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SFC to seek review of insider dealing sentence

19 Aug 2010

The Eastern Magistracy today sentenced Mr Pablo Chan Pak Hoe, who was earlier convicted of insider dealing in a proposed takeover, to serve 240 hours of community service.

Magistrate Anthony Yuen Wai Ming had earlier found Chan guilty of one count of insider dealing in the shares of Universe International Holdings Ltd (Universe) between 2 May 2008 and 19 June 2008 when he acted as a representative of the controlling shareholder in a proposed acquisition (Note 1).

The Securities and Futures Commission (SFC) had informed the Magistrate that Chan made a profit in the order of \$120,000 when he sold the shares following the announcement of the acquisition. Under today's community service order, Chan does not have to repay or disgorge any profit from his insider dealing and is able to retain it.

"Insider dealing is a serious crime that causes direct damage to the investing public and undermines confidence in the market. In this case, Chan's offence involved obviously price sensitive information at the heart of a proposed major transaction and a serious breach of trust which allowed him to take an unfair advantage over the investing public. The SFC will immediately seek a review of today's sentencing decision (Note 2)," said Mr Mark Steward, the SFC's Executive Director of Enforcement.

In today's sentencing, Chan was also ordered to pay the SFC investigation costs totalling \$44,478.

End

Notes:

1. Please see SFC [Press Release](#) dated 5 August 2010.
2. The SFC will first seek a review of the sentence by the Magistrate before deciding whether to appeal the decision to the High Court.

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