

## Enforcement Actions

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**25 June 1999**

### **Cheerful Commodities Inquiry Result**

The Securities and Futures Commission (SFC) announced today the result of its inquiry into the operations of Cheerful Commodities Company Limited (as it was formerly known) covering the period January 1995 to October 1997.

In March 1998 Cheerful Commodities Company Limited was sold and became known as Celestial Commodities Limited. The SFC's inquiry related to matters that occurred prior to the change of ownership.

Deficiencies were identified in respect of Cheerful Commodities Company Limited's internal control systems and procedures, in particular the lack of appropriate procedures to ensure that the registration provisions of the Commodities Trading Ordinance (CTO) were complied with. In this regard the SFC found that Mr Law Chor Yam (Mr Law), one of the accredited dealers, was responsible for these failures as he had knowledge of the activities of staff and, knowing that registration was required, took no steps to ensure that the staff member was properly registered with the SFC. In addition, on the instructions of the previous management Mr Law had caused a client's account opening documents to be altered so as to accord with his understanding of the operation of the account.

In view of these findings, the SFC has suspended the registration of Mr Law for a period of 6 months.

As the deficiencies identified were associated with the previous controlling shareholders and management and as the new controlling shareholders and management have taken immediate and significant steps to remedy the situation, including the appointment of a leading firm of accountants to thoroughly review their operations, the SFC believes that further action against the registered entities is not necessary.

An SFC spokesman said that the SFC will not tolerate senior management of a registered entity failing to discharge their management responsibilities thereby putting the integrity of their firms at risk.

*Page last updated: 7 November 2001*

## 時富商品查訊結果

1999年6月25日

證券及期貨事務監察委員會(證監會)今天公布就前稱 **Cheerful Commodities Company Limited** 的時富商品有限公司在 1995 年 1 月至 1997 年 10 月期間的運作進行的查訊的結果。

在 1998 年 3 月，時富商品有限公司易手並改名為 **Celestial Commodities Limited** (中文名稱仍為時富商品有限公司)。證監會的查訊只涉及時富商品有限公司的擁有權易手之前的事宜。

證監會的查訊發現，當時時富商品有限公司的內部監控系統及程序存在不足之處，尤其是欠缺適當的程序，以確保《商品交易條例》中有關註冊的條文得到落實。證監會發現當時其中一名隸屬時富商品有限公司的交易商羅楚欽(羅氏)須就該等缺失負責，原因是羅氏知悉若干僱員從事買賣活動，並且明知有關僱員必須取得註冊，但卻未有採取任何措施以確保僱員在證監會取得註冊資格。此外，羅氏在當時的管理層的指示之下，導致一名客戶的開戶文件遭更改，以配合其對該戶口的運作的理解。

基於上述發現，證監會決定暫時吊銷羅氏的註冊，為期 6 個月。

上述被識別出的缺失涉及該公司先前的控權股東及管理層，而新的控權股東及管理層已採取即時及顯著的措施以糾正有關情況，包括委託一家具規模的會計師事務所全面檢討該公司的運作。因此，證監會認為沒有必要向有關註冊機構採取進一步行動。

證監會的發言人表示，證監會絕不會允許註冊機構的高級管理層疏於履行其管理責任，因而危害公司的妥善運作。

最後更新日期：2012年8月1日