

SFC Reprimands and Fines Richard John Patterson

23 Oct 2003

The SFC has reprimanded and imposed a disciplinary fine of HK\$287,372 on Mr Richard John Patterson, a licensed representative of Citigroup Global Markets Asia Limited (CGMA) (Note 1) under the Securities and Futures Ordinance (SFO).

Patterson carried out dealings in securities during the period from 19 March to 16 May 2003 when he was not licensed. CGMA had submitted a licensing application to the SFC on 18 March 2003, but the application was not approved until 17 May 2003.

In deciding the amount of fine to impose, the SFC has taken into consideration all the circumstances of the case and has had regard to the Disciplinary Fining Guidelines (Note 2). These include:

- the nature of Patterson's misconduct, its duration and frequency;
- that Patterson will not benefit from his misconduct by reason of CGMA's disciplinary action in withholding a relevant proportion of any bonus due;
- Patterson's previous clear disciplinary record and his contrition;
- Patterson's relative seniority within the management of CGMA;
- Patterson's co-operation in CGMA's internal investigation and report to the SFC; and
- that no loss or damage has been suffered by clients, market users or the public generally.

The SFC notes CGMA reported Patterson's unlicensed dealing after an internal investigation and has co-operated with the SFC.

Mr Alan Linning, SFC's Executive Director of Enforcement, said: "The SFC views unlicensed dealing in securities seriously. This is the first fining decision following the implementation of the SFO. All the circumstances of the case justify the exercise of the SFC's fining power and the level of fine imposed. We are pleased that CGMA reported the unlicensed dealing to the SFC in a timely manner and demonstrated a high degree of co-operation."

Ends

Notes:

1. Patterson worked for CGMA from 15 December 1999 to 20 October 2000 before being transferred to an affiliate of CGMA in Taiwan. Patterson was relocated to Hong Kong and his employment with CGMA recommenced on 17 March 2003. Patterson was appointed Head of Asia Pacific Markets Sales Trading at CGMA shortly after his transfer from Taiwan on 11 April 2003.
2. The Disciplinary Fining Guidelines were issued by the Commission in April 2002 pursuant to section 199(1)(a) of the SFO.

Page last updated : 1 Aug 2012