



HONG KONG MONETARY AUTHORITY  
香港金融管理局

Our Ref: B1/15C  
G16/1C

21 October 2022

The Chief Executive  
All Registered Institutions

Dear Sir / Madam,

**Frequently Asked Questions on Investor Protection Measures in respect of Sale of Investment Products**

The Hong Kong Monetary Authority (“HKMA”) has been maintaining ongoing dialogue with the industry on supervisory matters. In light of the enquiries and feedback received from the industry on the selling process of investment products, this circular provides further guidance to facilitate implementation of the regulatory requirements by registered institutions (“RIs”) to enhance customer experience while according protection to customers.

The guidance is provided in the form of Frequently Asked Questions (“FAQs”) as attached in the **Appendix**. In gist, RIs may take into account product liquidity in considering suitability in respect of a customer’s investment horizon. RIs may also take into account a customer’s investment objectives of specific investment accounts when conducting concentration risk assessment.

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In case of questions on the FAQs, please contact Mr Kevin Sham at 2878-1594 or Ms Ailee Wong at 2878-1240.

Yours faithfully,

Alan Au  
Executive Director (Banking Conduct)

Encl.

c.c. Securities and Futures Commission  
(Attn: Ms Julia Leung, Deputy Chief Executive Officer and Executive  
Director (Intermediaries))