

## CHAPTER 11

### DCASS

#### Introduction

1101. SEOCH Participants shall ensure that DCASS is operated, and Contracts are cleared and settled through DCASS, in accordance with these Clearing Rules, the Operational Clearing Procedures, the DCASS Terminal User Guide and such other procedures and requirements as may be specified by SEOCH from time to time, including those specified in the DCASS Agreement.

#### Connection to DCASS

1102. Prior to the establishment of an electronic connection of a SEOCH Participant to DCASS ("DCASS connection"), a DCASS Agreement in a form prescribed by SEOCH from time to time shall be entered into.

1102A. A SEOCH Participant can establish its DCASS connection via the central gateway provided by SEOCH or the SEOCH Participant's remote network gateways.

1103. SEOCH reserves the right to limit the number of DCASS connections per SEOCH Participant.

1104. SEOCH reserves the right immediately to disconnect a DCASS connection and prohibit any person (whether a SEOCH Participant or not) from having access to DCASS on such conditions as SEOCH thinks fit.

1105. SEOCH Participants shall follow such security procedures pertaining to their DCASS connections as are from time to time specified by SEOCH.

1106. SEOCH Participants shall notify SEOCH immediately if their DCASS connections or clearing activities on DCASS are affected by any disruptions, whether technical or otherwise.

1107. SEOCH may from time to time impose such requirements on SEOCH Participants as to the operation of and access to DCASS as SEOCH may think fit.

#### DCASS Equipment and Software

1108. Equipment and software which are required for DCASS connection shall be specified by SEOCH from time to time.

1109. SEOCH reserves the right to approve any equipment and software not specified by SEOCH in accordance with Clearing Rule 1108. In the event that a SEOCH Participant wishes to use any equipment and software other than that specified by SEOCH, SEOCH may require prior to DCASS connection that such equipment and software are thoroughly tested by the SEOCH Participant and determined by SEOCH not to have any detrimental impact on the operation of DCASS.

1110. SEOCH Participants shall install all applicable software specified by SEOCH in the latest version in force together with system program software in the latest version specified by SEOCH. SEOCH Participants shall not alter, modify, reverse engineer, change or copy programs or software supplied by SEOCH without SEOCH's prior written permission.
1111. SEOCH Participants shall grant SEOCH access for the inspection of equipment, software or applications relating to their DCASS connections. Such inspections shall take place wherever practicable at an agreed time and in the presence of the SEOCH Participant in question.
1112. The cost for the requisite equipment supplied by SEOCH and the installation and maintenance thereof shall be borne by the SEOCH Participant.

### **Backup Centre for DCASS**

- 1112A. In case SEOCH Participants cannot access their DCASS terminals due to technical or other reasons for performing post-trade adjustment functions in DCASS, they can request the use of the backup centre provided by SEOCH to perform such functions. For details, please refer to the DCASS Terminal User Guide.

### **Liability of SEOCH Participants**

1113. Each SEOCH Participant shall be responsible and liable for all instructions and clearing and settlement activities arising from his DCASS connection, and any unstable condition, breakdown or damage to DCASS or other consequences resulting from the use of such DCASS connection, whether by the SEOCH Participant or any other person.
1114. No action shall lie against and no liability whatsoever nature and howsoever arising, whether in contract, tort or otherwise, shall be incurred by SEOCH, the Exchange, the SEOCH Board, HKCC, HKSCC, any HKEX staff or a recognized exchange controller which is the controller of SEOCH directly or indirectly in connection with any failure, error or defect in, or unavailability of, DCASS or any other equipment, systems, services or facilities of SEOCH.