
Enforcement News

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16 March 2004

SFC Prosecutes Hong Kong Forex Investment Limited for Failing to Have Yu Wai Fong Licensed as a Representative Accredited to it

The SFC has successfully prosecuted Hong Kong Forex Investment Limited, being a licensed leveraged foreign exchange trader, for carrying on a business of leveraged foreign exchange trading without having Yu Wai Fong, licensed as a representative accredited to it. Yu was a person associated with the company and actively engaged in leveraged foreign exchange trading.

Ms Bina Chainrai, a Magistrate at Eastern Magistracy, today found Hong Kong Forex guilty after trial. Hong Kong Forex was fined \$30,000 and ordered to pay investigation costs of \$9,489 to the SFC.

An SFC investigation revealed that between May and July 2002, Yu, whilst not being a licensed representative with the SFC, had solicited a client to open an account with Hong Kong Forex to trade in leveraged foreign exchange contracts. Yu was convicted on 15 March 2004 for offences under the Leveraged Foreign Exchange Trading Ordinance (Note 1).

An SFC spokesman said that licensed corporations should take sufficient steps to ensure only licensed staff can open client accounts, handle client orders and give investment advice.

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Notes to Editor:

1. Please see [SFC press release dated 15 March 2004](#) for details of the case.

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