

SFC bans Jacky Cheung Chiu Hung for two years

12 Sep 2019

The Securities and Futures Commission (SFC) has banned Mr Jacky Cheung Chiu Hung, a former employee of Hang Seng Bank Limited, for two years from 12 September 2019 to 11 September 2021 (Note 1).

The disciplinary action arose from an SFC investigation which found that Cheung, a relationship manager at the material time, had conducted three unauthorized transactions in the accounts of a customer between December 2015 and January 2016.

Cheung also forged the customer's signature on the bank's instruction forms to facilitate the unauthorized transactions.

The unauthorized transactions involved the switching of an investment fund in the customer's investment account and two unauthorized fund transfers from the customer's personal consolidated bank account to her credit card account (Notes 2 & 3).

The SFC considers Cheung's conduct dishonest and calls into question his fitness and properness to be a registered or licensed person.

In deciding the sanction, the SFC took into account all relevant circumstances, including the bank's financial loss resulting from Cheung's misconduct and his otherwise clean disciplinary record.

The case was referred to the SFC following an investigation by the Hong Kong Monetary Authority (HKMA).

End

Notes:

1. Cheung was registered as a relevant individual of Hang Seng Bank Limited between 8 May 2013 and 29 February 2016 to carry on Type 1 (dealing in securities), Type 4 (advising on securities) and Type 7 (providing automated trading services) regulated activities under the Securities and Futures Ordinance. Cheung is currently not registered with the HKMA nor licensed by the SFC.
2. General Principle 1 of the Code of Conduct for Persons Licensed by or Registered with the SFC (Code of Conduct) provides that a licensed or registered person should conduct business activities honestly, fairly, and in the best interests of its clients and the integrity of the market.
3. Paragraph 7.1(a) of the Code of Conduct provides that a licensed or registered person should not effect a transaction for a client unless before the transaction is effected (i) the client, or a person designated in writing by the client, has specifically authorized the transaction; or (ii) the client has authorized in writing the licensed or registered person or any person employed by the licensed or registered person (who must in turn be a licensed or registered person) to effect transactions for the client without the client's specific authorization.

[A copy of the Statement of Disciplinary Action is available on the SFC website](#)

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證監會禁止張釗洪重投業界兩年

2019年9月12日

證券及期貨事務監察委員會（證監會）禁止恒生銀行有限公司前僱員張釗洪（男）重投業界，為期兩年，由2019年9月12日至2021年9月11日為止（註1）。

證監會經調查後決定採取上述紀律行動。調查發現，張在關鍵時間為客戶經理，於2015年12月至2016年1月期間曾於某客戶的帳戶進行三項未經授權交易。

張亦在銀行的交易指示表格上偽冒該客戶的簽名，以進行該等未經授權交易。

該等未經授權交易涉及在該客戶的投資帳戶內轉換投資基金，以及兩次未經授權下將資金由該客戶的個人綜合銀行帳戶轉往其信用卡帳戶（註2及3）。

證監會認為，張的行為並不誠實，令他作為註冊人或持牌人的適當人選資格受到質疑。

證監會在決定上述紀律處分時，已考慮到所有相關情況，包括張的失當行為導致銀行蒙受財政損失及張過往並無遭受紀律處分的紀錄。

本個案由香港金融管理局（金管局）經調查後轉介證監會跟進。

完

備註：

1. 張在2013年5月8日至2016年2月29日期間獲註冊為恒生銀行有限公司的有關人士，以進行《證券及期貨條例》下第1類（證券交易）、第4類（就證券提供意見）及第7類（提供自動化交易服務）受規管活動。張現時沒有名列於金管局的紀錄冊上，亦非證監會的持牌人。
2. 《證券及期貨事務監察委員會持牌人或註冊人操守準則》（《操守準則》）第1項一般原則規定持牌人或註冊人在經營其業務時，應以誠實、公平和維護客戶最佳利益的態度行事及確保市場廉潔穩健。
3. 《操守準則》第7.1(a)段規定持牌人或註冊人不應為客戶進行交 易，除非在進行交 易之前：(i) 已獲得該客戶或其以書面指定的人士特定授權進 交 易；或(ii) 該客戶已經以書面授權持牌人或註冊人或任何受僱於該持牌人或註冊人的人士（本身亦必須為持牌人或註冊人），即使在未有該客戶特定授權的情況下，仍可為其進 交 易。

[有關紀律行動聲明載於證監會網站](#)

最後更新日期：2019年9月12日

STATEMENT OF DISCIPLINARY ACTION

The Disciplinary Action

1. The Securities and Futures Commission (**SFC**) has banned Mr Cheung Chiu Hung Jacky (**Cheung**)¹ from re-entering the industry for a period of two years pursuant to section 196(1)(iii) of the Securities and Futures Ordinance.
2. Cheung was registered as a relevant individual and engaged by Hang Seng Bank Limited (**HSB**) between 8 May 2013 and 29 February 2016 to carry on Type 1 (dealing in securities), Type 4 (advising on securities) and Type 7 (providing automated trading services) regulated activities under the Securities and Futures Ordinance. Cheung is currently not registered with the Hong Kong Monetary Authority (**HKMA**) or licensed by the SFC.
3. The SFC found that in December 2015 and January 2016, Cheung conducted three unauthorized transactions in the accounts of a customer of HSB (**Customer**), and forged the Customer's signature on the instruction forms to facilitate the unauthorized transactions in breach of:
 - (a) General Principle 1 of the Code of Conduct for Persons Licensed by or Registered with the SFC (**Code of Conduct**), which provides that a licensed or registered person should act honestly, fairly, and in the best interests of its clients and the integrity of the market (General Principle 1 of the Code of Conduct); and
 - (b) Paragraph 7.1(a) of the Code of Conduct which provides that a licensed or registered person should not effect a transaction for a client unless before the transaction is effected: (i) the client or a person designated in writing by the client has specifically authorized the transaction; or: (ii) the client has given a written authorization to a licensed or registered person to effect transactions for the client without the client's specific authorization.
4. Cheung's conduct also called into question his fitness and propriety to be registered as a relevant individual of a registered institution or licensed by the SFC, and his ability to perform regulated activities honestly and reliably.

Summary of Facts

5. Cheung was a relationship manager at a branch of HSB (**Branch**).
6. The Customer maintained an investment fund account (**Investment Account**), a personal consolidated bank account (**Consolidated Account**) and a credit card account (**Credit Card Account**) with HSB.

1st Unauthorized Transaction

7. An investment fund subscription and switching application form dated 15 January 2016 (**Fund Switching Form**) showed the Customer purportedly gave instructions to HSB to switch 37,724.855 units from a JP Morgan Asia

Fund (**JP Asia Fund**) to a JP Morgan Global Bond Fund (**JP Global Fund**) in the Investment Account.

8. On 18 January 2016, HSB completed the fund switch from the JP Asia Fund to the JP Global Fund in the Investment Account in accordance with the instructions on the Fund Switching Form.
9. In a meeting on 24 March 2016, the Customer told HSB that she did not authorize the switching of 37,724.855 units from the JP Asia Fund to the JP Global Fund on 15 January 2016. The Customer discovered the unauthorized fund switch after she received a confirmation letter from HSB of the transaction. The Customer also told HSB that she did not visit the Branch on 15 January 2016 nor signed the Fund Switching Form.
10. Cheung admitted the Customer did not authorize him to switch her funds from the JP Asia Fund to the JP Global Fund in the Investment Account. Cheung claimed he had discussed recent market volatility with the Customer and advised her to switch her funds to lower risk products to reduce her risks. Cheung further claimed the Customer agreed the reduction of risks and a balanced portfolio was a priority, and that she would revert to him later. When the Customer did not revert later that day, Cheung admitted he proceeded to complete the Fund Switching Form and forged the Customer's signature on the form to switch the funds from the JP Asia Fund to the JP Global Fund. When the Customer discovered the unauthorized fund switch a few days later, Cheung lied and told the Customer that, following a systems upgrade at HSB, he had the authority to switch funds for customers.

2nd and 3rd Unauthorized Transactions

11. Two account withdrawal forms both dated 15 December 2015 (**Account Withdrawal Forms**) showed the Customer purportedly signed the forms to transfer two separate sums, HK\$153,819.44 and HK\$2,190.20, from the Consolidated Account to the Credit Card Account (**Fund Transfers**). The Fund Transfers were executed on the same day.
12. The Customer informed HSB that she did not authorize the Fund Transfers.
13. Cheung claimed that the Customer sought his assistance in settling the outstanding balance in the Credit Card Account, and he therefore conducted the Fund Transfers to settle the outstanding balance. Cheung admitted he did not inform the Customer about the method that he would use to settle the outstanding balance in the Credit Card Account, but claimed he informed the Customer once the Fund Transfers were completed. Cheung further admitted he completed the information in the Account Withdrawal Forms and forged the Customer's signature on the forms without her knowledge and authorization.

Compensation paid by HSB

14. HSB reversed Cheung's unauthorized fund switch in the Investment Account at a loss of HK\$31,455.10. The loss was borne by HSB.

Conclusion

15. The SFC is of the view that Cheung's conduct was dishonest and in breach of General Principle 1 and paragraph 7.1(a) of the Code of Conduct, and called into question his fitness and properness to be registered with the HKMA or licensed by the SFC.
16. In deciding the disciplinary sanction set out in paragraph 1, the SFC has taken into account all relevant circumstances, including that Cheung's forging of the Customer's signatures on the Fund Switching Form and Account Withdrawal Forms to facilitate the unauthorized transactions was dishonest, his misconduct caused HSB to suffer a financial loss of HK\$31,455.10, and his otherwise clean disciplinary record.

紀律行動聲明

紀律行動

1. 證券及期貨事務監察委員會（**證監會**）依據《證券及期貨條例》第 196(1)(iii)條禁止張釗洪先生（**張**）¹重投業界，為期兩年。
2. 張在 2013 年 5 月 8 日至 2016 年 2 月 29 日期間註冊為有關人士，受聘於恒生銀行有限公司（**恒生**）進行《證券及期貨條例》下第 1 類（證券交易）、第 4 類（就證券提供意見）及第 7 類（提供自動化交易服務）受規管活動。張現時沒有名列於香港金融管理局（**金管局**）的紀錄冊上，亦非證監會的持牌人。
3. 證監會發現，在 2015 年 12 月及 2016 年 1 月，張曾於某恒生客戶（**該客戶**）的帳戶中進行三項未經授權交易，並在交易指示表格上偽冒該客戶的簽名，以進行該等未經授權交易，違反了：
 - (a) 《證券及期貨事務監察委員會持牌人或註冊人操守準則》（《**操守準則**》）第 1 項一般原則，當中規定持牌人或註冊人應以誠實、公平和維護客戶最佳利益的態度行事及確保市場廉潔穩健；及
 - (b) 《操守準則》第 7.1(a)段，當中規定持牌人或註冊人不應為客戶進行交易，除非在進行交易之前：*(i)*已獲得該客戶或其以書面指定的人士特定授權進行交易；或*(ii)*該客戶已經以書面授權持牌人或註冊人，即使在未有該客戶特定授權的情況下，仍可為其進行交易。
4. 張的行為亦令他作為獲註冊機構的有關人士或獲證監會發牌的適當人選資格，以及他誠實可靠地履行受規管活動的能力受到質疑。

事實摘要

5. 張曾是恒生某分行（**該分行**）的客戶經理。
6. 該客戶於恒生持有投資基金帳戶（**該投資帳戶**）、個人綜合銀行帳戶（**該綜合帳戶**）及信用卡帳戶（**該信用卡帳戶**）各一個。

第一項未經授權交易

7. 一份日期為 2016 年 1 月 15 日的投資基金認購及轉換申請表格（**該基金轉換表格**）顯示，該客戶看來是指示恒生將該投資帳戶中的 37,724.855 個單位由 JP Morgan Asia Fund（**摩根亞洲基金**）轉至 JP Morgan Global Bond Fund（**摩根國際債券**）。
8. 於 2016 年 1 月 18 日，恒生按照該基金轉換表格上的指示，完成在該投資帳戶內基金的單位由摩根亞洲轉換到摩根國際債券。

9. 在 2016 年 3 月 24 日的會面上，該客戶告知恒生她沒有在 2016 年 1 月 15 日授權將 37,724.855 個單位由摩根亞洲基金轉換為摩根國際債券。她是在收到恒生就有關交易的確認信後，才發現該項未經授權的基金轉換。該客戶亦告知恒生，她在 2016 年 1 月 15 日既沒有前往該分行，亦沒有簽署該基金轉換表格。
10. 張承認該客戶沒有授權他將她於該投資帳戶中的基金單位由摩根亞洲轉換為摩根國際債券。張聲稱曾與該客戶討論到近期市場波動的情況，並建議她將基金轉換為風險較低的產品以減低風險。張又聲稱該客戶同意減低風險和將投資組合保持平衡至關重要，以及表示稍後會回覆他。由於該客戶當日其後沒有給他回覆，張承認他著手填寫該基金轉換表格，並在表格上偽冒該客戶的簽名，將基金單位由摩根亞洲轉換為摩根國際債券。當該客戶數日後發現該項未經授權的基金轉換時，張向該客戶訛稱隨著恒生的系統升級，他有權為客戶轉換基金。

第二及第三項未經授權交易

11. 兩份日期均為 2015 年 12 月 15 日的帳戶提取表格（該等帳戶提取表格）顯示，該客戶看來曾簽署表格，將兩筆分別為 153,819.44 港元及 2,190.20 港元的款項由該綜合帳戶轉至該信用卡帳戶（該等資金轉移）。該等資金轉移於同日執行。
12. 該客戶告知恒生，她並無授權進行該等資金轉移。
13. 張聲稱該客戶尋求他協助以結清該信用卡帳戶內的欠款，故他遂進行該等資金轉移以結清欠款。張承認沒有知會該客戶他會用何種方法結清該信用卡帳戶內的欠款，但聲稱在該等資金轉移完成時便已立即通知該客戶。張又承認，他在該客戶不知情及沒有給予授權的情況下，在該等帳戶提取表格上填寫資料及偽冒她的簽名。

恒生支付的賠償

14. 恒生還原了張於該投資帳戶中的未經授權基金轉換，引致 31,455.10 港元的損失，由恒生自行承擔。

結論

15. 證監會認為張的行為並不誠實，違反了《操守準則》第 1 項一般原則及第 7.1(a)段，令他作為獲金管局註冊或獲證監會發牌的資格受到質疑。
16. 證監會在決定第 1 段所述的紀律處分時，已考慮所有相關情況，包括張在該基金轉換表格及該等帳戶提取表格上偽冒該客戶簽名以進行該等未經授權交易是不誠實行為；他的失當行為導致恒生蒙受 31,455.10 港元的財政損失；及他過往無遭受證監會紀律處分。