

The Story

The lady was a 43 year old accounts clerk. She was earning HK\$13,000 per month. She had saved up HK\$800,000 in her savings account.

In a bank branch she was sold two policies with monthly premiums on the two totaling HK\$30,000 a month – drip fed from that savings account.

At the end of 24 months she had HK\$80,000 in her savings account plus surrender values in her two policies of HK\$340,000 – total assets of HK\$420,000 and not HK\$800,000.

Yes she eventually, after 14 months of tortuous efforts, received a refund totaling HK\$792,000.

But this will not go into the statistics as a compliant because to get that refund she had to sign a withdrawal of the complaint!

The Point

Death by a thousand cuts to the Hong Kong public. Unlike death from a tsunami called the Lehman mini-bond saga. Both perpetrated by the Hong Kong banks.

This Bill enshrines into Hong Kong law the ability of the HKMA to inspect and investigate and enshrines into Hong Kong law the ability of the HKMA to supervise insurance intermediary activities.

We know that power and authority, without an equal and commensurate amount of responsibility over the long term leads to abuse of that power and authority.

We do not see enshrined into this Bill that equal amount of responsibility towards the Hong Kong insurance buying public, who buy through the banks,

Thank you, Mr Chairman