

SFC Takes Disciplinary Action Against a Dealing Director and a Dealer's Representative of Unicorn Securities Company Limited

17 Dec 1998

The Securities and Futures Commission announced today that it had:

- publicly reprimanded Mr Chan Kar-Lun Colin (Chan), a dealing director of Unicorn Securities Company Limited (Unicorn); and
- suspended the registration of Mr So Le-Hian (So), one of the dealer's representatives of Unicorn, for a period of 1 year.

The action resulted from an investigation by the SFC which found that So had, for a period of 3 months:

- conducted his own trading through the account of a client without the knowledge and consent of Unicorn;
- engaged in trading malpractices to the detriment of clients at Unicorn;
- booked error trades to a client's account thereby exposing Unicorn to market and credit risks which Unicorn was not aware of; and
- illegally short sold through a client's account.

It was also found that the activities of So went undetected because of internal control failings at Unicorn, including failures to:

- properly segregate duties and functions;
- have in place an adequate audit trail;
- monitor manual cross trades;
- have in place a staff dealing policy;
- have in place a system to identify possible illegal short selling and to monitor error trades.

Chan was responsible for these failings. He was also the dealing director directly involved in the handling of the account of a client, who was found to have engaged in illegal short selling through that account. In publicly reprimanding Chan the SFC had taken into consideration the following factors:

- the substantial steps taken by Unicorn's directors to rectify weaknesses in Unicorn's management and internal controls to the satisfaction of the SFC; and
- an apology by Unicorn and its directors for the company's failings.

Page last updated : 1 Aug 2012

[主頁](#) ▶ [新聞稿及公布](#) ▶ [新聞稿](#) ▶ [執法消息](#)

證監會對益群證券有限公司的交易董事及交易商代表採取紀律行動

1998年12月17日

證券及期貨事務監察委員會今天公布本會：

- 公開譴責益群證券有限公司〔益群〕的交易董事陳家倫〔陳氏〕；及
- 暫時吊銷益群的其中一名交易商代表蘇禮賢〔蘇氏〕的註冊資格，為期一年。

上述行動源自證監會的一宗調查，當中發現蘇氏在為期3個月的期間：

- 在益群不知情及未得益群同意的情況下，透過一名客戶的戶口進行私人買賣；
- 以不正當的手法進行買賣導致益群的客戶利益受損；
- 將錯誤的買賣盤記入客戶的戶口，致使益群在不知情的情況下承受市場及信貸風險；及
- 透過一名客戶的戶口進行非法沽空交易。

證監會的調查亦發現，由於益群未有執行妥善的內部監控，因而未能揭發蘇氏的不當行為。益群的監控措施的缺失包括：

- 未有適當地將不同的責任及職能分開執行；
- 未有備存充足的審計線索；
- 未有監察由人手進行的交叉盤買賣；
- 未有就僱員本身的買賣制訂政策；
- 未有制訂一套系統以識別出可能出現的非法沽空活動及監察錯誤的買賣。

陳氏應對上述缺失負責。與此同時，身為交易董事的陳氏亦直接參與處理其中一名客戶的戶口，而調查結果發現該名客戶透過其戶口進行非法沽空交易。證監會在決定公開譴責陳氏時已考慮下列因素：

- 證監會對益群的董事其後採取以改善益群的管理及內部監控不足一事的措施感到滿意；及
- 益群及其董事已就該公司欠缺妥善的內部監控一事道歉。

最後更新日期：2012年8月1日