



RESPONSES TO THE FOLLOW-UP QUESTIONS RAISED BY THE SUBCOMMITTEE ON 26 JUNE 2009

9 July 2009



- Q.1 It is noted that before Minibonds series 22, the marketing materials of Minibonds series were issued by Sun Hung Kai Investment Services Limited (Sun Hung Kai) and not by the product issuer, Pacific International Financial Limited (PIFL). Please provide information on why such materials were issued by PIFL instead of by Sun Hung Kai starting from Minibonds series 22.**
- 1.1. Broadly speaking, after the Companies (Amendment) Ordinance came into effect in December 2004, it is unlawful for any person (whether a licensed person or not) to publish an advertisement in relation to a prospectus unless it is authorised by the SFC.
 - 1.2. The law does not prescribe who can issue marketing leaflets authorised by the SFC.
 - 1.3. The civil and criminal liabilities in the Companies Ordinance for untrue statements in the marketing leaflets apply to directors of issuer of the marketing leaflet.
 - 1.4. Since PIFL is the issuer of the Minibonds prospectuses and, beginning from series 22 the content of the marketing leaflets were extracted from the relevant prospectus, there was no reason why PIFL could not be the issuer of the marketing leaflets as well.