

Market Misconduct Tribunal

Nomination of individuals for consideration to be appointed as ordinary members

I am writing to invite your organisation to nominate your members for inclusion in a list of individuals who may be appointed as ordinary members of the Market Misconduct Tribunal (“MMT”) in future.

The MMT was established under the Securities and Futures Ordinance (Chapter 571) in 2003 to deal with six types of market misconduct¹ and breach of the disclosure requirements on price sensitive

¹ They are insider dealing, false trading, price rigging, disclosure of information about prohibited transactions, disclosure of false or misleading information inducing transactions and stock market manipulation.

information by listed corporations. Each MMT case is chaired by a Chairman² and assisted by two ordinary members³ drawn from the community on the basis of their experience and expertise in the financial services-related sectors.

The ordinary members are appointed by the Financial Secretary on a case-by-case basis for each MMT case.

To ensure that there is suitable expertise readily available to hear a specific case as and when needed, it has been the established practice for the Government to keep a list of individuals from different background for consideration for appointment as ordinary members as the need arises. In this connection, I should be grateful if your organisation could nominate your members for the compilation of such a list. The nominees should –

- (a) have at least ten years of experience in a professional field; and
- (b) not have any conviction or disciplinary record by the professional bodies or the Securities and Futures Commission (irrespective when the record was established), or be subject to any ongoing investigation of the above entities.

To ensure that there is a balanced mixed of expertise on the list, please keep your nomination to not more than 15 individuals. Please note that this invitation exercise should not be construed as a formal appointment as the ordinary member of the MMT. Upon receiving the nominations, the Government will conduct a screening based on the criteria as stipulated above. The Government reserved the right to accept or not accept any nomination(s). A nominated individual should under no circumstances designate himself /herself as a potential member of the MMT.

² The Chairmen of the MMT, appointed by the Chief Executive, are Messrs Michael John Hartmann, Michael Victor Lunn, Kenneth Kwok, SC and Garry Tallentire.

³ An ordinary member is required to attend the hearing and assist the Chairman to prepare the reports of the MMT case concerned. Depending on the details of each case, the hearing may last from weeks to months.