

TO: Wisdom House Investment Partners Limited
39a Aberfeldy Avenue
Highland Park
Auckland 2010

and

TO: Yuen Pok Loo
39a Aberfeldy Avenue
Highland Park
Auckland 2010

INTERIM STOP ORDER

made by the Financial Markets Authority (**FMA**)
pursuant to
section 465 of the Financial Markets Conduct Act 2013 (**Act**)

While this interim stop order (**Order**) is in force, Wisdom House Investment Partners Limited (**Wisdom House**) and Yuen Pok Loo (**YPL**) are prohibited from:

- (a) distributing any restricted communication that relates to the supply of a financial advice service to any person; and
- (b) supplying a financial advice service to any person; and
- (c) supplying the financial service of keeping, investing, administering, or managing money, securities, or investment portfolios on behalf of other persons.

For the purposes of this Order:

- **distribute** has the meaning given to that term in section 6(1) of the Act;
- **financial advice service** has the meaning given to that term in section 431D of the Act;
- **financial service** has the meaning given to that term in section 6(1) of the Act; and
- **restricted communication** has the meaning given to that term in section 464 of the Act.

Period for which this Order is in force

This Order is in force from the time at which it is made until the close of the date that is 15 working days after the day on which it is made, in accordance with section 465(2)(a) of the Act.

Reasons for this Order

The FMA has made this Order because the FMA is considering whether it may exercise a power under section 462 of the Act to make a stop order, and the FMA considers that making this Order is desirable in the public interest.

Section 465(1) of the Act provides that “[t]he FMA may make an interim order (an **interim stop order**) of the kind referred to in section 463 that is in force for the period referred to in subsection (2) if-

- (a) the FMA is considering, at any time, whether it may exercise a power under section 462; and
- (b) the FMA considers that making an interim stop order is desirable in the public interest.

The FMA is considering whether it may exercise a power under section 462 of the Act because it appears that:

- an email sent by YPL at 11:06am on 26 July 2022 to clients, or potential clients, of Wisdom House (**client email**):
 - held YPL out as the financial adviser to those clients or potential clients including by using the term Financial Adviser in his email sign-off when he did not hold, or was not engaged under, a market services licence;
 - held Wisdom House out as a licensed financial advice provider when that was not the case; and
 - contains statements that directly or indirectly refer to the supply, or possible supply, of a financial advice service and are reasonably likely to induce persons to request the supply of a financial advice service; and
- the letter dated 1 April 2022 (**FMA letter**) attached to the client email purporting to be on FMA letterhead and from Anita Frazer as Head of Compliance Services and purporting to confirm that the FMA has granted a Full Financial Advice Provider licence to Wisdom House is not genuine and is a forgery; and accordingly
- the client email (together with the attached FMA letter), being a restricted communication relating to the supply, or possible supply, of financial services (namely a financial advice service), is false or misleading, or is likely to mislead or confuse, in a material particular and contains a material misdescription or material error.

The client email (together with the attached FMA letter) is a restricted communication (as defined in section 464 of the Act) because it is a form of communication that:

- directly or indirectly refers to the supply, or possible supply, of a financial service (namely a financial advice service);
- is reasonably likely to induce persons to request the supply of a financial service (namely a financial advice service);
- is authorised or instigated by, or on behalf of, the service provider or an associated person of the service provider (namely Wisdom House and/or YPL); and
- has been distributed to a person (being the recipients of the client email).

In terms of section 462(1)(f) of the Act, it appears the client email (together with the attached FMA letter) is a restricted communication relating to the supply, or possible supply, of financial services (namely a financial advice service) that:

- is false or misleading, or is likely to mislead or confuse, in a material particular; and
- contains a material misdescription or material error.

The FMA considers that making this Order is desirable in the public interest because there is real risk of client harm arising from what appears to be dishonest and misleading activities of Wisdom House and YPL.

This Order is of the kind referred to in section 463 of the Act that is in force for the period referred to in subsection (2) of section 465.

Other terms and conditions

The FMA must give the Registrar of Financial Service Providers written notice of the terms and conditions of this Order, the reasons for this Order and any other information the FMA thinks relevant in the circumstances and make the notice available on the FMA's Internet site (<https://www.fma.govt.nz>) in accordance with section 477(1)(b) of the Act. Under section 477(1)(e) of the Act, the FMA may also give notice to any other person of those matters.

This Order is made at 12.45pm on this 15th day of August 2022



James Greig
Director of Supervision
Financial Markets Authority