

27th October 2008

55th Floor
Two International Finance Centre
8 Finance Street
Central
Hong Kong
Hong Kong Monetary Authority

Dear Sir,

We refer to the HKMA Press Release of 24 October 2008 concerning referral of complaints of alleged misconduct in respect of investment products related to Lehman Brothers to the SFC for it to decide whether to take further action and the attached Table summarising the current position with regard to complaints received by the HKMA. We note that so far 64 complaints have been referred to the SFC of which 62 relate to products arranged or issued by Lehman Brothers other than minibonds, 1 relates to minibonds and 1 to products referenced to Lehman Brothers.

We would be grateful if you could inform us of the explanation why such a low number of complaints concerning minibonds have been referred to the SFC notwithstanding the large number of complaints involving selling of minibonds. We would also like to know whether any complaints have been withdrawn and whether even where complaints are withdrawn as a result of settlement between the bank concerned and the customer, the HKMA and the SFC will nonetheless proceed with appropriate action if misselling is apparent. Should you have any queries, please kindly contact our Chief Project Officer, Mr. Au Yeung Chi Fei, at 2865 4040.

Yours,

Civic Party

Cc: Securities and Futures Commission