

Follow-up to the hearing on 8 October 2010

**Information (including relevant documents and records, if any)
on the following issues**

1. It is stated in paragraph 23.9 of W40(C) (Mr HE's written statement) that in addition to the general training and product training, BOCHK also conducted training programmes on selling process and compliance. In respect of the training on selling process, please provide a copy of the relevant training materials.
 - 1.1 Please find attached (**Attachment 1**) a copy of the training material of a training programme on selling process and compliance conducted between October and November of 2007.

2. It is noted that the sales staff engaged in the distribution of investment products received product-specific training in the form of workshops organized by BOCHK's product team prior to product launch (paragraph 23.8 of W40(C)). Please advise:
 - (a) by whom these workshops were conducted;
 - (b) the names and positions of these individuals; and
 - (c) whether representatives from the arranger or co-ordinating dealer also took part in briefing the sales staff.
 - 2.1 Upon receiving the training materials from the product team, branch managers would arrange and supervise the product-specific training workshops for the Relevant Individuals of their respective branches. The product team's hotline was made available to all Relevant Individuals to answer their questions. Moreover, from time to time the product team and/or representatives from the arranger or co-ordinating dealer would, upon invitation by area managers or branch managers, visit the branches to give product briefings to the Relevant Individuals and answer their questions. A few of the training workshops were organized by the product team and conducted by way of seminars at the BOCHK's Training Centre in which representatives from the arranger or co-ordinating dealer took part in briefing the Relevant Individuals.

3. Regarding the series-specific training materials provided to the Relevant Individuals in preparation for the launch of each series of product as mentioned in paragraph 23.8 of W40(C), please provide a set of such materials for Minibonds Series 8, 27, 34 and 35 for reference.
 - 3.1 We have provided the training material for Minibond Series 8 in our previous response to Question 5 of the follow-up questions to the hearing on 5 October 2010. Regarding the training materials for Minibond Series 27, 34 and 35,

please find attached (**Attachments 2a, 2b and 2c** respectively) copies of the respective training materials.

4. Please provide a copy of the training compact disc of Minibonds Series 27, Series 34 and Series 35 prepared by the Training Centre of BOCHK for frontline sales staff.
- 4.1 Please find attached (**Attachments 3a, 3b and 3c** respectively) copies of the training VCD of Minibond Series 27, 34 and 35 respectively.