

Complaints statistics concerning Lehman-related investment products (Up to 30 Sep 2009)

	No. of complaints received	Stage 1 & 2 Registration and establishment of allegations completed ¹	Stage 3 Preliminary assessment completed ²	Stage 4 Actions following preliminary assessment						Stage 5 Actions following detailed investigation			Cases received by the HKMA which are eligible for the Minibonds Repurchase Scheme or the voluntary offer ⁸
				Insufficient prima facie evidence	Seeking further information ³	Preliminary investigation in progress ⁴	Preliminary investigation completed	Of which referred to SFC ⁵	Detailed investigation in progress ⁶	Cases with no further action ⁷	Cases under disciplinary consideration	Disciplinary action taken	
Products arranged / issued by Lehman Brothers		3,751	3,742	1,024	1,110	378	1,230	201	672	62	496	-	-
- Minibonds		872	866	71	474	106	215	N/A	145	13	57	-	13,009
- Others		2,879	2,876	953	636	272	1,015	201	527	49	439	-	-
Products referenced to Lehman Brothers		4,743	4,726	675	1,654	830	1,567	133	1,422	64	81	-	-
Product type to be confirmed		88	87	37	50	-	-	-	-	-	-	-	-
Total:	21,712	8,582	8,555	1,736	2,814	1,208	2,797	334	2,094	126	577	-	13,009
(a)=(b)+(c)+(d)+(e)				(b)	(c)	(d)	(e)=(f)+(g)+(h)+(i)		(f)	(g)	(h)	(i)	

(For details on the various stages under the enforcement process, please refer to the flowchart at http://www.info.gov.hk/hkma/eng/new/lehman/enforcement_process.pdf)

Note

- ¹ The Hong Kong Monetary Authority (HKMA) formally registers each complaint and writes to each complainant to confirm receipt of his/her complaint, assigns a complaint number to facilitate subsequent communication and makes follow-up contact with each complainant (mainly by phone) to obtain or clarify details of allegations.
- ² The HKMA reviews and decides for each case (a) whether there is a lack of prima facie evidence for investigation, (b) whether further information should be sought or (c) whether there is prima facie evidence to open a case for investigation.
- ³ These are cases where additional information is being obtained from the complainant and the registered institution to facilitate the HKMA's consideration of whether to open a case for investigation.
- ⁴ These are cases considered to have sufficient grounds for opening cases for investigation. The relevant registered institution will be required to provide, where necessary, additional information to facilitate investigation.
- ⁵ These are cases where the HKMA has decided, after a preliminary investigation, that there is prima facie evidence to support a referral to the Securities and Futures Commission for consideration of whether there has been a failure at the bank level. The HKMA will continue its investigation into these cases to establish if there has been a failure by the relevant individuals concerned.
- ⁶ These are cases which have gone through preliminary investigation but further information from the complainant and the registered institution is considered necessary to enable the HKMA to take the matter further.
- ⁷ These are closed cases where the HKMA's investigation has not found sufficient evidence or grounds to proceed with the relevant individuals concerned. However, investigations at the bank level, if any, will continue. These also include cases where investigations are unable to proceed further because the complainants have declined to provide further information to the HKMA. Investigation into these cases may be re-opened if more information is received.
- ⁸ These are cases eligible for the repurchase offers made under the Lehman Brothers Minibonds Repurchase Scheme or the voluntary offer made by the Distributing Banks to their previously settled customers. These include cases which have already accepted, or are considering, the above offers. Unless dishonesty, fraud or other criminal elements are involved, it is not the intention of the HKMA to take any disciplinary or enforcement action in relation to these cases.