

SFAT affirms SFC decision to ban David Tsien Pak Cheong for insider dealing

28 Sep 2010

The Securities and Futures Commission (SFC) has banned Mr David Tsien Pak Cheong (Note 1), a former equity salesman of JP Morgan Securities (Asia Pacific) Ltd (JP Morgan), from re-entering the industry for 10 years from 22 September 2010 to 21 September 2020.

The SFC's decision to ban Tsien was upheld by the Securities and Futures Appeals Tribunal (SFAT), which varied the SFC's initial decision to ban Tsien for life (Note 2).

The disciplinary action follows a finding by the Market Misconduct Tribunal (MMT) that Tsien, together with two other parties, engaged in insider dealing in respect of the shares of China Overseas Land and Investment Ltd (COLI) (Note 3).

End

Notes:

1. Tsien was licensed under the Securities and Futures Ordinance to carry on Type 1 (dealing in securities) and Type 4 (advising on securities) regulated activities and was accredited to JP Morgan (or the companies taken over by it earlier) from 1988 to 2006. His licence was revoked in April 2006 and he does not currently hold an SFC licence.

2. The SFAT comprised the Hon Justice Saunders, Chairman of the SFAT, Mr Frederick Tsang Sui Cheong and Ms Florence Chan Yuen Fan. The SFAT's [reasons for determination](#) is available on its website at www.sfat.gov.hk.

3. The MMT found that Tsien, between 7 January 2004 and 26 January 2004, disclosed inside information to two other parties in respect of negotiations between JP Morgan and COLI in relation to a top-up placement of the latter's shares. The two other parties then separately sold COLI shares to avoid the loss in the value of those shares, flowing from what they believed would be a fall in the market price of COLI shares following disclosure of the relevant information to the market. The MMT's report is available on its website at www.mmt.gov.hk.

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