

GENERAL RULES OF CCASS

PART A: RULES OF GENERAL APPLICATION

**CHAPTER 1
INTERPRETATION**

101. Definitions

When used herein, the following expressions shall, unless the context otherwise requires, bear the following meanings:

“Participant Gateway” or “PG” means, in relation to a Participant (~~other than an Investor Participant~~), its Settlement Agent or a Designated Bank, an optional technical device, which provides communication interface with CCASS in respect of particular functions specified by HKSCC from time to time, installed at the office premises in Hong Kong of the Participant, ~~or~~ its Settlement Agent or the Designated Bank;

**CHAPTER 7
SERVICES - GENERAL**

704. Access to CCASS

Where a Participant can demonstrate to the satisfaction of HKSCC that there is sufficient commercial and policy justification, it may, with the prior written approval of HKSCC, install a CCASS Terminal or a Participant Gateway at a location which is not the office premises of the Participant or its Settlement Agent. Where approval is granted, such installation and access shall be subject to the Rules and such conditions as prescribed by HKSCC from time to time. Where a CCASS Terminal is approved to be installed in a foreign jurisdiction or where CCASS is accessed from a foreign jurisdiction pursuant to Rule 3901, approval shall be subject to such conditions as stipulated in ~~the~~ Rules 3902 to 3904. For the avoidance of doubt, a Participant shall continue to be liable as principal and shall bear full responsibility for all acts, omissions, breaches and defaults, even when it or its Authorised User accesses CCASS or conduct its activities in CCASS at a location not at the office premises of the Participant or its Settlement Agent.

A Participant that wishes to share its CCASS Terminal and/or Participant Gateway with other Participants, Settlement Agents ~~and/or in the case of CCASS Terminal~~, Designated Banks, must obtain HKSCC's prior approval to do so. Where approval is granted, such sharing of CCASS Terminal and/or Participant Gateway shall be subject to the Rules and such conditions as prescribed by HKSCC from time to time. For the avoidance of doubt, a Participant shall continue to be liable as principal and shall bear full responsibility for all acts, omissions, breaches and defaults, even when it shares its CCASS Terminal and/or Participant Gateway with other Participants, Settlement Agents ~~and~~ or Designated Banks.

CHAPTER 11 NOMINEE SERVICES

1101. Scope and extent of nominee and similar services

If Eligible Securities credited to the Stock Account of a receiving Participant under an ISI Transaction are on hold, HKSCC may limit the extent of nominee services provided with respect to them. If an ISI Transaction settled on a DVP basis is cancelled by HKSCC because ~~n~~egative ~~e~~Confirmation of ~~p~~ayment in respect to the relevant debit EPI has not been obtained and the receiving Participant's Designated Bank does not make the relevant payment, HKSCC may make adjustments to the receiving Participant's entitlements.

PART B: EXCHANGE TRADES AND TRANSACTIONS BETWEEN PARTICIPANTS

CHAPTER 36 RISK MANAGEMENT MEASURES - CNS SYSTEM

3604. Securities-on-hold

Until such time as HKSCC is satisfied that (i) it has received payment in full in respect of Eligible Securities delivered by HKSCC to a Clearing Participant or Clearing Agency Participant as the case may be under the CNS System on a particular Settlement Day; and (ii) such payment is good and irrevocable, or unless otherwise agreed by HKSCC, title and property in such Eligible Securities ("Securities-on-hold") shall not pass to such Clearing Participant or Clearing Agency Participant, as the case may be.