

SFC Suspends Yau Oi Yi for Hawking of Futures Contracts A

27 Jul 2004

The SFC has suspended the licence of Ms Yau Oi Yi as a representative for three months under the Securities and Futures Ordinance (SFO). Yau is suspended from 27 July 2004 to 26 October 2004 (Note 1).

The suspension follows Yau's conviction at the Western Magistracy of hawking of futures contracts contrary to the Commodities Trading Ordinance (Note 2).

From around October to December 2002, Yau made unsolicited telephone calls to prospective clients giving them information about Refco Hong Kong Limited with a view to inducing them to open accounts with Refco to trade futures contracts. Yau met with the clients and provided them with information about Refco and its commission charges. She asked each of the clients to open an account with Refco to trade futures contracts on exchanges in the United States and Japan.

The SFC inquiry into the misconduct of Yau found that she failed to exercise due skill, care and diligence in acting as Refco's representatives and to comply with relevant law and regulations.

The SFC concludes that Yau's fitness and properness has been called into question and decided to suspend her. In determining Yau's penalty, the SFC has taken into account that Yau frankly admitted to and was genuinely remorseful for her misconduct.

An SFC spokesman said: "Under the SFO, any call made not by express invitation of the person called upon with a view to inducing that person to enter into agreement to purchase or sell regulated investment products is a criminal offence. It is important for a licensed representative to understand and recognise what constitutes an unsolicited call and to exercise due care to ensure that his or her marketing effort and strategies comply with the law."

Ends

Notes:

1. Yau is a licensed representative in Type 2 (dealing in futures contracts), Type 5 (advising in futures contracts), and Type 9 (asset management) regulated activities accredited to Refco Hong Kong Limited.
2. Please refer to the [press release issued on 16 December 2003](#).