



### **HSBC Global Private Banking**

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## **Regulatory Initiatives that affect how we use and store your data for securities trading and IPOs in Hong Kong**

### **HKIDR**

The Securities and Futures Commission ("SFC") intends to launch the Hong Kong Investor Identification Regime ("HKIDR") towards the end of this year. HKIDR aims to maintain the integrity of Hong Kong's securities market, enabling our regulators to monitor market manipulation more easily.

Under HKIDR each of our customers will be allocated a unique client identification code, a Broker-to-Client Assigned Number ("BCAN"). As soon as HKIDR is launched, BCANs must be used for all orders of securities listed on the Stock Exchange of Hong Kong ("SEHK"). BCANs must also be used for off-exchange transactions in securities listed or traded securities which are required to be reported to SEHK.

In order to facilitate your continued trading of securities listed or traded in Hong Kong we must ensure that we have obtained up to date client identification data ("CID"). Your consent must be obtained so that our regulators may use your data in the manner described in the Supplemental Personal Information Collection Statement ("Supplemental PICS") attached to this notice.

More information on HKIDR is available on the SFC's/HKEx's website.

### **OTCR**

The SFC will launch an over-the-counter securities transactions reporting regime ("OTCR") for shares and real estate investment trusts ("REITs") listed on SEHK. These are collectively referred to as shares for OTCR. It is expected to go live in the first half of 2023. We will be required to report any transaction not recorded by SEHK as an on-exchange order or required to be reported to SEHK as an off-exchange trade on which stamp duty is payable in Hong Kong.

OTCR will enable our regulators to help protect the integrity of our securities markets by enhancing market surveillance.

More information on OTCR is available on the SFC's/HKEx's website.

### **FINI**

Fast Interface for New Issuance ("FINI") is a new platform being developed by Hong Kong Exchanges and Clearing Limited under which the IPO settlement process will be streamlined and modernized. SEHK expects that FINI will provide investors with quicker access to new listings and improve market efficiency for IPOs. CID collected under HKIDR will need to be processed by SEHK and Hong Kong Securities Clearing Company Limited ("HKSCC") so that we can process applications through FINI on your behalf. HKEx has set the launch date of FINI to June 2023 (tentatively).

More information on FINI is available on the HKEx's website.



**Why your consent is important?**

Our continued ability to provide services to you is impacted if we do not collect your updated CID in accordance with regulatory guidelines. We will actively assist you through this process but please note your responsibility to ensure that the CID you provide to us is up to date and accurate, at all times. We have a duty to verify your CID.

We look forward to continuing to meet your trading needs. Please provide your consent to the Supplemental PICS to meet the above regulatory requirements.