

證券商協會有限公司的信頭

#36815

CB(2)1200/99-00(07)號文件

香港特別行政區
立法會
法案委員會秘書
李蔡若蓮女士

<1999 年證券（修訂）條例草案> 委員會

敝會收到 貴委員會於二月十六日之來函，垂詢關於 1999 年證券（修訂）條例草案之意見。

對於政府建議在證券綜合條例加重非法沽空的刑罰，以及把沒有申報的沽空視為刑事罪行這意見，本人及敝會副主席林漢強太平紳士原則上完全同意，但在檢控前如「被告」能向有關當局自證非立意犯法，而有人為不慎，則希望當局考慮「他或他們」無須負上刑事責任。

另將收集到的其他意見轉呈（見附件一） 貴委員會以作參考。

證券商協會有限公司

主席

陳葆心

二零零零年二月二十五日

Gilbert K. CHU

24 February, 2000
The Institute of Securities Dealers

Dear Chairman and Vice Chairman

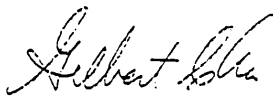
Re: 1999 Securities (Amendment) Bill

After reading through the materials in relation to the captioned subject, I wish to make a few points:

1. The intention of proposing this amendment is understandable but may often penalize the ignorant public in Hong Kong rather the international professional offenders. I do realize that occasionally the ignorant public engages in illegal short selling and the 1996 Paul Y ITC warrant incident was a clear example. Unless widespread and thorough education on this issue is given to the public, I am afraid harsh penalty may be placed unnecessarily on the ignorance.
2. The professional traders and offenders are the culprits, but they often are based overseas, making the authority difficult to exercise its power. The investors are often limited companies incorporated in countries of convenience and orders are routed through overseas brokers. As international exchanges are becoming boundaryless with help of electronic trading, our move seems back peddling our internationalization development. Rather than driving by looking at the rear view mirror, we should welcome a simplified trading environment.
3. We now have a strict T+2 settlement requirement. We should look at implementing punitive penalty on unreasonable delays in settlement thus deterring any illegal short selling.

This represents my personal opinion and wishes your kind consideration before incorporating in your reply.

Yours truly,



Gilbert K. CHU

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