

HEINBRO GROUP

7 Feb 2023

SFC Circular - SFC reprimands and fines Jinrui Futures (Hong Kong) Limited \$4.8 million and sanctions its responsible officers for regulatory breaches

The Securities and Futures Commission (SFC) has reprimanded and fined Jinrui Futures (Hong Kong) Limited (Jinrui Futures) \$4.8 million for failures in complying with anti-money laundering and counter-terrorist financing (AML/CFT) and other regulatory requirements between April 2015 and June 2018.

The SFC has also banned Shen Chun, a former executive director and responsible officer of Jinrui Futures, from re-entering the industry for six months from 6 February 2023 to 5 August 2023.

Jiang Xiaoqing, another responsible officer of Jinrui Futures, has been suspended for five months from 6 February 2023 to 5 July 2023.

The SFC's investigation found that Jinrui Futures, which permitted 258 clients to use customer supplied systems (CSSs) for placing orders during the material time, had failed to conduct adequate due diligence on the CSSs. As a result, Jinrui Futures was not in a position to properly assess and manage the money laundering and terrorist financing and other risks associated with the use of such CSSs by its clients.

In addition, the SFC identified that some of the deposits made into four clients' accounts were unusual and/or suspicious and inconsistent with the clients' declared net worth. Although Jinrui Futures performed certain enquiries on these clients, they were inadequate and did not satisfactorily explain the suspicious transactions.

The SFC further found that Jinrui Futures failed to comply with its account opening procedures which require its staff to conduct AML investigations on its clients before account opening, including identifying whether the clients were

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politically exposed persons or under existing terrorist and sanction lists.

The SFC is of the view that Jinrui Futures' conduct was in breach of the Anti-Money Laundering and Counter-Terrorist Financing Ordinance, the Guideline on Anti-Money Laundering and Counter-Terrorist Financing and the Code of Conduct.

The SFC considers that Jinrui Futures' failures were partly attributable to the failures of Shen and Jiang in discharging their duties as the firm's responsible officers and senior management.

In deciding the disciplinary sanctions against Jinrui Futures, Shen and Jiang, the SFC took into account that:

- Jinrui Futures' failures to diligently monitor its clients' activities and put in place adequate and effective AML/CFT systems and controls are serious as they could undermine public confidence in, and damage the integrity of, the market;
- a strong deterrent message needs to be sent to the market that such failures are not acceptable;
- Jinrui Futures, Shen and Jiang cooperated with the SFC in resolving the SFC's concerns; and
- Jinrui Futures, Shen and Jiang have otherwise clean disciplinary records with the SFC.

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中文版本

證監會譴責金瑞期貨（香港）有限公司違反監管規定並處以罰款**480萬元**和制裁其負責人員

證券及期貨事務監察委員會（證監會）譴責金瑞期貨（香港）有限公司（金瑞期貨）並處以罰款**480萬元**，原因是該公司在**2015年4月至2018年6月**期間沒有遵守打擊洗錢及恐怖分子資金籌集（打擊洗錢／恐怖分子資金籌集）規定和其他監管規定。

證監會亦禁止金瑞期貨的前執行董事兼負責人員沈純（男）重投業界六個月，由**2023年2月6日起至2023年8月5日止**。

金瑞期貨的另一名負責人員蔣曉晴（女）被暫時吊銷牌照，為期五個月，由**2023年2月6日起至2023年7月5日止**。

證監會的調查發現，金瑞期貨在關鍵時間容許**258名**客戶使用客戶自設系統發出交易指示，但卻沒有對該等客戶自設系統進行充分的盡職審查。因此，金瑞期貨未能妥善評估並管理與其客戶使用該等客戶自設系統相關的洗錢及恐怖分子資金籌集風險和其他風險。

此外，證監會識別到存入四名客戶的帳戶內的部分存款屬異乎尋常及／或可疑且與客戶申報的資產淨值不符。雖然金瑞期貨對該等客戶進行了若干查詢，但有關查詢並不足夠，未能圓滿解釋該等可疑交易。

證監會進一步發現，金瑞期貨沒有遵從其開戶程序，當中規定其職員須在開戶前對客戶進行打擊洗錢調查，包括識別客戶是否政治人物或名列現有的恐怖分子及制裁名單。

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證監會認為，金瑞期貨的行為違反了《打擊洗錢及恐怖分子資金籌集條例》、《打擊洗錢及恐怖分子資金籌集指引》及《操守準則》的規定。

證監會認為，金瑞期貨的缺失部分可歸因於沈及蔣沒有履行他們作為該公司的負責人員及高級管理層的職責。

證監會在決定對金瑞期貨、沈及蔣採取上述紀律處分時，已考慮到：

- 金瑞期貨沒有勤勉盡責地監察其客戶的活動，以及沒有設立充足而有效的打擊洗錢／恐怖分子資金籌集制度和監控措施，乃屬嚴重缺失，因為這可能會損害公眾對市場的信心和破壞市場的廉潔穩健；
- 有需要向市場傳遞具阻嚇力的強烈訊息，以示有關缺失不可接受；
- 金瑞期貨、沈及蔣與證監會合作解決其提出的關注事項；及
- 金瑞期貨、沈及蔣過往並無遭受證監會紀律處分的紀錄。

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