

## SFC Suspends the Registration of a Dealer's Representative

10 Feb 1997

The Securities and Futures Commission ("SFC") announced today that it has suspended the registration of Mr Cheng Lung Hang Thomas ("Cheng") as securities dealer's representative for a period of 3 years effective today.

The action resulted from an inquiry initiated by the SFC under section 56 of the Securities Ordinance in relation to Cheng's trading malpractices through his brother's account maintained at Cheer Pearl Investment Limited, during the period January 1993 to February 1994, whilst he was employed as a floor trader of Okachi Investment (HK) Company Limited ("Okachi").

The investigation revealed that Cheng had been guilty of misconduct in that :

- a) Cheng actively participated in trading malpractices whereby he gained profits of at least \$800,000 through his brother's account;
- b) these profits were gained at the expenses of clients of Okachi and, in some instances, also denied the clients of other brokers best execution;
- c) Cheng provided facilities to the floor traders of other unspecified brokers whereby they could trade to the disadvantage of clients of both their employers and Okachi (an arrangement known as "buying insurance"); and
- d) Cheng concealed his personal trading from his employer, Okachi.

As a result, the SFC concluded that Cheng was guilty of misconduct and his acts and failures were prejudicial to the interests of the investing public. The period of suspension took into account the extent of Cheng's cooperation during the investigation.

Page last updated : 1 Aug 2012

## 證監會暫時吊銷交易商代表的註冊

1997年2月10日

證券及期貨事務監察委員會("證監會")今天公布,該會已暫時吊銷鄭龍恒("鄭氏")的證券交易商代表註冊,為期3年,由即日起生效。

證監會根據《證券條例》第56條就鄭氏於1993年1月至1994年2月,受僱為岡地投資(香港)有限公司("岡地")的出市員期間,透過其兄在繳寶投資有限公司開立的戶口以不當手法進行的交易作出查訊後,作出了上述暫時吊銷註冊的決定。

調查發現鄭氏曾經有以下的失當行為:

- a) 鄭氏以不當手法活躍地進行交易,而這些交易令他得以透過其兄的戶口獲利至少800,000元;
- b) 這些利潤是在有損岡地的其他客戶的利益的情況下而得來的,而且在有些情況下,更令到其他經紀的客戶的買賣盤無法按照當時的最佳價格獲得執行;
- c) 鄭氏為其他沒有特別指明的經紀的出市員提供利便措施,令他們能夠透過俗稱為"買保險"的安排進行交易,從而損害他們的僱主的客戶和岡地的客戶的利益;及
- d) 鄭氏向他的僱主岡地隱瞞其個人交易。

基於以上原因,證監會認為鄭氏犯了失當行為,而其作為及缺失有損投資大眾的利益。證監會就暫時吊銷註冊的年期作出決定時,已考慮到鄭氏在調查期間的合作態度。

如有任何查詢,請致電28409287與韋克志或陳志強聯絡。

最後更新日期:2012年8月1日