

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

SFC Suspends the Registrations of Chan Shek Hong Raymond for Unregistered Portfolio Management and Breaching the Code of Conduct

22 Nov 2002

The SFC has suspended the registrations of Mr Chan Shek Hong Raymond for six months.

The SFC started an inquiry into Chan after receiving a complaint from one of his clients. Chan entered into a private agreement with the client in July 2001 whereby the client agreed to let Chan use her account maintained with Phillip Securities (HK) Limited for a certain period. In return, Chan agreed to cap the investment amount in the client's account at \$600,000. He also guaranteed a monthly return of at least \$30,000 for the client's investments and agreed to make up all the losses incurred in the account.

Chan traded beyond the \$600,000 limit on the third day of trading and continued to make more transactions to earn more commission. Eventually, the client suffered losses of about \$200,000. Chan refused to compensate the client and attempted to avoid liability by claiming that the private agreement was void. The excessive trading conducted by Chan in the client's account exposed the client to unnecessary financial risks.

Chan has breached:

- section 49 of the Securities Ordinance by providing portfolio management services to a client without being registered as an investment adviser;
- the internal policy of his employer by managing that client's account on a discretionary basis without obtaining the proper authorization;
- General Principle 1 of the Code of Conduct by attempting to avoid liability in his dealings with that client and making excessive transactions in that client's account to earn more commission; and
- General Principle 2 of the Code by exceeding an agreed investment limit which exposed that client to unnecessary financial risks.

The SFC concluded that Chan was guilty of misconduct and his fitness and properness had been called into question. The SFC therefore decided to suspend his registrations for six months.

Mr Alan Linning, Executive Director of Enforcement, said: "A person may only provide portfolio management services to clients if he is properly registered with us as an investment adviser. Mr Chan was not. Unregistered investment advisory activities are strictly prohibited. Mr Chan knew this but chose to ignore the law. Mr Chan's conduct was disreputable and unethical."

"A registered person must act responsibly and use his best efforts to try to rectify any mistake committed by him in his dealings with clients. Where a registered person is authorized to manage a client's account on a discretionary basis, he must justify each investment decision he made for his client and must not engage in excessive trading which exposes his client to unnecessary financial risks. We will treat any breaches of these requirements seriously," Mr Linning said.

Chan is a securities and commodities trading dealer's representative accredited to Phillip Securities (HK) Limited and Phillip Commodities (HK) Limited respectively.

Ends

Page last updated : 1 Aug 2012

證監會因陳錫康無牌管理投資組合及違反操守準則而暫時吊銷其註冊

2002年11月22日

證監會已暫時吊銷陳錫康的註冊，為期6個月。

證監會是在接獲陳氏一名客戶的投訴後對陳氏展開查訊的。在2001年7月，陳氏與該名客戶簽訂私人協議書，有關客戶同意讓陳氏在某段期間之內使用其在輝立證券(香港)有限公司開立的帳戶，而陳氏則答應會將其透過該客戶帳戶進行的投資限制在600,000元之內。陳氏亦保證該名客戶的投資每月最少可獲得30,000元的回報，並同意承擔該帳戶招致的所有虧損。

陳氏在進行有關交易的第3天便超出該600,000元的限額。陳氏其後繼續進行更多交易，以賺取更多佣金。最後，該名客戶蒙受約200,000元的損失。陳氏拒絕向該名客戶作出賠償，並企圖以有關私人協議書並不具法律效力來迴避責任。陳氏透過該名客戶的帳戶進行大量交易，使該名客戶蒙受不必要的財務風險。

陳氏違反了：

- 《證券條例》第49條，在沒有註冊為投資顧問的情況下，向客戶提供投資組合管理服務；
- 其僱主訂立的內部政策，在未獲得適當授權的情況下，以全權委託方式管理有關客戶的帳戶；
- 《操守準則》的一般原則1，企圖逃避其須就有關交易而對該名客戶負上的責任，以及利用有關客戶的帳戶進行過量的交易以賺取更多佣金；及
- 《操守準則》的一般原則2，超出所協議的投資限額，使該名客戶蒙受不必要的財務風險。

證監會認為陳氏的行為失當，而其適宜作為註冊人的資格亦受到質疑。因此，證監會決定暫時吊銷其註冊，為期6個月。

法規執行部執行董事李顯能表示：“任何人都必須在證監會註冊成為投資顧問，才可以向客戶提供投資組合管理服務。陳氏並非證監會的註冊投資顧問。無牌投資顧問活動是被嚴格禁止的，但陳氏卻明知故犯。他的行為是不光彩及不道德的。”

“註冊人必須以負責任的態度行事，以及必須盡最大努力試圖補救任何其在與客戶進行交易時所犯的錯誤。若註冊人獲委託全權管理客戶的帳戶，便必須證明其替有關客戶作出的每個投資決定都是合理的，同時亦切不可進行過量交易，以免有關客戶蒙受不必要的財務風險。我們將嚴厲對付違反這些規定的個案。”李顯能說。

陳氏是隸屬於輝立證券(香港)有限公司及輝立商品(香港)有限公司的證券及商品交易商代表。

完

最後更新日期：2012年8月1日