

## PARTICIPATING ORGANISATIONS' CIRCULAR

Date: 10 September 2025

No.: G 23 of 2025

### Enforcement Action Pursuant to the Rules of Bursa Malaysia Securities Berhad

10 September 2025

### BURSA MALAYSIA SECURITIES PUBLICLY REPRIMANDS, FINES AND SUSPENDS NG KIM TEE AND NG KIM LIAN FOR MISCONDUCTS AND VIOLATION OF RULES

Bursa Malaysia Securities Berhad [Registration No.: 200301033577 (635998-W)] (**Bursa Malaysia Securities**) has taken enforcement actions against two (2) Dealer's Representatives (**DRs**) for breaches of the Rules of Bursa Malaysia Securities and misconducts, amongst others, unlawfully transacting in client's account for family members as follows:

| No. | Details of DR               | Sanctions imposed   |
|-----|-----------------------------|---|
| 1.  | Ng Kim Tee ( <b>TEE</b> )   | (a) Public reprimand;<br>(b) fine of RM17,000;<br>(c) 3 months suspension/restriction (as the case may be) from being a Registered Person of Bursa Malaysia Securities which is deferred for 2 years ( <b>Deferred Suspension</b> ); and<br>(d) requirement to undergo training on conduct or professionalism of DRs/market offences ( <b>Mandatory Training</b> ). |
| 2.  | Ng Kim Lian ( <b>LIAN</b> ) | (a) Public reprimand;<br>(b) fine of RM47,000;<br>(c) 3 months suspension/restriction (as the case may be) from being a Registered Person of Bursa Malaysia Securities which is deferred for 2 years ( <b>Deferred Suspension</b> ); and<br>(d) requirement to undergo training on conduct or professionalism of DRs/market offences ( <b>Mandatory Training</b> ). |

TEE was a Commissioned DR (**CDR**) of HwangDBS Investment Bank Berhad/Affin Hwang Investment Bank at its Taiping Branch Office and LIAN was a CDR of AmSecurities Sdn Bhd/AmInvestment Bank Berhad at its Damansara Uptown Branch Office at the material time of the breaches.

Both TEE and LIAN had contravened and/or triggered the provisions of:

- (a) Rules 404.3 (1)(a) & (b), 404.4 (g)(b) and 1302.1(1)(a), (g) & (i)(iii) of the Pre-Revamped Rules of Bursa Malaysia Securities; and
- (b) Rules 3.14 (d), (e) & (f), 5.01(a), 5.16(1)(a), (b) & (c) and 15.09 (a), (g) & (i)(iii)/(iv) of the Revamped Rules of Bursa Malaysia Securities and Paragraphs 1.1(1)(e) & 11.2(b) of Directives No. 5-001 of the Participating Organisations' Directives and Guidance (**POs' Directives**).

Bursa Malaysia Securities views seriously misconducts that impinge on the professional conduct and integrity of Registered Persons and compromise clients' protection as such misconducts may adversely affect and damage market integrity and public confidence. Bursa Malaysia Securities will not hesitate to take appropriate actions against anyone who engages in such misconducts, including imposition of fines and suspension/restriction/striking off a Registered Person from the Register that commensurate with the severity of the breach.

## BACKGROUND

The finding of the breaches and imposition of the sanctions on TEE and LIAN were made pursuant to Rule 15.02 of the Rules of Bursa Malaysia Securities after according due process to TEE and LIAN, taking into consideration all facts and circumstances including the following: -

### **Breaches by TEE:**

- (1) TEE had: -
  - (a) allowed her brother's trading account to be used to trade for third parties i.e. her elder sister and parents (**the Family Members**) by taking instructions from them for trading purposes and hence unlawfully transacted in her brother's account;
  - (b) operated/maintained a joint bank account with her brother (**Joint Bank Account**) for the Family Members, with deposits into and withdrawals/issuance of cheques from the Joint Bank Account for the Family Members' trades in her brother's trading account;
  - (c) acted on and taken instructions from the Family Members for the withdrawal of monies from her brother's trust account; and
  - (d) falsely/wrongfully declared that she had witnessed and verified her brother's signature on the compliance declarations & e-payment form.
- (2) In this regard, TEE had admitted that: -
  - (a) There was a verbal agreement where her brother had given his consent many years ago for her to trade on behalf of the Family Members using his trading account. This had been the arrangement and understanding without any complaints or concerns on his part until recent years when he wanted the Family Members to stop using his account.
  - (b) Both TEE and her brother had equal control over the Joint Bank Account which was opened and maintained to facilitate trading activities of the Family Members in her brother's trading account, of which the arrangement made it much easier for both TEE and her brother to move funds to and from the Family Members.

**Breaches by LIAN:**

- (3) LIAN had: -
- (a) allowed her brother's trading account to be used to trade for third parties i.e. her parents by taking instructions from them and hence unlawfully transacted in her brother's account;
  - (b) operated/maintained a joint bank account (**Joint Bank Account**) with her brother for her parents, with deposits into and withdrawals/issuance of cheques from the Joint Bank Account for her parents' trades in her brother's trading account; and
  - (c) acted on and taken instructions from her parents for the withdrawal of monies from her brother's trust account.
- (4) In this regard, LIAN had admitted that: -
- (a) There was a verbal agreement and her brother had given his consent for her to trade on behalf of their parents using his account. This had been the arrangement and understanding for many years without any complaints or concerns on his part.
  - (b) Both LIAN and her brother had equal control over the Joint Bank Account which was opened and maintained to facilitate trading activities of their parents, of which the arrangement made it much easier for her and her brother to move funds to and from their parents.
- (5) The fact that the brother of TEE and LIAN had allowed and agreed for the family members to trade using his account did not absolve TEE and LIAN from the liability/culpability for the breaches. As experienced DRs, both TEE and LIAN knew or ought to have known that:
- (a) using a client's account for third parties' trades is strictly prohibited by the Rules which were put in place for the protection of clients' interests and to prevent abuses of clients' accounts; and
  - (b) they should not engage in any unlawful or irregular or unhealthy practices, in particular:
    - (i) operating/maintaining Joint Bank Account with the client for trading purposes; and
    - (ii) acting on and taking instructions from family members for withdrawal of monies from the client's trust account.
- (6) For the breaches by TEE and LIAN, they had engaged in, and failed to refrain from engaging in, any unlawful or irregular or unhealthy practices and failed to perform their duties as DRs efficiently, act with due skill, care and diligence and in the best interest of their clients.
- (7) The sanctions were imposed on TEE and LIAN having considered factors including: -
- (a) The extent and severity of the breaches committed by each of them which involved family arrangements to use client's account(s) to trade for family members over an extended period of time which were only uncovered due to dispute and complaint from the client.
  - (b) The commissions earned by TEE and LIAN arising from the breaches by them.

- (c) The co-operation of TEE and LIAN including their admissions of the breaches hence resulting in earlier resolution of the cases. In this regard, in determining the sanctions to be imposed, Bursa Malaysia Securities will take into account the extent of co-operation by the errant party (including admission of the breaches/timing of the initiation of settlement by the errant party).
- (8) The Deferred Suspension was imposed to ensure that TEE and LIAN do not commit another similar breach(es) within two years from the date of notification of decision. Thus, the three months suspension is deferred and will be waived if there is no commission of similar breach(es) by them within two years.
- (9) The public reprimand was imposed on TEE and LIAN as a deterrent consideration so as to create market awareness and reinforce the serious views taken by Bursa Malaysia Securities on the DR's obligations to ensure protection of clients' interest/monies at all times.
- (10) As Registered Persons acting in the capacity of a DR, TEE and LIAN must at all times: -
  - (a) observe professional conduct, standards of integrity and fair dealing;
  - (b) exercise proper skill, care and diligence;
  - (c) act honestly and in the best interest of the client;
  - (d) perform their duties efficiently, honestly and fairly; and
  - (e) not to engage in/refrain from engaging in irregular or unhealthy practice.

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-End-

Investigation and Enforcement Department

## ADDENDUM

**Rules 404.3(1)(a) & (b), 404.4 (g)(b) & 1302.1(1)(a), (g) & (i)(iii) of the Pre-Revamped Rules of Bursa Malaysia Securities** provided, that: -

- Every Participating Organisation (**PO**) and every DR employed or engaged by the PO shall at all times –
  - (a) observe professional standards of integrity and fair dealing; and
  - (b) act honestly and in the best interest of their clients.
- No PO, Head of Dealing and DR shall use a client's account to trade for a third party.
- Any Participant (**Defaulting Participant**) who, in any circumstances, directly or indirectly: -
  - commits a breach of or violates any of the Rules;
  - fails to perform his duties efficiently, honestly or fairly;
  - being a DR, unlawfully transacts on another person's account,
 shall be liable and be dealt with in accordance with the provisions of the Rules relating to the same.

**Rules 3.14(d), (e) & (f), 5.01(a), 5.16(1)(a), (b) & (c) and 15.09(a), (g) & (i)(iii)/(iv) of the Rules of Bursa Malaysia Securities and Paragraphs 1.1(1)(e) & 11.2(b) of Directives No. 5-001 of the POs' Directives** provide, amongst others, that: -

- Throughout the term of a Registered Person's (**RP**) registration, a RP must:
  - (a) observe professional conduct, standards of integrity and fair dealing;
  - (b) exercise proper skill, care and diligence; and
  - (c) act honestly and in the best interest of the Client and the PO.
- A PO, Head of Dealing and DR must not use a Client's account to trade for a third party.
- Any Defaulting Participant, which includes a RP who, in any circumstances, directly or indirectly: -
  - commits a breach of or violates any of the Rules;
  - fails to perform his duties efficiently, honestly or fairly; and
  - being a DR, unlawfully transacts on another person's account,
 will be in breach of the Rules and be dealt with in accordance with the provisions of the Rules relating to the disciplinary proceedings.
- A PO and RP must not engage in any unlawful or irregular or unhealthy practice and must not participate in any operation by others that might have the same result.