

## CONSENT ORDERS HEARING

# CONSENT ORDERS CHAIR OF THE ASSOCIATION OF CHARTERED CERTIFIED ACCOUNTANTS

## REASONS FOR DECISION

**In the matter of:** Mr Tat Yiu Chiam

**Considered on:** Friday, 20 February 2026

**Location:** On the papers

**Chair:** Mr Gerard Wareham

**Legal Adviser:** Miss Juliet Gibbon

**Outcome:** The Chair made orders in the terms of the Consent Order: Draft Agreement that Mr Tat Yiu Chiam shall be reprimanded and shall pay costs to ACCA in the sum of £1,333.50.

## PRELIMINARY

1. This matter has been referred to a Chair of the Disciplinary Committee of ACCA (“the Chair”) pursuant to Regulation 8(8) of The Chartered Certified Accountants’ Complaints and Disciplinary Regulations 2014, as amended (“the Regulations”) for the Chair to determine, on the evidence before him, whether to approve or reject the Consent Order: Draft Agreement (“the Consent Order”) agreed between ACCA and Mr Tat Yiu Chiam.

### ACCA



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2. The Chair had before him a bundle of papers, numbered pages 1-105, a one-page Referral to Consent Orders Chair and a bundle, numbered 1-4, which included the Consent Order signed by by Mr Chiam and a representative of ACCA. He also had sight of the following:
  - a. Detailed and simple costs schedules
  - b. ACCA's 'Consent Orders Guidance'
  - c. ACCA's 'Consent Orders – Frequently Asked Questions'
  - d. ACCA's 'Guidance for Disciplinary Sanctions' ("GDS"), and
  - e. ACCA's 'Guidance on Costs Orders'.
3. The Chair considered the Consent Order in the absence of the parties and without a hearing in accordance with Regulation 8(8) of the Regulations.
4. The Chair was satisfied that Mr Chiam was aware of the terms of the Consent Order and had signed the order on 27 January 2026. The Chair noted that the Consent Order had also been signed by a representative of ACCA on 21 January 2025.
5. The Chair noted the terms of the Consent Order, as follows:

"The Association of Chartered Certified Accountants ("ACCA") and Mr Tat Yiu Chiam (the Parties), agree as follows:

1. Mr Tat Yiu Chiam admits the following:

### **Allegation 1**

Pursuant to Bye-law 8(a)(vi) Mr Tat Yiu Chiam is liable to disciplinary action by virtue of the disciplinary action taken against him on 10 December 2024 by the Stock Exchange of Hong Kong Limited for which a public sanction was imposed on Mr Chiam of a Prejudice to Investors' Interests Statement.

### **Allegation 2**

Pursuant to Bye-laws 8(a)(i) and 8(a)(iii), Mr Tat Yiu Chiam is guilty of misconduct by virtue of the above, in that such conduct is discreditable to ACCA and the accountancy profession.

2. That Mr Tat Yiu Chiam shall be reprimanded and shall pay costs to ACCA in the sum of £1333.50.

[Signatures of a representative of ACCA, dated 21 January 2026] and Mr Tat Yiu Chiam, dated 27 January 2026 and

If the Consent Orders Chair is satisfied it is appropriate to deal with the complaint by way of a Consent Order and the signed draft Consent Order is approved, it constitutes a formal finding and order. The Consent Orders Chair has the power to recommend amendments to the signed draft Consent Order and to subsequently approve any amended order agreed by the Parties.

## **BACKGROUND**

6. Mr Chiam was admitted as a member of ACCA on 31 July 2018 and became a Fellow of ACCA on 31 July 2023. He is based in [PRIVATE]. On 11 December 2024 Mr Chiam notified ACCA that he had been disciplined by the Listing Committee of the Stock Exchange of Hong Kong Limited (“the Listing Committee”) the previous day. Mr Chiam has fully cooperated with ACCA’s investigation.
7. The Listing Committee conducted a hearing into the conduct of Company A and its Directors on 10 December 2024. Mr Chiam had been appointed an Independent Non-Executive Director (“INED”) of Company A on 06 April 2022. The Listing Committee considered that the following breaches of the Listing Rules had occurred, as set out in a letter, dated 16 January 2025:
  - a. Company A had breached Rule 2.13(2) in respect of (among other things) disclosures about the injection of Company B and

- b. The Directors had breached their duties under Rule 2.08 and their obligations under Rule 3.09B to comply with the Rules to the best of their ability to procure Company A's compliance with Rule 2.13(2).
8. The Committee imposed a public censure on Company A and imposed a public statement on the seven Directors of Company A that, in the Exchange's opinion, the retention of office by them was prejudicial to the interests of investors ("the PII Statement").
9. Mr Chiam and two other Non-Executive Directors of Company A applied for a review of the Listing Committee's decision by the Listing Review of the Stock Exchange of Hong Kong Limited ("the Listing Review Committee"). The review hearing took place on 19 March 2025. On 08 November 2025, the Listing Review Committee upheld the Listing Committee's decision and the sanction imposed.
10. The background facts are that Company A was incorporated in Hong Kong and was listed on the Stock Exchange on 15 January 2015. On 05 January 2022 trading in Company A's shares was suspended and it was delisted on 06 December 2023, having failed to meet the conditions imposed for resumption of trading as set by the Stock Exchange of Hong Kong Limited ("the Exchange").
11. Shortly after Company A was suspended the Insurance Authority took over the company's operating subsidiary. One of the conditions imposed for Company A to resume trading ("the Resumption Guidance"), was that it had to demonstrate that it had a sufficient level of operations and assets of sufficient value, pursuant to Rule 13.24, to warrant its continued listing. Company A had to complete the Resumption Guidance within the 18-month resumption deadline which ended on 04 July 2023.
12. Prior to the trading suspension, Company A had been principally engaged in the motor insurance business in Hong Kong through its operating subsidiary which was, however, ordered to be wound up on 26 September 2022. As Company A's operating subsidiary had held the licence for operating the original motor insurance business in Hong Kong, that business subsequently ceased.

13. Mr Chiam was appointed as an INED of Company A on 06 April 2022, which was after trading in Company A's shares had been suspended.
14. On 28 February 2023, over a year after the trading suspension, Company A sought its shareholders' assistance to meet the Resumption Guidance. On the same day one of the major shareholders, who was also a Non-Executive Director of Company A, proposed the following:
  - a. To gift Company B to Company A through a Business Injection; and
  - b. To provide interest free loans to Company A to enable it to run its business.
15. Company B had been formed in [PRIVATE]. It obtained a business licence which was valid until 21 July 2023 ("the Licence") which referred to a business activity certificate setting out the complete list and description of permitted activities under the Licence, including life insurance, non-life insurance, reinsurance, risk and damage evaluation and activities of insurance agents and brokers.
16. On 01 and 02 March 2023 respectively, Company A's board of directors conducted a review of Company B's corporate formation documentation and approved a Business Injection. Although the Business Injection was approved, the board did not seek any advice on the regulatory status of Company B and there was no evidence to show that any further due diligence was conducted by the Directors.
17. In March 2023, Company A consulted the corporate service provider for Company B, on matters relating to the registration and transfer of Company B arising from the Business Injection. On 27 March 2023 Company A made a relevant announcement that: "*the Company was injected with [Company B] an insurer registered in [REDACTED] by [one of the Directors] by way of gift, which is licensed to engage in a series of insurance activities, including reinsurance, life insurance, risk and damage assessment, insurance agency and brokerage ... To achieve rapid development of [Company B] as soon as possible, the Company proposes to carry out financing through the issuance of bonds in the amount of approximately HK\$4 billion or above*".

18. Company A subsequently made further misleading relevant announcements about Company B and the Business Injection.
19. On 11 May 2023, upon receipt of a complaint, the Listing Division of the Exchange commenced an enquiry and investigation into the legality, the licensing status and the regulatory requirements applicable to Company B.
20. In May and June 2023, approximately two months after Company A's board of directors had approved the Business Injection, it sought legal advice on the applicable procedures and licensing regime governing Company B's business. The board received a written opinion, dated 08 June 2023, that the activities carried out by Company B were only legally permissible within the [PRIVATE] ("the Free Zone"), in which Company B had been formed.
21. In early June 2023, Company A submitted a resumption proposal to the Exchange, in which it relied on Company B to argue that the insurance business operated by Company B could enable it to re-comply with Rule 13.24 and, in turn, demonstrate its suitability for trading resumption.
22. The resumption deadline expired on 04 July 2023.
23. On 12 July 2023 Company A was advised that the Free Zone Authority had previously removed "insurance activity" from the list of Company B's approved commercial activities and the renewal of the Licence was rejected on that basis. Company A attempted to renew the Licence under the "other business activity" category.
24. On 14 July 2023 the Listing Committee determined to cancel the listing of Company A's shares and the Licence expired on 21 July 2023.
25. On 31 October 2023 the previous law was replaced with new law that removed the licence exemption that had previously applied to entities formed in the Free Zone.
26. On 03 November 2024 Company A announced that it would not be proceeding with the Business Injection because "*the local government has changed its licensing regulation*".

27. Rule 2.13(2) of the Listing Rules provides that the information contained in any announcement or corporate communication must be accurate and complete in all material respects and not be misleading or deceptive. Issues must not, inter alia, omit material facts of an unfavourable nature or fail to accord them with appropriate significance.
28. Rule 3.08 provides, amongst other things, that the board is collectively responsible for the listed issuer's management and operations and that the directors are collectively and individually responsible for the listed issuer's compliance with the Listing Rules. Rule 3.08 further provides that the Exchange expects directors, both collectively and individually, to fulfil fiduciary duties and duties of skill, care and diligence to a standard at least commensurate with the standard established by Hong Kong law.
29. Rule 3.09B provides that each director is under an obligation to (a) comply with the Rules to the best of his/her ability, and (b) use his/her best endeavours to procure the issuer's compliance with the Rules.
30. The Listing Review Committee took the view that statements made in Company A's relevant announcements as to Company B's regulatory status were inaccurate, incomplete and/or misleading as repeated reference was made to Company B as a [PRIVATE] licensed insurer or Company B's business development in the [PRIVATE] insurance market, which was inaccurate, incomplete and/or misleading as to the actual scope of Company B's potential operations / activities under the Licence.
31. The Listing Review Committee noted that (i) no legal or regulatory advice as to the possible scope of Company B's operations had been obtained until several months after the Business Injection and several of the relevant announcements had been made, and (ii) the legal advice obtained in May / June 2023 (which was prompted by an inquiry of the Exchange into Company B's regulatory status), confirmed that Company B's ability to operate an insurance business was limited to the Free Zone which had not been reflected in the relevant announcements.
32. The Listing Review committee also considered that the relevant announcements were inaccurate, incomplete and misleading as reference to the impending expiry of the Licence (within four months) had been omitted. Further, once the Licence had expired and Company

B had failed to obtain a timely renewal thereof, this should have prompted the Directors to procure the disclosure of such information in the relevant announcements, which Company A had failed to do for a period of over two and a half months.

33. The Listing Review Committee was of the view that the relevant announcements created a misleading impression about the state of readiness of Company B's proposed insurance business, and it noted that this had not been corrected once the limitations of Company B's operational scope were confirmed by the advice obtained by the board in May / June 2023.
34. The Listing Review Committee concluded that Company A had breached Rule 2.13(2) in respect of the information set out in the relevant announcements.
35. It was considered by the Listing Review Committee that upon their appointment the Directors must have been aware that Company A was essentially a listed shell, and, when the proposal for the Business Injection was made, that its ability to keep its listing would depend on the Business Injection.
36. The Listing Review Committee further considered that the Directors, as experienced professionals or businessmen, must also have been aware of the requirement to conduct proper due diligence on a newly acquired business, in particular when the business was (i) the main focus of Company A's resumption plans and (ii) operating in a highly regulated industry in a foreign jurisdiction where the Directors had no personal experience (including on legal or regulatory requirements).
37. The Listing Review Committee did not consider that the Directors had demonstrated that they had discharged their directors' duties and obligations to use their best endeavours to procure Company A's Rule compliance.
38. In considering appropriate sanctions, the Listing Review Committee took the mitigating factors raised by the Directors into account, including that they had not previously been subject to disciplinary sanctions, there had been no loss to the investors, their level of cooperation and also the reputational effect that the PII Statement would have on them. It considered, however, that the Directors' breaches were serious and concluded that the

conduct may cause prejudice to the interest of the investors, which is why it considered the imposition of a Prejudice to Investors' Statement was the appropriate sanction.

39. A Prejudice to Investors' Interests Statement is a statement that, in the Exchange's opinion, the occupying of the position of director or senior management of the Company or any of its subsidiaries by the relevant Directors may cause prejudice to the interests of investors.
40. The Listing Review Committee also considered that the imposition of a public censure on Company A and the Directors was appropriate.
41. Under Bye-law 8(a)(vi), Mr Chiam is liable to disciplinary action as a result of being disciplined by another professional or regulatory body.
42. In signing the Consent Order, Mr Chiam has admitted the allegations and has accepted that he should be reprimanded and pay costs to ACCA in the sum of £1,333.50.

#### **DECISION AND REASONS**

43. In considering this matter the Chair accepted the advice of the Legal Adviser and paid due regard to the ACCA guidance documents 'Guidance for Disciplinary Sanctions' ("GDS"), 'Consent Orders Guidance' and 'Consent Orders – Frequently Asked Questions'.
44. Under Regulation 8(8) of the Regulations the Chair must determine, on the evidence before him, whether it is appropriate to approve or reject the draft Consent Order or whether to recommend any amendments.
45. The powers available to the Chair are:
  - a. To approve the draft Consent Order, in which case the findings on the allegations and the orders contained in it become formal findings and orders (Regulations 8(11) and 8(14) of the Regulations).

- b. To reject the draft Consent Order, which they may only do if they are of the view that the admitted breaches would more likely than not result in exclusion from membership (Regulation 8(12) of the Regulations).
  - c. To recommend amendments to the draft Consent Order, if they are satisfied it is appropriate to deal with the complaint by way of consent but wish the terms of the draft order to be amended (Regulation 8(13) of the Regulations).
46. The Chair was satisfied that there was a case for Mr Chiam to answer and that the Investigating Officer had conducted an appropriate investigation and had followed the correct procedure.
47. The Chair was also satisfied that Mr Chiam's conduct in being disciplined by the Exchange, as set out in Allegation 1, had brought discredit to him, the Association and the accountancy profession and amounted to misconduct.
48. The Chair noted that under Regulation 8(12) of the Regulations, he should only reject the signed Consent Order if he is of the view that the matters that Mr Chiam has admitted would, more likely than not, result in his exclusion from membership.
49. The Chair considered the seriousness of the misconduct and the public interest, which includes the protection of the public, the maintenance of public confidence in the profession, and the declaring and upholding of proper standards of conduct and performance. He balanced the public interest against Mr Chiam's own interests and took into account both the aggravating and mitigating features of the case.
50. The Chair considered the following to be aggravating factors of the case:
- a. Mr Chiam has been disciplined and sanctioned to a PII and a censure by the Hong Kong Stock Exchange Limited for serious breaches of the Listing Rules.
  - b. Mr Chiam failed to discharge his duty as a Director of Company A by not conducting sufficient due diligence.

- c. Mr Chiam's conduct had brought discredit to him, the Association and the accountancy profession and amounted to misconduct.

51. The Chair considered the following to be mitigating factors of the case

- a. Mr Chiam promptly informed ACCA of the disciplinary findings made against him by the Hong Kong Stock Exchange Limited.
- b. Mr Chiam cooperated fully with the investigation of the Hong Kong Stock Exchange Limited and with ACCA's investigation.
- c. As an INED, Mr Chiam did not have an executive role in the daily management and operation of Company A.
- d. As an INED, Mr Chiam had not been a part of drafting the relevant announcements of Company A.
- e. Mr Chiam's misconduct was not deliberate as he had wrongly believed that he was acting in the best interests of Company A, its shareholders and its investors.
- f. Mr Chiam had not acted dishonestly and there was no financial loss to Company A, its shareholders or any other public investors.
- g. Mr Chiam had no previous disciplinary findings against him prior to the decision of the Listing Committee.
- h. Mr Chiam has provided a positive testimonial from a professional colleague who considers him to be "*a conscientious and dedicated professional*".
- i. Mr Chiam has undertaken focused self-study on practical issues and guidelines related to compliance with the Listing Rules and he has revised internal procedures to ensure compliance with the Listing Rules.

- j. Mr Chiam regularly conducts self-assessments to ensure that he consistently meets the required professional and regulatory standards.
  - k. Mr Chiam is committed to seeking external professional advice if there is any uncertainty regarding his regulatory obligations.
  - l. Mr Chiam has improved documentation and communication protocols to ensure that all relevant information and decisions are recorded clearly and transparently.
  - m. Mr Chiam has re-affirmed his commitment to maintaining the highest ethical standards in his professional conduct and ensuring that all actions taken are in the best interests of stakeholders and in compliance with regulatory expectations.
  - n. Mr Chiam has admitted the allegations by agreeing to dispose of the case by consent.
52. The Chair was satisfied that the allegations admitted by Mr Chiam were serious. The Chair, however, did not consider that the matters admitted by Mr Chiam would more likely than not result in Mr Chiam's exclusion from membership of ACCA given the substantial mitigation put forward by him. The Chair was satisfied, therefore, that there was no basis for him to reject the terms of the Consent Order under Regulation 8(12).
53. The Chair paid due regard to ACCA's GDS. In relation to the sanction of a reprimand, the Chair found the following factors to be relevant:
- a. Mr Chiam's conduct was not in deliberate disregard of professional obligations.
  - b. There has been no adverse consequence – it has not caused material distress, inconvenience or loss.
  - c. Mr Chiam has shown insight into his misconduct and taken remedial steps to ensure the conduct is not repeated in the future.
  - d. Mr Chiam has fully co-operated with the ACCA investigation and made early admissions to the allegations.

54. Having considered the GDS and all the documentary evidence before him, the Chair was satisfied that a reprimand was a sufficient and proportionate sanction.
55. The Chair paid due regard to ACCA's Guidance for Costs Orders. He considered that ACCA was entitled to its costs in principle. ACCA has provided two schedules of costs. The Chair also had sight of a completed Statement of Financial Position from Mr Chiam and supporting documentary evidence. The Chair was satisfied that ACCA's application for costs in the sum of £1,333.50, which has been agreed by Mr Chiam, was an appropriate and proportionate sum for the costs incurred by ACCA. He noted that Mr Chiam had not contested the proposed sum of £1,333.50 and had signed the Consent Order.
56. The Chair, pursuant to his powers under Regulation 8(11) of the Regulations, approved the terms of the Consent Order and made the following Order:

#### **ORDER BY CONSENT**

- i. The Consent Order: Draft Agreement is approved.
- ii. Allegation 1 is proved by way of Mr Tat Yiu Chiam's admission.
- iii. In relation to Allegation 2, the Chair found that Mr Tat Yiu Chiam's conduct, as set out in Allegation 1, amounted to misconduct.
- iv. Mr Tat Yiu Chiam shall be reprimanded.
- v. Mr Tat Yiu Chiam shall pay costs to ACCA in the sum of £1,333.50.

#### **EFFECTIVE DATE OF ORDER**

57. Under Regulation 8(17) of the Regulations there is no right of appeal against this order. The order shall, therefore, come into effect immediately.

## **PUBLICITY**

58. In accordance with Regulation 8(16) of the Regulations all findings and orders set out in the Consent Order shall be published, naming Mr Tat Yiu Chiam, as soon as practicable and in such manner as the Association thinks fit.

**Mr Gerard Wareham**  
**Chair**  
**20 February 2026**