

Enforcement Actions

17 September 2002

SFC Prosecutes Hung Siu Lin Katherine for Contravening the Securities (Disclosure of Interests) Ordinance

The Securities and Futures Commission announces today that it has successfully prosecuted Ms Hung Siu Lin Katherine, a Non-Executive Director of Cheung Kong (Holdings) Limited, under the Securities (Disclosure of Interests) Ordinance.

Hung pleaded guilty to four summonses relating to her failure to report to the Hong Kong Exchanges and Clearing Limited (HKEx) and Cheung Kong following her acquisition of 34,000 units of RODEO (Return or Discount Equity Options) warrants in respect of the shares of Hutchison on 16 February 2001 and failure to report within five days after taking possession of 34,000 shares of Hutchison on 25 April 2001 upon exercise of the RODEO warrants. Hung had neither notified the HKEx nor Cheung Kong regarding her acquisition of the RODEO warrants and only notified HKEx and Cheung Kong on 27 August 2001 of her taking possession of 34,000 shares of Hutchison on 25 April 2001, a delay of almost four months.

Ms Polly Lo, a Magistrate at Western Magistracy, fined Hung a total of \$24,000 and ordered her to pay costs of \$18,802 to the SFC.

An SFC spokesman reminds listed company's directors (both executive and non-executive) that they are required to report not only the acquisition of Equity-linked Instruments, whether conditionally or unconditionally, but also any subsequent take up of the physical stocks. In addition, their disclosure obligations extend to any interests they have in the shares of associated companies.

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