

## SFC Suspends Lau Yin Ying Bonnie for Facilitating Unlicensed Dealing Activities

31 Jan 2005

The SFC has suspended Ms Lau Yin Ying Bonnie, a licensed representative of Berich Brokerage Limited (Note 1), for three months from 28 January 2005 to 27 April 2005 (both dates inclusive) for facilitating unlicensed dealing activities, pursuant to the decision of the Securities and Futures Appeals Tribunal (SFAT).

An SFC investigation into suspected unlicensed dealing activities at Berich revealed that, from May 2000 to September 2002, Lau had hired her friend to assist her in receiving clients' orders, relaying clients' orders to the dealing room and confirming executions with clients, even though her friend was not licensed by the SFC (Note 2).

Lau knew that her friend was not licensed, yet she facilitated her friend's unlicensed activities by allowing her friend to handle clients' orders for more than two years.

The SFC concluded that the fitness and properness of Lau had been called into question and originally decided to suspend her for four months. In determining the penalty for Lau, the SFC took into account her personal circumstances, her co-operation with its investigation and her frank admission to and genuine remorse for her misconduct.

Lau appealed to the SFAT against the SFC's decision to suspend her. The SFAT affirmed the SFC's position that unlicensed dealing activities will not be tolerated. It also recognised that public reprimand was an insufficient sanction for facilitation of unlicensed dealing and that a period of suspension was warranted in this case. After considering the personal mitigating factors of Lau, the SFAT decided that Lau should be suspended for three months.

Mr Alan Linning, SFC's Executive Director of Enforcement, said: "The licensing regime is a cornerstone of the Hong Kong securities regulatory system. Licensing of intermediaries is to ensure that only honest, competent and financially sound people may handle others' securities investments. Lau's permission of her friend's unlicensed dealing activities for more than two years showed that she deliberately disregarded the licensing regime. As such, she deserves a suspension of her licence."

Ends

Notes to Editor:

1. Lau is a licensed representative in Type 1 (dealing in securities), Type 4 (advising on securities), Type 6 (advising on corporate finance) and Type 9 (asset management) regulated activities.
2. This case has been concluded with no prosecution.
3. A copy of the SFAT's Reasons for Determination is available on the SFAT's website at [www.sfat.gov.hk](http://www.sfat.gov.hk).

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