



How to make a complaint

Example: Insider dealing

Mr C, a staff member of a listed company, suspected insider dealing activities by Mr Q, a senior executive of his company, before the announcement of that company's merger with a competitor. He suspected that Mr Q had made profits by buying the company's shares at lower prices before that announcement and then selling the shares at higher prices after the announcement. Accordingly, Mr C reported the matter to the SFC. The SFC carried out an investigation and Mr Q was prosecuted.

If your complaint does not relate to matters regulated by the SFC, contact the most appropriate regulator, as set out below:

Target	Banks (including their banking, securities and futures operations)
Regulator	Hong Kong Monetary Authority
Contact information	Tel : 2878 1378 Email : bankcomplaints@hkma.gov.hk
Target	Listed companies in Hong Kong (listing-related matters, except for takeovers and mergers)
Regulator	Hong Kong Exchanges and Clearing Limited
Contact information	Tel : 2840 3895 Email : info@hkex.com.hk
Target	Insurance companies, agents or brokers
Regulator	Office of the Commissioner of Insurance
Contact information	Tel : 2867 2565 Email : iamail@oci.gov.hk

If the person/firm you want to make a complaint about operates outside Hong Kong, you should approach the appropriate regulator in the relevant jurisdiction.

Step 3 Provide sufficient information

Please include the following in your complaint as much as possible:

- Your name and contact details.
- The name of the person or company you suspect of wrongdoing; if this is an individual, include the name of the organisation he works for.
- Full details of the relevant events and dates in chronological order.
- Copies of any relevant documents supporting your complaint such as client agreements, contract notes, account statements, correspondence or marketing materials.
- The names of any other organisation you have contacted about your complaint, such as the police.

Without your contact details, it may be difficult, if not impossible, for us to follow up on your complaint as we will not be able to get more information from you or clarify matters with you.

Step 4 File your complaint

To lodge a complaint with the SFC, you can:

- send a complaint letter by post or by fax to 2524 3718;

- complete the complaint form on our InvestEd website;
- send an email to complaint@sfc.hk; or
- if you wish to do so in person, make an appointment by calling 2840 9222 to visit a duty officer at 29th Floor, Li Po Chun Chambers, 189 Des Voeux Road Central, Hong Kong

We prefer that you file a complaint in writing. That way, you will be sure to include all relevant details of a complaint so that it is easier for us to understand.

Release your information

In reviewing your complaint, we may need to contact the target company/person concerned or another authority to obtain further information. We may also have to disclose your complaint to those parties. However, we will contact you beforehand to seek your consent to release the information if this is necessary. Please note, however, that without your consent, we may not be able to take any further action. On the other hand, if we need to use the information that you have provided for purposes related to law enforcement and regulation, such as preventing seriously improper conduct by persons providing financial services, we are permitted by law to do so with or without your consent to the disclosure.

SECURITIES AND FUTURES COMMISSION

8th Floor, Chater House, 8 Connaught Road Central, Hong Kong
Website : www.sfc.hk InvestEd : www.InvestEd.hk



We want to hear from you



The Securities and Futures Commission (SFC) values reports from the public on any suspected market misconduct. This leaflet explains how you can make effective complaints and how we handle them.

Who we are?

The SFC is the statutory regulator of the Hong Kong securities and futures markets. We are empowered by the Securities and Futures Ordinance to minimise crime and misconduct in the securities and futures industry. Input from you is crucial in helping us enforce the law.

We can...

- ✓ Investigate complaints
- ✓ Penalise wrongdoers, such as by prosecuting them or taking disciplinary action against them if they are licensed by us

We cannot...

- ✗ Act as your legal adviser
- ✗ Intercede in private civil disputes
- ✗ Get your money back
- ✗ Comment on service quality issues and commercial decisions

How we assess your complaint?

The Complaints Control Committee of the SFC conducts preliminary assessments of complaints from the public on matters within the SFC's jurisdiction. This committee consists of senior executives from various SFC departments.

The main focus of the assessment is whether the target has complied with the rules and regulations administered by the SFC. We do not, however, investigate or take further action if, in our opinion, the complaint contains too little detail or does not suggest material misconduct.

We pledge to give a preliminary response to any complaint within two weeks. We will usually tell you whether the complaint can be taken further. However, we cannot always tell a complainant what we have discovered because we are restrained by law from disclosing confidential information obtained during our investigation. The only exception to this is when action stemming from an investigation, such as a prosecution or disciplinary findings, is concluded. Then this is made public. These restrictions are designed to protect the reputation of a person/company against whom a complaint is made in case the complaint is later found to be unsubstantiated and to ensure that the complaint process is not abused.

Steps for making a complaint

Step 1 Determine your objective

The first step is to decide what you want. You may have an argument about money with an intermediary and want financial redress. Or you may want to report misconduct to the regulators.

If a licensed person you are dealing with behaves improperly or suspiciously, first you should talk to the complaints officer of the company to seek an explanation. You can find the contact details of each company's complaints officer in the Public Register of Licensed Persons and Registered Institutions on the SFC website.

Sometimes, problems arise from misunderstandings that can often be resolved by talking things through with the company's complaints officer. If the complaints officer cannot give you a reasonable explanation, or the suspicious behaviour continues, then contact us. However, we cannot intercede in private civil disputes or comment on commercial decisions and service quality issues. If you are looking for financial redress, you should seek professional legal advice about the remedies available to you.

Example: Unfilled order

Mr A placed an order to buy a stock at \$5. Later, he found his order unfilled even though many transactions of the stock had been executed at \$5 on that day. Mr A queried if the brokerage failed to place his order and therefore contacted the SFC.

As this was a trading dispute, the SFC advised Mr A to talk to the brokerage's complaints officer first. The brokerage found that when Mr A placed the order, there were already many buy orders queuing up at \$5 in the market. Since the number of shares being demanded exceeded the quantity on sale at that price, Mr A's order, which was at the back of the queue, was not filled. The matter was resolved.

Step 2 Report to the right regulator

Once you have decided to make a complaint to a regulator, please ensure that you approach the right one. Making a complaint to the wrong regulator can cost you extra time and effort.

Contact the SFC to report the following matters:

- unlicensed activities e.g. trading or advising without an SFC licence
- misconduct by SFC licensees e.g. unauthorized trading, misappropriation, mis-selling
- market manipulation and insider dealing
- suspected breaches of the Takeovers Code