

Our Ref.: B1/15C

SC Ref. No. SC(1)-W6(C)

Annex 19

10 December 2008

The Chief Executive  
All Registered Institutions

Dear Sir/Madam,

**Despatch of information to investors of retail investment product**

Under the current market conditions, registered institutions (RIs) are likely to receive frequent enquiries from customers who have bought investment products on the latest conditions of their investments. The Securities and Futures Commission (SFC) has earlier issued a circular to remind all regulated persons (i.e. licensed corporations and RIs) to play a more proactive role in addressing investor concerns. In particular, regulated persons have a responsibility to:

- provide assistance to clients with enquiries and complaints;
- understand and be able to explain the nature and characteristics of the investment product that has been sold to clients; and
- give clear and competent advice to clients about what options are available to them.

The circular is available on the SFC's website at:  
<http://www.sfc.hk/sfcRegulatoryHandbook/EN/displayFileServlet?docno=H517>

We understand that issuers of retail investment products will from time to time publish information in their websites or by issuing notices to update investors on the latest conditions of their investment products. The Hong Kong Monetary Authority expects all RIs that are involved in distributing retail investment products to put in place adequate procedures to ensure that their customers are made aware of all relevant information issued or made available by the issuers of these products in a timely manner. RIs should also ensure that their relationship managers are well briefed on these information so that they can competently handle enquiries from their customers.

Yours faithfully,

Nelson Man  
Executive Director  
(Banking Supervision)

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