Annex

Some of the trades in Hong Kong that provide for cooling-off periods

- Since 1996, the Hong Kong Federation of Insurers has initiated the cooling-off period, a self-regulatory measure which is applicable to new life insurance products. Currently, the cooling-off period is 21 days and a policyholder can exercise the right to cancel the policy within the period.

- In 2006, the Consumer Council and the beauty trade promulgated a Beauty Industry Code of Practice. Six trade associations, including the Cosmetic and Perfumery Association of Hong Kong, have drawn reference from the Code and launched a scheme that provides for a voluntary cooling-off period of no less than 24 working hours.

- In 2010, the Communications Association of Hong Kong promulgated the Industry Code of Practice for Telecommunications Service Contracts, which is a self-regulatory initiative of the telecommunications industry aimed at drawing up contracts that are balanced, fair and reasonable for both the consumers and the industry. The code stipulates that a cooling-off period of no less than seven days shall apply in telecommunications service contracts concluded during an unsolicited visit to a customer's home. From July 2011, the major fixed and mobile network operators have implemented the code.

- Since 2011, the Hong Kong Monetary Authority has required retail banks to provide a pre-investment cooling-off period of at least two days when selling unlisted derivative products to certain retail customers, so that they have sufficient time to understand the product and consider the appropriateness of the investment before subscription. Also, since the inception of the Code on Unlisted Structured Investment Products in 2010, issuers of any unlisted structured investment products authorised by the Securities and Futures Commission with a scheduled tenor of more than one year shall confer on investors a cooling-off or unwind right of at least five business days after the investor places an order for the relevant product.