

6 September 2011

Billion Global Asset Management and its director convicted of unlicensed activities

The Eastern Magistracy today found Billion Global Asset Management Limited (Billion Global Asset) and its director, Mr Chan Chun Wai guilty on three charges of holding out they are carrying on a business in asset management without a license and issuing a related advertisement without a licence. They were fined a total of \$20,000 and ordered to pay investigation costs of \$40,004 (Note 1).

The Securities and Futures Commission (SFC) alleged that Billion Global Asset created a website around March 2010 in which it promoted a fund purportedly managed by Chan which had recorded growth of 45% between November 2009 and February 2010. In fact, the fund did not exist and neither Billion Global Asset nor Chan were licensed by the SFC for these types of activities as required.

“The SFC’s prompt action prevented any member of the public being duped by this scam,” said Mr Mark Steward, the SFC’s Executive Director of Enforcement.

The SFC reminds investors that claims of high returns – such as the 45% growth claimed in this case – are self-evidently suspicious, meaning there are very high risks involved or the claim is false.

The SFC also reminds investors to check the SFC’s Public Register of Licensed Persons and Registered Institution at www.sfc.hk to ensure that people who provide advice on asset management are properly licensed.

End

Note:

1. At the material time, Chan was a licensed representative under the Securities and Futures Ordinance to carry on Types 1 (dealing in securities), 4 (advising on securities) and 9 (asset management) regulated activities and was accredited to Quam Securities Company Limited. He was never licensed to carry on any regulated activity for Billion Global Asset. All of his licences were revoked on 9 September 2010.

Page last updated: 6 September 2011