

Annex

Number of Complaints regarding Accumulator Contracts

	2006	2007	2008 (Jan - Mar)
HKMA			
- Failure to explain clearly the investment risks and/or to assess the clients' suitability in investing in the product	0	1	9
SFC			
- Failure to explain clearly the investment risks and/or to assess the clients' suitability in investing in the product	0	0	3*
- Unclear contract terms	0	0	1
Consumer Council	0	0	0
Total	0	1	10*

* Remarks: As all three complaints received by SFC were related to banks, SFC had referred them to the HKMA and these cases were already included in the nine complaint cases received by the HKMA. Therefore the total number of complaints received in 2008 (January to March) should be ten.

Number of Complaints regarding Derivative Warrants

	2006	2007	2008 (Jan - Mar)
HKMA			
- Failure to explain clearly the investment risks and/or to assess the clients' suitability in investing in the product	1	1	0
SFC			
- Price movements	117	85	24
- Obligations of liquidity providers	17	32	9
- Others	1	3	0
Consumer Council			
- Failure to explain the nature of the product and the issues concerned in relation to its trading	1	0	0
- Unclear price quotes	0	1	0
- Unclear transaction fees	0	1	0
- Selling price different from normal price	0	1	0
Total	137	124	33

Number of Complaints regarding Other Derivatives

	2006	2007	2008 (Jan - Mar)
HKMA - Failure to explain clearly the investment risks and/or to assess the clients' suitability in investing in the product	3	7	6
SFC - Failure to explain clearly the investment risks and/or to assess the clients' suitability in investing in the product	1	4	1
Consumer Council	0	0	0
Total	4	11	7