

SFST on Lehman minibonds incident (2)

Wednesday, July 22, 2009

Reporter: Is this the best deal we can get? When can people receive the claims? Can they get the claims as soon as possible? What about for those who have yet to make any claims?

The Secretary for Financial Services and the Treasury: I think the agreement reached by the regulators and the banks has achieved a number of objectives. It does provide a large number of minibond investors a good return of their investment money up to 70 per cent of the investment principal, and relieve them of the distress and the need to go through a difficult litigation process and so on. It also achieves the regulatory objectives that we believe so important to Hong Kong. I think, overall, it is an agreement in public interests. For the vast majority of investors, I believe they should consider seriously the proposal.

Reporter: What about people who haven't made any claims?

The Secretary for Financial Services and the Treasury: No, this scheme covers investors who made the claims as well as those who have not made the claims. Those excluded are so called the "professional investors" and experienced investors. So as I have said earlier, over 90 per cent of the investors of minibond products will be eligible to this scheme.

(Please also refer to the Chinese portion of the transcript.)

Ends