

SFC Prosecutes Yip Po Keung for Short Selling

12 Jul 2007

The SFC has successfully prosecuted Mr Yip Po Keung, a licensed representative of Okachi Investments (HK) Co Ltd, for short selling warrants.

An SFC investigation found that from 2 March to 4 April 2006, Yip sold various quantities of SG-HSBC@EC0607A and KCCLIFE@EC0608B through an account at Okachi when he did not have sufficient warrants on hand, in contravention of section 170 of the Securities and Futures Ordinance. Section 170(1) prohibits the sale of securities when the person does not have a presently exercisable and unconditional right to sell them.

Yip pleaded guilty to 12 summonses today before Mr Douglas Yau, a Magistrate at Eastern Magistracy. He was fined \$24,000 in total and ordered to pay investigation costs of \$13,500 to the SFC.

Ends