

**Bills Committee on  
Securities and Futures Bill and Banking (Amendment) Bill 2000**

**Power to punish contempt by  
the Securities and Futures Appeals Tribunal**

**Level of sanctions (clauses 213(3), 366(9) and 370(1))**

At the Bills Committee meetings on 17 September and 7 October 2001, a Member asked for the following information –

- (a) other statutory establishments with similar power to punish for contempt as the Securities and Futures Appeals Tribunal (“SFAT”); and
- (b) comparison of the levels of penalty under clauses 213(3), 366(9) and 370(1) with similar provisions under other legislation.

**Power to punish for contempt**

2. Under existing law, some statutory bodies have similar powers as the SFAT to punish for contempt. They include –

- (a) the Lands Tribunal under section 10 of the Lands Tribunal Ordinance (Cap. 17); and
- (b) a Commission of Inquiry under section 9 of the Commissions of Inquiry Ordinance (Cap. 86).

**Levels of penalty**

***Clause 213(3)***

3. The clause imposes a maximum fine of \$1 million and imprisonment for 2 years on conviction on indictment, and a fine at level 6 and imprisonment for 6 months on summary conviction, for failure to comply with orders made by the SFAT; or threatening, insulting or causing any loss to be suffered by any person who has attended before the Tribunal, etc.

4. Section 55 of the Estate Agents Ordinance (Cap. 511) imposes a maximum fine of \$200,000 and imprisonment for 1 year on conviction on indictment, and a fine at level 6 and imprisonment for 6 months on summary conviction, for refusal or failure to attend as a witness or produce a document or to answer any questions before the Appeals Tribunal.

5. The level of sanction prescribed in clause 213(3) takes into account the nature of the more serious offences which affect the integrity of the market and the investing public. It also helps enable the SFAT to function effectively .

***Clause 366(9)***

6. The clause imposes a maximum fine of \$1 million and imprisonment for 2 years on conviction on indictment, and a fine at level 6 and imprisonment for 6 months on summary conviction, for breach of the secrecy provision.

7. Offence of similar nature under section 120 of the Banking Ordinance (Cap. 155) is subject to a maximum fine of \$1 million and imprisonment for 2 years on conviction on indictment, and a fine at \$100,000 and imprisonment for 6 months on summary conviction.

***Clause 370(1)***

8. The clause imposes a maximum fine of \$1 million and imprisonment for 2 years on conviction on indictment, and a fine at level 6 and imprisonment for 6 months on summary conviction, for obstruction.

9. Offence of similar nature under section 55H of the Banking Ordinance (Cap. 155) is subject to a maximum fine of \$2 million and imprisonment for 5 years, and a fine at \$100,000 and imprisonment for 2 years on summary conviction.