

SFC suspends CMS's former responsible officer Wu Yinong for 18 months

27 Feb 2019

The Securities and Futures Commission (SFC) has suspended the licence of Mr Wu Yinong, a former responsible officer (RO) of China Merchants Securities (HK) Co., Limited (CMS), for 18 months from 25 February 2019 to 24 August 2020 for breaching the SFC's Code of Conduct and the Sponsor Guidelines (Notes 1, 2 & 3).

Wu was a sponsor principal in charge of supervision of the execution of a listing application in 2009 for which CMS was one of the sponsors (Note 4).

The SFC found that Wu failed to discharge his duties as a sponsor principal and an RO of CMS, in that he had failed to:

- exercise due skill, care and diligence in handling the listing application;
- ensure the maintenance of appropriate standards of conduct and adherence to proper procedures by CMS; and
- diligently supervise his subordinates and the sponsor work undertaken by CMS.

In determining the sanction, the SFC took into account Wu's cooperation and willingness to resolve the SFC's concerns.

End

Notes:

1. Wu was approved by the SFC to act as an RO and a sponsor principal of CMS in respect of its Type 6 (advising on corporate finance) regulated activity from 13 October 2006 to 9 October 2012 and 28 February 2007 to 9 October 2012, respectively.
2. Code of Conduct for Persons Licensed by or Registered with the Securities and Futures Commission.
3. Additional Fit and Proper Guidelines for Corporations and Authorized Financial Institutions applying or continuing to act as Sponsors and Compliance Advisers.
4. The SFC's disciplinary action against Wu is related to its ongoing disciplinary actions against CMS and its co-sponsor for the listing application in question. The SFC will not disclose the details of its disciplinary action against Wu until the conclusion of its actions against CMS and its co-sponsor.

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