

Placee Independence – Key Takeaways from the Latest SFC Disciplinary Actions

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The Securities and Futures Commission (SFC) announced on [May 21, 2014](#) and [December 10, 2014](#) that it had disciplined a Type 6 corporate finance adviser (A), its affiliated Type 1 broker entity (B) and a former responsible officer of the broker (C) for their failures to ensure the independence of all placees in an initial public offering (IPO) in 2009. Each of A and B was publicly reprimanded and fined \$12.5 million, while C has been suspended for eight months.

If you have any questions regarding the matters covered in this publication, please reach out to any of the lawyers listed below or your usual Davis Polk contact.

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