

HK Securities & Futures Commission :: Regulatory Fines / Bans



Regulatory Gap	Case	Firm / Fine	How Bondline Helps?
Risk Disclosures	RM failed to explain the Chinese account opening documents & risk disclosure statements to the client to ensure the client understood the content and relevant risks before signing the documents, despite being aware that client had difficulty understanding the Chinese documents.	Individual / Banned for 20 months	<ul style="list-style-type: none"> Pre-trade risk disclosures in Bond Factsheet
Chapter 37	When recommending Chapter 37 bonds, Convoy Asset Management Limited failed to conduct proper due diligence , check for suitability , maintain proper document records of investment advice given, and have in place adequate controls to ensure compliance with regulatory requirements and monitor sale & distribution of investment products.	Convoy Asset Management Limited / Fined HK\$6.4 million	<ul style="list-style-type: none"> Product Due Diligence Utility, endorsed by the PWMA Chapter 37 checks against HKEx Maintain audit trail
Chapter 37	BOCI Securities Limited failed to conduct adequate product due diligence and have in place effective internal controls to ensure compliance with regulatory requirements and monitor sale & distribution of investment products.	BOCI Securities Limited / Fined HK\$10 million	<ul style="list-style-type: none"> Product Due Diligence Utility, endorsed by the PWMA Chapter 37 checks against HKEx Maintain audit trail
Chapter 37	HSBC Broking Securities (Asia) Limited failed to conduct adequate product due diligence , assess client risk suitability , provide adequate bond information to Sales to ensure they understood the products & risks involved, and maintain proper document records of investment advice given.	HSBC Broking Securities (Asia) Limited / Fined HK\$9.6 million	<ul style="list-style-type: none"> Product Due Diligence Utility, endorsed by the PWMA Bond Factsheet for Sales outlining product information Chapter 37 checks against HKEx Maintain audit trail
Inaccurate Information	RM failed to disclose accurate information about final execution prices and commission charged	Individual / Banned for 14 months	<ul style="list-style-type: none"> Pricing & Commissions Transparency on Bondline platform Maintain audit trail