

**Notice under Section 204 of the
Securities and Futures Ordinance
Cap. 571 (Ordinance)**

It appears to the Securities and Futures Commission (**Commission**), for the reasons set out in the Statement of Reasons of even date, that the Commission should exercise the powers conferred by section 204 of the Ordinance.

THE COMMISSION HEREBY GIVES NOTICE THAT:

Except with the prior written consent of the Commission, such consent to be granted by any two Executive Directors of the Commission:

1. Pursuant to section 204 of the Ordinance, Money Concepts (Asia) Holdings Limited (**Specified Corporation**) is prohibited from carrying on any business, whether directly or through agents, which constitutes regulated activities for which it is licensed by the Commission.
2. Pursuant to the provisions of section 217 of the Ordinance, an application may be made to the Securities and Futures Appeals Tribunal for a review of the Commission's decision to impose the prohibitions by this Notice. Such application must be made within twenty-one days after the day on which this Notice is served on the Specified Corporation. Further, pursuant to the provisions of section 208 of the Ordinance, the Specified Corporation may apply to the Commission for the prohibitions imposed by this Notice to be withdrawn, substituted or varied.

This Notice takes effect at the time of service upon the Specified Corporation.

Dated this 17th day of February 2025

Julia Leung
Chief Executive Officer

For and on behalf of
Securities and Futures Commission

Statement of Reasons
Pursuant to Section 209(2) of the Securities and Futures Ordinance
(Cap. 571) (Ordinance)

1. Money Concepts (Asia) Holdings Limited (**Specified Corporation**) is a corporation licensed under the Ordinance to carry on Type 1, Type 4 and Type 9 regulated activities, subject to the conditions that:
 - (a) for Type 1 regulated activity, the licensee shall not conduct business other than dealing in securities through other intermediaries or financial institutions regulated by authorities or organizations that (i) perform similar functions as the Securities and Futures Commission (**Commission**) and/or (ii) regulate banking or other financial services; and
 - (b) for Type 9 regulated activity, the licensee shall not:
 - (i) conduct business involving the discretionary management of any collective investment scheme, as defined under the Ordinance; and
 - (ii) provide a service of managing a portfolio of futures contracts for another person.
2. It appears to the Commission that:
 - (a) the Specified Corporation is not a fit and proper person to remain licensed or is not a fit and proper person to carry on any regulated activity for which it is licensed;
 - (b) the Specified Corporation has failed to comply with the requirement specified in section 180(2) of the Ordinance or, in purported compliance with such requirement, has furnished to the Commission false or misleading information in a material particular;
 - (c) the licence of the Specified Corporation may be revoked or suspended on any of the grounds specified in section 194(1) of the Ordinance; and
 - (d) the imposition of the prohibitions set out in the Notice issued by the Commission of even date under section 204 of the Ordinance (to which this Statement of Reasons is attached) is desirable in the interest of the investing public or in the public interest.
3. The Commission has reached this view based on the following matters:

Suspected provision of fabricated documents and/or false information

- (a) On 17 February and 5 May 2023, the Specified Corporation provided the account opening forms of some of its clients to the Commission.
- (b) Evidence obtained by the Commission suggests that the Specified Corporation changed the signature date of a client's account opening form from 24 May 2022 to 24 May 2011, without the client's knowledge or consent, and submitted it to the Commission to conceal the Specified Corporation's failure to timely conduct client account opening procedures when the client was migrated to the Specified Corporation from another licensed corporation in 2011.

Non-cooperation and evasion in the Commission's inspections and investigation conducted under sections 180 and 182 of the Ordinance respectively

- (c) Between 2021 and 2022, the Commission intended to carry out an on-site inspection of the Specified Corporation under section 180 of the Ordinance, but attempts had been unsuccessful despite having accommodated the Specified Corporation's repeated requests for postponements.
- (d) In March 2024, the Commission again informed the Specified Corporation of its intention to carry out an inspection under section 180 of the Ordinance. However, the Specified Corporation refused the Commission's inspection team's entry to its office on 12 April 2024 to carry out an inspection under section 180 of the Ordinance (**First Onsite Visit**).
- (e) Following the unsuccessful First Onsite Visit, on 15 April 2024, the Commission issued a letter to the Specified Corporation, informing it that the Commission's inspection team would visit its office on 17 April 2024 again to carry out an inspection under section 180 of the Ordinance (**Second Onsite Visit**). During the Second Onsite Visit, the Specified Corporation failed to produce the documents and records required under section 180 of the Ordinance, including the account statements of its clients' accounts at a US broker (**US Broker**), its house bank account statements and client asset register. Further, it appears that a director of the Specified Corporation (**Director**) provided contradictory and false representations to, and refused to cooperate with, the Commission's inspection team during the Second Onsite Visit:
 - (i) The Director first claimed that the Specified Corporation could no longer access the US Broker's online system. The Director later changed his response and claimed that the Specified Corporation could still access the online system. In the presence of the Commission's inspection team, the Director tried to log onto the US Broker's online system, but the login page

became unresponsive. The Director then claimed that the system was not functioning that day. However, according to messages exchanged between the Director and the Specified Corporation's former director and responsible officer, the system had been deliberately shut down by the Director prior to the Commission's inspection team's arrival;

- (ii) When the Director was asked to retrieve bank statements of the Specified Corporation's house bank accounts via the online banking platform, the Director showed the Commission's inspection team the failed login alert displayed on the online banking platform of a bank with which the Specified Corporation did not maintain any account, and refused to log onto its house account via online banking, claiming that he did not have the correct credentials; and
 - (iii) When the Director was asked to produce client agreements of the Specified Corporation, the Director indicated that he had taken some agreements and account opening documents home to review and he did not know where the rest were stored in the Specified Corporation's office.
- (f) On 23 July 2024, a notice was issued to the Specified Corporation requiring under section 183 of the Ordinance for, amongst other things, production of a copy of the monthly account statements of May to June 2024 of its clients issued by the US Broker. The Specified Corporation failed and refused to provide the documents. However, evidence obtained by the Commission shows that the Specified Corporation did have in its possession the requested account statements of its clients issued by the US Broker.

Carrying on regulated activities despite not satisfying the relevant requirements

- (g) The Specified Corporation has not had sufficient responsible officers to carry on Type 1 regulated activity since 3 January 2024 and failed to meet the requirements under section 125(1) of the Ordinance. It disregarded the reminders from the Commission and continued to carry on Type 1 regulated activity by assisting its clients in disposing securities held in their accounts with the US Broker after 3 January 2024.
 - (a) Evidence shows that the sole responsible officer for the Specified Corporation's Type 1 regulated activity between 3 January 2024 and 8 January 2025 was a responsible officer in name only and had not taken up any supervisory responsibilities during his tenure, which commenced in June 2023.
4. The Commission considers that the above matters call into serious question the honesty, reliability and integrity of the Specified Corporation, its ability to carry on

regulated activities competently, honestly and fairly, and therefore its fitness and properness to remain licensed.

5. Further, by reason of the above matters, the Commission considers that the licence of the Specified Corporation may be revoked or suspended by reason of any of the grounds specified in section 194(1) of the Ordinance.
6. The Specified Corporation has also failed to comply with the requirement specified in section 180(2) of the Ordinance or, in purported compliance with such requirement, has furnished the Commission with information which was at the time when it was furnished false or misleading in a material particular.
7. In the circumstances, the Commission considers it desirable in the interest of the clients of the Specified Corporation, and in the wider interest of the investing public or in the public interest, to impose on the Specified Corporation the prohibitions stipulated in the Notice to which this Statement of Reasons is attached.

Julia Leung
Chief Executive Officer

For and on behalf of
Securities and Futures Commission

Dated this 17th day of February 2025