



**Mr Eddy Fong introduces
the work of the SFC to estate agents**

(6 June 2007) Chairman of the Securities and Futures Commission (SFC) Mr Eddy Fong, SBS, JP, today spoke in the Distinguished Speaker Series of the Estate Agents Authority (EAA). The talk was well-received by an audience of over 300 estate agency practitioners and trade association representatives.

The topic of Mr Fong's speech was "The Role of the SFC as a Market Regulator". Attending the talk were EAA Vice Chairman Mrs Amy Liu; Chairman of the EAA Professional Development Committee Mr Joseph Tsang; and EAA members Mr Shih Wing-ching and Mr Aaron Wan.

In her welcome note, Mrs Liu said the estate agency trade could learn much from the experiences of Mr Fong and the SFC in maintaining and promoting fairness, efficiency, competitiveness, transparency and orderliness of the securities and futures industry.

In his talk, Mr Fong said that although EAA and the SFC regulated different sectors, their regulatory objectives had many similarities as both strived to maintain market integrity and safeguard the interests of investors or consumers. He added both had established a licensing system for the respective industries they regulated, and required newcomers to pass the relevant qualifying examination and fulfil the "fit and proper" criteria. Both had drawn up a Code of Conduct or Code of Ethics, which intermediaries must observe. The two authorities also had the power to impose disciplinary sanctions on practitioners who breached the law and regulations.

Mr Fong said SFC's experience showed that most of the market practitioners were compliant with the laws and regulations. However, there were some opportunists who had taken advantage of grey areas in the regulatory system for their own benefit. The SFC, on the one hand, provided incentives to encourage these individuals to comply with the law and regulations and, on the other, ensured the law and regulations had sufficient deterrence. The Commission was also committed to cracking



down on non-compliant practitioners.

Mr Fong concluded that both the finance and real estate industries played a key role in Hong Kong's economy, and the SFC and EAA shared the same task of maintaining the standards in their respective markets so as to enhance the reputation of Hong Kong as an international financial centre.

After the talk, Mr Fong exchanged views with practitioners on a number of issues, including how the SFC regulated Mainland companies listed in Hong Kong and how it struck the balance between maintaining order in the market and maintaining its competitiveness.

Appointed a non-executive director of the SFC in January 2005, Mr Fong became the SFC Chairman in October 2006. Mr Fong is a certified public accountant and has been engaged in audit and listing activities for over 30 years. Mr Fong is also active in public and community service. In addition to his role as SFC Chairman, Mr Fong is also currently a Non-Executive Director of the Hong Kong Mortgage Corporation and the Treasurer and Council Member of the Open University of Hong Kong. He was previously a non-executive director of the Mandatory Provident Fund Schemes Authority, Exchange Fund Investments Limited and Hong Kong Mortgage Corporation.

The Distinguished Speakers Series is a major activity of EAA's Continuing Professional Development Scheme. Today's talk was the sixth in the series. Previous speakers were the Honourable Leung Chun-ying, Convenor of the Non-official Members of the Executive Council; Mr Kwok Kwok-chuen, Government Economist; Professor Xu Jialu, Vice Chairman of the Standing Committee of the National People's Congress; Mr Fred Lam, Executive Director of the Hong Kong Trade Development Council; and Mr James Lau, Chief Executive Officer of the Hong Kong Mortgage Corporation Limited.



EAA members, Board-appointed members pose with Chairman of the Securities and Futures Commission Mr Eddy Fong. (From left) Mr Wong Tsan-kwong, Mr Aaron Wan, Ms Wendy Gan, Chairman of Professional Development Committee Mr Joseph Tsang, Vice-chairman Mrs Amy Liu, Mr Eddy Fong, Chief Executive Officer Ms Sandy Chan, Mr Shih Wing-ching, Mr Paul Ma.



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