of trust products. The combination of credit enhancement methods mainly includes the mortgage of land use rights, houses, or buildings under construction, the pledge of equity or other property rights, credit guarantees, and the mixed use of priority and subordinate structured designs. Due to the different specific structural designs of products, the actual effects of their credit enhancement methods vary greatly. Traditional third-party guarantees and collateral guarantees can no longer meet the needs of the market and investors. The innovation of credit enhancement methods is not only crucial for the success of fundraising by financing parties but also directly affects the development of the trust industry. In this sense, the innovation of credit enhancement methods for trust products is both necessary and feasible. Overall, the market demand for innovation in credit enhancement

[3] See Point (2) in Part I (The Significance and Guiding Ideology of Comprehensively Deepening Reform) of the "Decision of the Central Committee of the Communist Party of China on Several Major Issues Concerning Comprehensively Deepening Reform".
[4] See Point (12) in Part II (Upholding and Improving the Basic Economic System) of the "Decision of the CPC Central Committee on Several Major Issues Concerning Comprehensively Deepening Reform".

methods mainly comes from two aspects: first, the need for credit rating of trust products; second, the need to establish a circulation system for trust products.

One of the Legal Motivations for Innovating Credit Enhancement Methods for Trust Products: Based on the Need for Credit Rating of Trust Products

The Connotation of Credit Rating

What is “credit rating”? Credit rating was originally used for bond issuance, where the market or specialized credit institutions evaluated the creditworthiness of bonds and their issuers. Its basic function is to reveal the credit risk of financial products, publicizing the credit status of financial products through symbolic identifiers. Potential investors in the market can quickly and easily obtain objective and concise credit information about financial products through these symbolic identifiers, which facilitates investors’ investment decisions and helps them understand and control the credit risks faced by financial products (Xie & Xu, 2001, p. 125). With the continuous development of the financial market, the credit rating system has expanded from being widely used in the bond field to credit rating of other financial products beyond bonds. The reason why the credit rating system can effectively solve the problem of information asymmetry between investors and financiers of financial products is that most financial products do not have a stable physical form. It is difficult for investors to intuitively inspect the “quality” of financial products like ordinary commodities. The “quality” of financial products depends on many internal factors, such as a series of factors affecting investment returns and related risks. Therefore, when investors decide whether to purchase financial products, they need to have some understanding of their basic information.

Due to the asymmetric distribution of information among financial product entities, issuers or financing party of financial products have a better understanding of their own credit status and the situation of the financial products than investors. Therefore, issuers may selectively disclose relevant information to enhance the credit of their financial products. However, this can lead to investors making hasty investment decisions based on insufficient information, resulting in losses. From the perspective of investors, there is concern that issuers or financiers of financial products may provide false or incomplete information. In the absence of an effective information disclosure mechanism, investors find it difficult to identify the quality of financial products, which also leads to potential investors’ cautious attitude towards financial products. Once this caution becomes a normal state, it will affect investors’ enthusiasm and willingness to invest, making it difficult for issuers or financiers to achieve their subjective financing goals. This ultimately leads to opportunistic behavior of adverse selection (Akerlof, 1970, pp. 488-500), resulting in market behavior failure. The objectivity, fairness, and accuracy of credit rating results can alleviate the information asymmetry between investors and issuers to some extent. For information demanders, this is a formal channel to obtain credit status and information status of financial products, thereby protecting the interests of information demanders. The main purpose of credit rating is to enable both parties to obtain sufficient and necessary information, which can be used to facilitate successful transactions. This requires considering the following factors when conducting credit rating for financial products: the situation of the project to which the funds raised by the financial product are intended to be invested, market risks, main profit models, and most importantly, debt repayment guarantee measures. For trust products, it is the choice of credit enhancement methods.

At the same time, credit ratings can also promote the improvement of deficiencies in the evaluated financial products through differentiated credit level evaluation mechanisms, which actually plays a role in stimulating and guiding the market. The transparency of the capital market will also be correspondingly enhanced through reasonable and accurate credit rating evaluations of financial products, providing an information foundation for preventing systemic risks in the financial market (Qiu, 2014, pp. 18-23).

The Necessity of Conducting Credit Rating on Trust Products

With the increasing payment risks emerging in trust products, the China Banking Regulatory Commission (CBRC) issued the *Guiding Opinions on Risk Supervision of Trust Companie*s and the new *Guidance on Regulatory Rating and Classified Supervision of Trust Companies*[5] in 2014. This also indicates that, from the perspective of regulatory authorities, they have realized the significant adverse impact that the risks potentially triggered by the trust industry, trust companies, and trust products may have on the market. From the perspective of investors, many current investors of trust products do not pay enough attention to the market risks of trust products because they firmly believe in the "rigid payment" guarantee provided by trust companies or local governments for trust products.

The so-called "rigid repayment" is not a legal or economic concept. It represents an understanding and trust among investors that trust products will be paid upon maturity. Specifically, the author believes that it refers to the situation where, upon the maturity of a trust product, if the product cannot be paid on time or faces payment difficulties, the trust company needs to provide a backstop solution, such as using the trust company's inherent assets for payment. In fact, "rigid payment" is not a legally defined obligation stipulated by Chinese legislation, nor is it a contractual obligation of trust companies or financiers towards investors. It is merely a long-standing unwritten rule in the trust industry under regulatory guidance, aimed at requiring trust companies or financiers to ensure the safety of investors' funds (especially those of the public), so as to prevent large-scale collective investment incidents. "Rigid payment" essentially isolates investors from the risks that they and the trust products may encounter. The frequent occurrence of "rigid payment" has increasingly made investors unaware of the risks associated with trust products. While they enjoy high returns, they have lost their ability to bear risks. This lack of awareness of risk-bearing has led to trust products being fervently sought after by investors in the market. However, "rigid payment" itself violates market principles. Especially when market risks increase and the cumulative systemic and industry-specific risks of trusts reach a level beyond what trust companies can bear, substantial defaults on trust products will become inevitable. Therefore, it is necessary to establish a mature credit rating system that follows economic principles, to help investors fully understand the risks and safety measures of trust products when investing in them, make reasonable predictions of risks, and make rational investment judgments and decisions.

From the perspective of investor safety, credit ratings indeed provide investors with informational support for trust products. Currently, there is a growing call for credit ratings of trust products in China's financial

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[5] The introduction of these two documents further reflects the regulators' consideration of the risks associated with trust products. It requires that all newly issued trust products must be reported to the regulators one by one, in accordance with procedures and uniform requirements, 10 days prior to their issuance. The regulators do not conduct substantive reviews of specific products, but may take regulatory measures based on factors such as the regulatory rating of the trust company, net capital status, risk events, and compliance status.

market. The first legal document in China to require credit ratings for trust products was the *Notice on Investment of Insurance Funds in Relevant Financial Products* issued by the China Insurance Regulatory Commission in October 2012. This notice explicitly stipulates that for collective fund trust plans invested with insurance funds, "if they are fixed-income products, their credit rating should not be lower than Grade A or equivalent as rated by domestic credit rating agencies."[6] When conducting credit ratings for trust products, factors to be considered include the overview, feasibility, main risks, and risk prevention and control measures of the proposed investment projects using the raised funds. Among these, risk prevention and control measures account for more than 50%[7] of the entire credit rating process, indicating that credit enhancement methods that reflect safety are important considerations in credit ratings. On the other hand, from the perspective of the investor group of trust products, credit ratings of trust products are also a rigid demand. Investors often lack consistent and professional standards for evaluating credit risks, so they have higher requirements for risk diversification and investment diversification. This requires investors to understand and assess the risk characteristics and levels of trust products based on their own risk tolerance, and then allocate assets according to the risks of trust products and their own tolerance.

The Second Legal Motivation for Innovation in Credit Enhancement Methods for Trust Products: Based on the Need to Build a Circulation Mechanism for Trust Products

The liquidity of financial products is a crucial indicator for evaluating a financial product, and this is equally applicable to trust products. Due to the special status and regulatory requirements of trust products in China, there is currently no mature circulation mechanism specifically tailored for trust products in the country. Some scholars (Lin, Kong, & Li, 2008, p. 102) have suggested establishing a circulation system for trust products through three approaches. The first is the introduction of a "market maker"[8] mechanism, which mainly relies on a third party to fulfill the functions of a market maker and act as an intermediary for buying and selling. The second is the "trust-certificate pass"[9] model, which primarily involves constructing a centralized disclosure platform for transfer information of trust products. The third is the open-end trust approach, which mainly involves open liquidity arrangements for trust products, essentially being an "open-end trust fund akin to a money market fund" (Yin, 2006, pp. 363-367).

These models are still in the exploratory stage, and each approach faces insurmountable operational obstacles. As a result, a scientific circulation system for trust products has not yet been established in the market. The market liquidity of trust products still primarily relies on trustees, namely trust companies. Currently, the

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6 For details, please refer to Article 4 of the Notice on Financial Products Related to Insurance Fund Investment.

7 From Dingji Wealth Management Network, regarding the structural design of credit rating for trust products, according to this design, the evaluation system for trust products consists of indicators for safety, profitability, and liquidity, with full scores of 50, 40, and 10 points respectively. The safety indicator is subdivided into four sub-indicators: financing party strength, project profitability, guarantee measures, and trust company strength. Among them, guarantee measures include situations such as mortgage and pledge guarantees and surety guarantees, with different scores accumulated based on different circumstances. For specific details, please refer to http://www.dyxtw.com/news/2014-12-03/25586-2.html, accessed on December 27, 2014.

8 The "Chegongzhuang Dangerous Building Renovation Loan Trust Plan" launched by Zhongmei Trust (中煤信托) is a typical "market maker" mechanism, where the intermediary role of the market maker is played by Middling Coal Trust.

9 "Xinzhengtong" is actually a concept of a trust trading platform. Southwest Securities once made an attempt, but due to the cumbersome procedures, which required investors to go through specific formalities with various trust companies after confirming their intention to transfer, it failed to be widely promoted in the market.

transfer of trust beneficial rights is mainly conducted through non-public markets in the form of agreements. According to the provisions of the trust contract,[10] "the beneficiary may transfer the trust beneficial rights, but not in a divisional manner." Therefore, the circulation of trust products essentially involves the transfer of trust beneficial rights by the trust product holders. Since there is currently no specialized secondary circulation market for trust beneficial rights in China, this leads to a lack of a risk transfer mechanism for trust investment. Investors are unable to liquidate their held trust beneficial rights through public market transfers, nor can they effectively exit their trust investments, thus failing to leverage the circulation attributes of trust products as financial instruments. On the other hand, due to the lack of liquidity, trust companies must fulfill their obligation to make rigid payments in the event of a payment crisis. To avoid this risk, trust companies often miniaturize and shorten the scale of trust plans. From the perspective of the development and construction of the entire trust market, the lack of liquidity in trust products is not conducive to the large-scale development and growth of the trust market.

To better address this issue and facilitate the market liquidity of trust products, investors first need to have an intuitive understanding of the risks associated with trust products. This necessitates that the credit enhancement methods for trust products must be comprehensive and secure, reducing investors' concerns during subsequent transfers. The existing credit enhancement methods for trust products, such as real estate mortgage, which is the most popular among investors, may face a situation where the transfer of the trust product's beneficial rights is limited by certain procedures and publicity systems. For the transferee of the trust product's beneficial rights, it may only involve the transfer of the beneficial rights, but the rights subject determined by the credit enhancement method still belongs to the transferor or trust company, limiting the transferee's rights and subsequently affecting the transferee's enthusiasm for acquiring the beneficial rights of the trust product. Therefore, in order to establish a scientific and reasonable market mechanism for the circulation of trust products and ensure that the transferee's rights are fully protected by the credit enhancement methods, it is necessary to innovate the existing credit enhancement methods, so that the transferee of the trust product's beneficial rights can be transformed into the holder of the security rights, thereby enhancing investors' reasonable expectations for investing in trust products and facilitating the establishment of a circulation mechanism for trust products.

Conclusion

The innovation in credit enhancement methods for trust products is by no means an isolated technological evolution or a spontaneous market phenomenon. It embodies profound and complex legal motivations. This process vividly illustrates how law, as a crucial external regulatory environment and internal driving force, responds to the needs of financial practice, balances diverse interests, and guides the market towards maturity and standardization. The primary motivation of law lies in its core pursuit of risk redistribution and rights balance. Traditional credit enhancement methods are increasingly showing their limitations when dealing with complex financial practices. By providing new regulatory frameworks and standards for legitimacy judgments, such as the improvement of the unified registration system for chattel security, recognition of the effectiveness of non-typical security interests like "transferable guarantees", and judicial scrutiny of innovative structures like asset income rights pledges and trust beneficial rights stratification, law essentially offers new tools for risk restructuring and

[10] Given that the trust contracts for trust products/plans issued by existing trust companies are mostly in the form of standard texts, this article extracts their general terms for use.

distribution. This not only grants market entities greater room for institutional innovation but also attempts to establish a new, more refined balance between encouraging innovation, preventing risks, protecting investors' rights, and promoting financing efficiency by clarifying the boundaries of rights and obligations for all parties. In this context, law does not merely respond passively but actively shapes the pattern of risk distribution. Secondly, the adaptive changes and regulatory responses in law constitute another key motivation. Faced with the cross-market and cross-domain characteristics of trust business and the endless stream of structured designs, existing regulatory rules often lag behind and face challenges. Regulatory authorities, through departmental regulations, normative documents, and window guidance, continuously define, regulate, and guide credit enhancement innovations. For instance, the nature determination of buyback clauses, the legal effectiveness differentiation of deficiency payment commitments, and the penetrating supervision of various "explicit equity and implicit debt" transactions all reflect the efforts of law and regulation to maintain order, prevent regulatory arbitrage, and hold the bottom line of systemic risks in a rapidly changing market. This dynamic adaptation process itself is an important force driving the continuous evolution of credit enhancement methods towards compliance, transparency, and standardization. Furthermore, judicial practice provides indispensable stability expectations for the effectiveness of credit enhancement, which is essential for innovation. The Supreme People's Court, through the release of guiding cases and minutes of commercial trial meetings, has gradually unified the judicial standards for the legal effectiveness of various innovative credit enhancement measures. Judicial institutions' exploration of the parties' true intentions, substantive judgments of contract terms, and considerations of public interests and financial order provide a "touchstone" and "safety valve" for their innovations. An arrangement for credit enhancement that may ultimately obtain judicial enforcement is the one that market entities truly dare to adopt and trust. Therefore, the direction of judicial practice pre-guides the path and boundaries of innovation in credit enhancement methods. Finally, the cornerstone role of law in protecting investors and market confidence is the fundamental driving force for innovation. The sustainability of all financial innovations ultimately rests on the foundation of investor trust. By strengthening information disclosure obligations, regulating the establishment and publicity procedures of credit enhancement measures, and clarifying legal responsibilities for breaching credit enhancement commitments, the law greatly enhances the reliability and transparency of credit enhancement arrangements. Its ultimate goal is to attempt to transform "soft constraints" based on personal credit or vague commitments into "hard constraints" with legal enforceability, thereby fundamentally consolidating market confidence and safeguarding the long-term development of trust products.

Looking ahead, the innovation of credit enhancement methods for trust products will continue to be deeply embedded in the historical process of legal evolution. The modernization of the guarantee system in the era of the Civil Code, the continuous updating of financial judicial concepts, and the ongoing strengthening of functional and behavioral regulation will undoubtedly open up new possibilities and boundaries for credit enhancement innovation. However, despite all changes, the core motivation of the law remains unchanged: to guide trust credit enhancement innovation, from formal innovation to substantive security, ultimately serving the noble goal of financial services, serving the real economy, and protecting the legitimate rights and interests of financial consumers, by constructing a legal framework with clear rights and responsibilities, controllable risks, and effective remedies. In this process, the law is not only the regulator of innovation, but also an indispensable enabler and guardian.

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