

Background

Upon launch of Fast Interface for New Issuance (“FINI”), CCASS EIPO functions and relevant reports will be discontinued and fully replaced by FINI. Investor Participant’s (“IP’s”) EIPO subscription service through the IP internet and IVRS will also be discontinued. IPs can still subscribe to IPOs via other Participants (“CPs”) of Hong Kong Securities Clearing Company Limited (“HKSCC”) or a share registrar (“SR”).

For a period of ONE year from FINI launch date, upon the IPs’ application and approval by HKSCC, HKSCC will waive the stock settlement fee charged on eligible Investor Settlement Instructions (“ISI”) for the IPs to acquire IPO shares through a CP or SR, which are then moved into their IP accounts.

Claim Criteria for ISI Stock Settlement Fee Concession

At present, HKSCC charges IPs an ISI stock settlement fee (i.e. 0.0020% of the gross value subject to a minimum fee of HK\$2 and a maximum fee of HK\$100 for each ISI transaction). ISI stock settlement fees concession will be subject to the approval by HKSCC on the condition that the following criteria are met:-

1. An ISI transaction in IPO shares is eligible for a fee concession claim (“Eligible ISI”) if :
 - (i) the IP has submitted its IPO application via a CP or SR;
 - (ii) the ISI settled stock code must be a newly listed IPO Share;
 - (iii) the ISI settled quantity must be less than or equal to the IPO allotted quantity;
 - (iv) the delivering party of the IPO shares must be a CP (who is not an IP) and the receiving party of the IPO shares must be an IP; and
 - (v) the ‘Payment Instruction’ must be “Free of Payment” or ‘FOP’.
2. IPs shall be required to provide true and accurate supporting documents for the IPO application and Eligible ISI, including details of the associated ISI stock settlement fee being charged. Each ISI claim submitted by IP must be validated by HKSCC before a fee concession would be granted.
3. HKSCC reserves the right to request for further information in order to process the claim.

Procedures for ISI Stock Settlement Fee Concession Claims

1. IPs must submit to HKSCC the prescribed Claim Form for ISI Stock Settlement Fee Concession (“Claim Form”), together with a copy of the IPO application evidence and each of the following IP Statements: (a) Investor Participant Activity Statement (“CIPDS01”) and (b) Investor Participant Monthly Statement (“CIPMS01”) indicating clearly:
 - (i) the applicant’s name as shown on the IPO application evidence is the same as the IP account holder’s name as shown on the CIPDS01 and CIPMS01 statements.
 - (ii) the ISIs details for transferring the IPO shares from the CP to the IP; and
 - (iii) the generated Direct Debit Instructions showing the date and the total amount of ISI stock settlement fees that have been debited from the IP’s designated bank account under the “Fees summary” section under the Investor Participant Monthly Statement (“CIPMS01”).

2. If an IP subscribed to the IPO via a SR and deposited the allotted shares to a CP for transferring the shares back to the IP's stock account by ISI, the IP is also required to provide the depository form as supporting document.
3. IPs shall submit the completed original Claim Form together with supporting documents by hand to Customer Service Centre of HKSCC at 1/F, One Exchange Square, 8 Connaught Place, Central, Hong Kong.
4. Upon approval of the concession claims, HKSCC will arrange to refund the ISI stock settlement fees to the IP on a monthly basis by crediting the amount to its Money Ledger Account with HKSCC. IP should expect to receive the relevant concession credit entry in the following month.

Should there be any queries regarding ISI stock settlement fee concession claims in respect of IPO Shares, please contact the CCASS IP Hotline¹ at 2979 7888.

¹ Calls to and from the CCASS IP Hotline may be recorded. HKEX Privacy Notice is available here.