

[Home](#) ▶ [News & announcements](#) ▶ [News](#) ▶ [All news](#)

SFC bans Poon Ming Pui for 10 months

13 Jan 2014

The Securities and Futures Commission (SFC) has banned Mr Poon Ming Pui from re-entering the industry for 10 months from 9 January 2014 to 8 November 2014 (Note 1).

The disciplinary action follows an SFC investigation which found that between June 2005 and April 2011, Poon conducted personal trading activities through securities accounts of others, and concealed his beneficial interests in and his personal trading activities conducted through these securities accounts from his then employers.

No client suffered any loss as a result of these activities. Nonetheless, it is plainly dishonest for a licensee to hide his own trading activities in the accounts of others.

The SFC considers Poon's misconduct called into question his fitness and properness as a licensed person. In deciding the sanction, the SFC took into account all relevant circumstances including Poon's misconduct lasted for more than five years; Poon's admission and co-operation with the SFC's investigation, and his otherwise clean disciplinary record.

End

Notes:

1. Poon was licensed under the Securities and Futures Ordinance to carry on Type 1 (dealing in securities), Type 4 (advising on securities) and Type 9 (asset management) regulated activities and was accredited to China International Capital Corporation Hong Kong Securities Limited from 5 October 2005 to 3 June 2009, China International Capital Corporation Hong Kong Asset Management Limited from 6 June 2008 to 20 June 2009, and Yuanta Securities (Hong Kong) Company Limited from 6 August 2009 to 21 April 2011. Poon is currently not accredited to any licensed corporation.
2. A copy of the [Statement of Disciplinary Action](#) in relation to the matter is available on the SFC website.

Page last updated : 13 Jan 2014

STATEMENT OF DISCIPLINARY ACTION

The Disciplinary Action

1. The Securities and Futures Commission (**SFC**) has prohibited Mr Poon Ming Pui (**Poon**)¹ from re-entering the industry for 10 months pursuant to section 194 of the Securities and Futures Ordinance (**SFO**).
2. The SFC found that during the period from June 2005 to April 2011, Poon had conducted trading activities through securities accounts of others without disclosing such activities to his then employers, China International Capital Corporation (Hong Kong) Limited ("**CICCHK**") and Yuanta Securities (Hong Kong) Company Limited ("**Yuanta Securities**").

Summary of Facts

3. The SFC found that during Poon's employment with CICCHK and Yuanta Securities, Poon had conducted trading activities through the securities accounts of two friends.
4. Between 2005 and 2007, Poon requested two of his friends to lend him their securities accounts to purchase shares in Company X. By mid 2007, Poon held a total of 30,000,000 shares in Company X in his friends' securities accounts. In July 2007, Poon instructed his friends to sell all these shares and started using some of the sale proceeds to trade in a number of other securities through one of the friends' securities account. The SFC found that between 2007 and 2009, Poon had traded in 83 shares through his friend's securities accounts.
5. Poon admitted that he had used his friends' securities accounts to trade in securities.
6. CICCHK and Yuanta Securities have written policies and procedures which require their employees to disclose their personal trading activities before joining their firms and annually.
7. The SFC found that Poon signed and submitted 3 annual declarations to CICCHK declaring that he did not maintain outside brokerage accounts. He did not disclose the trades which he conducted through his friends' securities accounts.

¹ Poon was licensed under the Securities and Futures Ordinance to carry on Type 1 (dealing in securities), Type 4 (advising on securities) and Type 9 (asset management) regulated activities and was accredited to China International Capital Corporation Hong Kong Securities Limited from 5 October 2005 to 3 June 2009, China International Capital Corporation Hong Kong Asset Management Limited from 6 June 2008 to 20 June 2009, and Yuanta Securities (Hong Kong) Company Limited from 6 August 2009 to 21 April 2011. Poon is currently not accredited to any licensed corporation.

8. The SFC also reviewed the declaration form and 3 annual acknowledgement forms submitted by Poon to Yuanta Securities and found that Poon also did not disclose to Yuanta Securities his personal trading activities in his friend's securities accounts.
9. Poon admitted that he had not reported his trading activities conducted through his friends' securities accounts to his employers. He knew that his employers required him to disclose his personal trading activities. However he concealed his trading activities conducted through his friends' securities accounts from his employers and did not disclose such activities when signing his employers' declaration and annual acknowledgement forms.

Conclusion

10. General Principle 1 of the Code of Conduct² requires a licensed person to act honestly, fairly and in the best interests of its clients and the integrity of the market.
11. Paragraph 12.2 of the Code of Conduct requires licensed corporation to implement procedures and policies on employee trading and to actively monitor the trading activities in their employees' accounts and their related accounts.
12. Poon's concealment of his personal trading activities from his employers was deliberate and dishonest. His conduct constitutes a breach of General Principle 1 of the Code of Conduct. It also circumvented his employers' policies and prevented his employers from monitoring his trading activities.
13. Having considered all the circumstances, the SFC is of the view that Poon is not fit and proper to be licensed and has decided to take the disciplinary action against Poon as described in paragraph 1 above.
14. In deciding the appropriate sanction, the SFC has taken into account all relevant circumstances, including that Poon's misconduct lasted for more than five years, his admission and co-operation with the SFC's investigation and his otherwise clean disciplinary record.

² Code of Conduct for Persons Licensed by or Registered with the SFC