



SECURITIES AND
FUTURES COMMISSION
證券及期貨事務監察委員會

Consultation Conclusions on the Securities and Futures (Levy) Order and the Securities and Futures (Levy) Rules

《證券及期貨(徵費)令》及 《證券及期貨(徵費)規則》諮詢總結

Hong Kong
June 2002

香港
2002年6月

INTRODUCTION

1. On 3 April 2002, the Securities and Futures Commission (the “Commission”) issued a consultation paper (the “Consultation Document”) to solicit public comments on the draft Securities and Futures (Levy) Order (the “draft Order”) and the draft Securities and Futures (Levy) Rules (the “draft Rules”), which it is proposed should be made by the Chief Executive in Council under section 394(1) and (5) respectively of the Securities and Futures Ordinance (No.5 of 2002) (the “Ordinance”) when it commences.
2. The consultation period lasted until 30 April 2002.
3. The purpose of this document is to provide interested persons with an analysis of the main comments raised during the consultation exercise and the rationale for the Commission’s conclusions. *This document should be read in conjunction with the Consultation Document.*

PUBLIC CONSULTATION

Consultation process

4. Public announcement inviting comments on the Consultation Document was published on the Commission’s website.
5. One formal submission was received from Hong Kong Securities Institute (the “HKSI”) while two similar verbal queries were received from Hang Seng Bank.
6. There were no substantive comments.

Consultation Conclusion

7. The Commission concludes that the comments received should not necessitate amendments to the draft Order and Rules attached to the Consultation Document. However, certain amendments have been made to the consultation draft of the Order and Rules with a view to improving the drafting of the Order and Rules.

SUMMARY OF COMMENTS AND SFC’S RESPONSES

8. According to the survey made by the HKSI, the majority of their respondents agreed with the draft Order and Rules. There was no disagreement.
9. Two similar queries were received from Hang Seng Bank questioning whether the levy on securities was reduced from 0.007% to 0.005% under section 3 of the draft Order. There will not be any change in the actual amount of levy payable by the purchaser or seller of securities. Under the existing Securities and Futures Commission (Levy) (Securities) Order (Cap. 24 Sub. Leg. A), the

levy payable to the SFC is 0.007%. The SFC retains the levy of 0.005% for its own expenses and pays 0.002% into the investor compensation fund established under the Securities Ordinance (Cap. 333). Under the Securities and Futures Ordinance, the levy of 0.002% will be specifically payable for the purposes of the new investor compensation fund. The Securities and Futures (Investor Compensation – Levy) Rules to be made separately would be relevant.