



HONG KONG MONETARY AUTHORITY
香港金融管理局

Our Ref: B1/1C
B9/67C

9 June 2011

The Chief Executive
All Authorized Institutions

Dear Sir/Madam,

**Complaints Against Debt Collection Agents
Employed by Authorized Institutions**

I write to inform you of the results of the industry survey on complaints against debt collection agents (DCAs) employed by authorized institutions (AIs) for the first quarter of 2011. Please see the Annex for details.

During the reporting period, 34 AIs used the services of DCAs, assigning 114,896 accounts to 24 DCAs.

A total of 7 complaints against 5 DCAs were received by 7 AIs (compared with 10 complaints against 5 DCAs received by 4 AIs in the previous quarter). The incidence of complaints per 1,000 accounts assigned decreased to 0.06 from 0.09 in the previous quarter. Two complaints were lodged by unrelated third parties, compared with zero in the previous quarter.

No instance of a breach of the Code of Banking Practice was reported during the quarter.

Yours faithfully,

Meena Datwani
Executive Director (Banking Conduct)

Encl

c.c. The Chairman, Hong Kong Association of Banks
The Chairman, The DTC Association
Secretary, Code of Banking Practice Committee
(Attn: Ms Eva Wong – HKAB)
Secretary for Financial Services and the Treasury
(Attn: Mr Simon Wong)

Survey on DCA complaints received by AIs – Q1/2011

Table 1: AIs using DCA service

	Q1/2011	Q4/2010	Q3/2010	Q2/2010	Q1/2010
AIs receiving DCA complaints	7	4	9	5	5
AIs receiving no DCA complaints	27	31	26	30	32
Total	34	35	35	35	37

Table 2: Number of DCAs employed by AIs

	Q1/2011	Q4/2010	Q3/2010	Q2/2010	Q1/2010
1 – 5	18	18	18	18	18
6 – 10	13	14	14	13	15
11 – 15	3	3	3	4	4
Total	34	35	35	35	37

Table 3: Incidence of DCA complaints

	Q1/2011	Q4/2010	Q3/2010	Q2/2010	Q1/2010
DCA complaints received (A)	7	10	18	15	11
Accounts assigned (B)	114,896	106,015	88,524	100,875	95,669
Incidence of complaints per 1,000 accounts (C = A/B x 1,000)	0.06	0.09	0.20	0.15	0.11

Table 4: Status of complainants

	Q1/2011	Q4/2010	Q3/2010	Q2/2010	Q1/2010
Debtors	5	9	11	13	7
Family members/friends	0	1	5	1	2
Referees	0	0	0	0	0
Unrelated third parties	2	0	2	1	2
Total	7	10	18	15	11