

11 July 2012

### **SFC revokes licence of Edmond Leung Chi Keung and bans him for 10 years**

The Securities and Futures Commission (SFC) has revoked the licence of Mr Edmond Leung Chi Keung and banned him from re-entering the industry for 10 years from 11 July 2012 to 10 July 2022 (Note 1).

The SFC's disciplinary action follows a finding by the Market Misconduct Tribunal (MMT) that Leung, together with Mr David Tsien, a former equity salesman of JP Morgan Securities (Asia Pacific) Ltd (JP Morgan) and Mr Steve Luk, a former fund manager of JF Asset Management Ltd, had engaged in insider dealing in the shares of China Overseas Land and Investment Ltd (COLI) (Note 2 and 3).

Subsequent to the commencement of the SFC's disciplinary action, Leung obtained leave to appeal to the Court of Appeal against the finding made against him by the MMT. In April 2012, the Court of Appeal dismissed Leung's appeal and reaffirmed the MMT's finding. The SFC's disciplinary action, which was put on hold pending the outcome of Leung's appeal, was reactivated following the judgment handed down by the Court of Appeal (Note 4).

End

#### Notes:

1. Leung was licensed under the Securities and Futures Ordinance to carry on Type 4 (advising on securities) and Type 9 (asset management) regulated activities and had been accredited to Cheetah Investment Management Limited from November 2005 to May 2012.
2. The MMT found that, between 7 January 2004 and 26 January 2004, Tsien disclosed inside information to Leung and Luk in respect of negotiations between JP Morgan and COLI in relation to a top-up placement of the latter's shares. Leung and Luk 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 the MMT's website ([www.mmt.gov.hk](http://www.mmt.gov.hk)).
3. Both Tsien and Luk, whose licences had been revoked earlier, were banned from the industry for 10 years. Please see the SFC's press releases dated 14 June and 23 August 2011 for the SFC's disciplinary action against Tsien and Luk respectively.
4. The hearing of the appeal took place on 27 and 28 July 2011 before the Honourable Justice Cheung, Yuen and Chu JJA. The judgment dated 18 April 2012 is available on the judiciary's website ([www.judiciary.gov.hk](http://www.judiciary.gov.hk)).

12PR74