

Enforcement collaboration of HKMA and SFC – Chan Ka-hey banned for six months

The following is issued on behalf of the Hong Kong Monetary Authority:

Chan Ka-hey has been banned from re-entering the industry for six months by the Securities and Futures Commission (SFC) (Note 1) following an investigation and referral by the Hong Kong Monetary Authority (HKMA).

The investigation by the HKMA found that Chan is not fit and proper to be a relevant individual for having cut and pasted a customer's signature onto a direct debit authorisation form (DDA Form) when handling the customer's instruction to set up a direct debit authorisation for her insurance policy in July 2018 (Note 2) in an attempt to deceive his employing bank and the insurance company that the DDA Form was signed by the customer. In April 2021, the HKMA issued a notice of decision to suspend Chan from the industry. Before the HKMA's disciplinary decision could take effect, Chan ceased to be registered as a relevant individual with the HKMA in May 2021 and the HKMA thus referred the case to the SFC for consideration of appropriate disciplinary action (Note 3).

The Executive Director (Enforcement and AML) of the HKMA, Ms Carmen Chu, said, "This action is the result of close enforcement collaboration between the HKMA and the SFC to deter improper behaviour and to send a coherent message to the industry. Regulated persons are reminded of the importance of carrying out their duties with high level of honesty and integrity, especially given the special trust on them by clients. Deceptive act is clearly not in the interest of customers or regulated persons themselves."

Note 1: Please see the SFC's press release dated July 28, 2022, for details, which is available on its website at www.sfc.hk.

Note 2: At the material time, Chan was a relevant individual engaged by Standard Chartered Bank (Hong Kong) Limited to carry on Types 1 and 4 regulated activities under the Securities and Futures Ordinance. Chan is currently not registered with the HKMA or licensed by the SFC.

Note 3: As the statutory power to discipline a former relevant individual rests with the SFC, the HKMA referred the case to the SFC to consider appropriate disciplinary action against Chan.