

# Scrutiny of SFC Landmark Cases in the Past 26 Years (1989 to 2015) - Invaluable Lessons and Insights Distilled from These Cases

by  
Mr. Stephen Suen,  
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Stephen Suen, formerly a Director of Enforcement of The Securities and Futures Commission (**SFC**), is now a practicing barrister-at-law specializing in the following areas of litigation and advisory work:

- Contraventions of Securities and Futures Ordinance (**SFO**), Takeovers Code, Listing Rules, Code of Conduct for Persons Licensed by or Registered with the **SFC**
- Market misconduct e.g. market manipulation, insider dealing, disclosure of false/misleading information
- White collar crimes, money laundering, fraud

During the 30 years from 1983 to 2013, Mr. Suen has four rewarding yet exciting professional careers in both public and private sectors. Mr. Suen started his first career as a Police Inspector with Royal Hong Kong Police Force in 1983. During the seven years with the Police force (the last three years with Commercial Crime Bureau (**CCB**)), Mr. Suen participated in a number of high profile and complex commercial crime cases. These cases earned him commendations from the Police and High Court Judge.

In 1989, Mr. Suen joined the newly set up **SFC** to enforce securities and futures laws. In 1999 Mr. Suen was promoted to Director of Enforcement. He was responsible for leading and supervising teams of accountants and lawyers in the investigation and prosecution of insider dealing, market manipulation, intermediaries' misconduct, and referral of fraud and corruption cases to **CCB** and **ICAC** respectively.

In 2007 Mr. Suen joined a Hong Kong listed company as its executive director and deputy managing director. Mr. Suen was also a Responsible Officer (**RO**) of four licensed corporations in the listed company. He was responsible for the supervision of seven different types of regulated activities (**RA**). These **RA** included dealing and advising in both securities and futures contracts, margin financing, corporate finance and assets management.

Mr. Suen has accumulated altogether 30 years of solid and practical experience and knowledge in the enforcement of **SFO** and commercial crime investigations. Mr. Suen's specialties include advising on investigation and prosecution vis-a-vis insider dealing, market manipulation, intermediaries' disciplinary proceedings, Code of Conduct, Listing Rules, Takeovers Code and commercial crimes.

Mr. Suen's professional qualifications include Postgraduate Certificate in Laws (**PCLL**), Juris Doctor, Master in Accountancy, and Bachelor of Social Science (Economics). Mr. Suen is a member of Hong Kong Bar Association, Hong Kong Institute of Certificate Public Accountants and Hong Kong Securities and Investment Institute.



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In this seminar Mr. Suen will scrutinize **SFC** landmark cases that have significantly impacted on the Hong Kong financial market during the past 26 years from 1989 (when **SFC** was established) to the present - 2015 with a view to reflecting and distilling the invaluable lessons and insights that can be learnt from these cases. Mr. Suen will also examine recent **SFC** cases to identify the trend, development and focus of **SFC** enforcement priorities. Audience of the seminar will acquire a better and deeper understanding of the changes and driving forces that shaped and underpinned the enforcement work of the **SFC** during the past two and half decades.

#### Topics and cases to be covered in the seminar include:

- Statutory framework of **SFO** in regulating market misconduct and related offences
  1. Part X - Powers of intervention and proceedings
  2. Part XIII - Market Misconduct Tribunal (**MMT**)
  3. Part XIV - Offences relating to dealings in securities and futures contracts, etc.
  4. Part XI - Securities and Futures Appeal Tribunal (**SFAT**)
  5. Process Review Panel (**PRP**)
- **SFO** Enforcement process and procedures (Part VIII - Supervision & investigations)
  1. S.182, 183, 184, 185, 186, 187 - Powers of investigations
  2. S.191 - Magistrate's warrants
  3. S.378 - Preservation of secrecy
- **SFC** landmark cases in the past 26 years include:
  1. **Challenges of SFC statutory powers** *vis-à-vis* compelling power to give self-incriminating answers
  2. **'Ping Pang Ball'** - *warrant* manipulation
  3. **Ernst & Young (EY)'s non-compliance** with **SFC** S.183 Notice
  4. **Oxford** - the *invisible* controller
  5. **Du Jun** - the insider dealer who received 7 years maximum imprisonment sentence in District Court
  6. **Daido** - examination of Director's recklessness by **CFA**
  7. **Shanghai Land** - the *infamous* market manipulation
  8. **Tiger Asia** - **CFA** confirms the *free standing* jurisdiction of s.213 of **SFO**
  9. **Hontex** - Application of s.213 for a breach of s.298 of **SFO**
  10. **PCCW** - *vote* manipulation
  11. **Tsoi Bun** - the first prosecution of market manipulation in *futures* contracts
  12. **Paragon** - the *first and last* Insider Dealing Tribunal (**IDT**)'s findings being judicial reviewed and quashed
  13. **CITIC Pacific** saga - insider dealing by its finance director
  14. **Crownhampton** - underpinned changes in the rules on *know your client* (**KYC**)
  15. International City Holding (**ICH**) - one of Hong Kong's *earliest* insider dealing case (1984)
  16. **Success** - insider dealing by the *girl-friend* of a connected person
  17. **Lafe** - from *toothless* to *sharp teeth* law
  18. **Hong Kong Chinese Bank** - a classic case of insider dealing by *an analyst*
- Invaluable lessons and insights from these **SFC** landmark cases
- Recent trend, development and focus of **SFC** enforcement priorities

The contents of the seminar and views expressed by Mr. Suen are solely his own and personal views. All the information and figures shown in the seminar are publicly available and can be accessed via the websites of Financial Services and Treasury Bureau (**FSTB**), The Judiciary, Insider Dealing Tribunal (**IDT**), Market Misconduct Tribunal (**MMT**) and Securities and Futures Commission (**SFC**).

Scan to Calendar



Code:	<b>EVT000000054</b>	Level:	<b>Intermediate</b>
Date:	<b>21 April 2015 (Tuesday)</b>	Language:	<b>English</b>
Time:	<b>14:30 - 17:45</b> (Reception starts at 14:00)	Accreditation(s):	<b>LSHK 3.0 CPD Points</b> (LSHK Allocated Number: 20150254) <b>SFC 3.0 CPT Hours</b>
Venue:	<b>Kornerstone Institute</b> 15/F, Hip Shing Hong Centre 55 Des Voeux Road Central Central, Hong Kong	Request for Rerun:	<b>Please Contact Us for Details</b>



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