

編號 Ref. No.:	LSD/044/2024
日期 Date:	20/06/2024

香港中央結算有限公司
(香港交易及結算所有限公司全資附屬公司)

HONG KONG SECURITIES CLEARING COMPANY LIMITED
(A wholly-owned subsidiary of Hong Kong Exchanges and Clearing Limited)

通告 CIRCULAR

Subject: Amendments to the General Rules of HKSCC (the “Rules”) and the HKSCC Operational Procedures (the “Procedures”) of Hong Kong Securities Clearing Company Limited (“HKSCC”)

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Participants of CCASS are requested to note that the Securities and Futures Commission has approved amendments to the Rules and the Procedures for the purpose of implementing the enhancement of third party clearing arrangement in the Hong Kong securities market.

The amendments, as set out in Appendices 1 and 2, will come into effect on Monday, 24 June 2024.

The marked-up version of the amendments can be downloaded from the following sections of the HKEX website:

- ["Rule Update - General Rules of HKSCC"](#)
- ["Rule Update - HKSCC Operational Procedures"](#)

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Head of Legal

¹ Calls to and from the CCASS Hotline may be recorded. HKEX Privacy Notice is available [here](#).

GENERAL RULES OF HKSCC

CHAPTER 9

CLEARING SERVICES

901. Clearance of Exchange Trades

(i) Provision of Exchange Trades Details

In relation to Exchange Trades on each Business Day, details thereof are to be reported to HKSCC by the Exchange.

HKSCC shall be entitled to rely on the accuracy of the details of the Exchange Trades so reported (and may, in its absolute discretion, accept from the Exchange amendments to such details, including, without limitation, amendments relating to Trade Amendments, “late” Exchange Trades and trades subsequently reported as not recognized by the Exchange) and act on them in accordance with the Rules.

For the avoidance of doubt, HKSCC shall not be responsible for any delays or inaccuracies in relation to the reporting of details of Exchange Trades by the Exchange to HKSCC.

HKSCC may require Clearing Participants and Clearing Agency Participants to provide, or to procure their NCPs or Special Participants to provide, details of Exchange Trades to it, such details to be in such form as may be specified by HKSCC from time to time.

(ia) Substitution Process

Where a party to an Exchange Trade is an NCP, the GCP of that NCP designated for clearing such Exchange Trade of that NCP shall become a party to the Exchange Trade as principal in substitution for, and with exactly the same rights and obligations under the Exchange Trade as, that NCP.

Where a party to an Exchange Trade is a Special Participant, the relevant Clearing Agency Participant which clears Exchange Trades for the Special Participant shall become a party to the Exchange Trade as principal in substitution for, and with exactly the same rights and obligations under the Exchange Trade as, that Special Participant.

In relation to a TSF Exchange Trade of a TSF Exchange Participant, the TSF Clearing Participant of that TSF Exchange Participant designated for clearing such TSF Exchange Trade of that TSF Exchange Participant shall become a party to the relevant TSF Exchange Trade and the corresponding TSF FX Transaction as principal in substitution for, and with exactly the same rights and obligations under the relevant TSF Exchange Trade and the corresponding TSF FX Transaction as, that TSF Exchange Participant at the same time as the relevant TSF Exchange Trade is effected on the Exchange Trading System.

(ii) CNS System/Isolated Trades System for Exchange Trades

Subject to the Rules, Exchange Trades are to be cleared and settled in CCASS either:-

- (a) under the Continuous Net Settlement System; or
- (b) under the Isolated Trades System.

An Exchange Trade will be cleared and settled in CCASS under the CNS System unless, (a) in accordance with the Exchange Rules, the two counterparty Exchange Participants to an Exchange Trade elect to settle such trade under the Isolated Trades System or (b) the Exchange Trade is not accepted for clearance and settlement under the CNS System by HKSCC in accordance with the Rules.

Notwithstanding the foregoing, HKSCC shall have the right at any time prior to acceptance for settlement under the CNS System to exclude Exchange Trades for settlement thereunder in which case such trades will be settled under the Isolated Trades System.

For the avoidance of doubt, if HKSCC exercises its right pursuant to Rule 901 to rely on the accuracy of the details of the Exchange Trades reported to it by the Exchange and elects not to accept any Trade Amendment affecting an Exchange Trade which has been accepted for settlement under the CNS System, the acceptance of such Exchange Trade for settlement under the CNS System will be binding on the Clearing Participants and Clearing Agency Participants concerned; and if HKSCC accepts that certain trades shall not be recognized, such trades shall be excluded from clearing and settlement in CCASS and shall be deemed not to have been accepted by HKSCC.

- (iii) Settlement period for Exchange Trades

Subject to the Rules, settlement of Exchange Trades effected on each day shall take place on the second Settlement Day thereafter.

CHAPTER 40

CLEARING BY GENERAL CLEARING PARTICIPANTS

4003. Obligations of GCP

A GCP shall capture all liabilities for all the Exchange Trades or Clearing Agency Transactions concluded and, where applicable, designated to it for clearing by each NCP and/or China Connect Securities Trades concluded by each NCCCP with which it has entered into a Clearing Agreement, as if it were a party to these trades and transactions and shall not be entitled to decline to settle and clear any such Exchange Trades or Clearing Agency Transactions of the NCP, and/or China Connect Securities Trades of the NCCCP. A GCP shall have arrangement in place with each NCP or NCCCP for the NCP or NCCCP to notify it of all Exchange Trades and Clearing Agency Transactions concluded and, where applicable, designated to it for clearing by the NCP and/or all China Connect Securities Trades concluded by the NCCCP.

A GCP shall have arrangement in place to monitor the ability of each NCCCP with whom it has entered into a Clearing Agreement to satisfy promptly all obligations arising from the Exchange Trades, Clearing Agency Transactions and/or China Connect Securities Trades, as the case may be, concluded by such NCCCP. A GCP must forthwith notify HKSCC of any failure of an NCCCP to meet its obligations under the Clearing Agreement, and in the case of an NCP, HKSCC may

disclose such information to any other GCP of the NCP.

A GCP shall, within a period as HKSCC may specify, provide information in its possession about its NCCCPs to HKSCC, including but not limited to, financial position, an NCCCP's underlying client information or any other information or documents as HKSCC may demand.

A GCP shall ensure that the Clearing Agreement to which it is a party, and all subsequent agreements to amend the Clearing Agreement do not contain any provision which is inconsistent with the Rules and has terms and conditions to facilitate the performance of, and be consistent with, the GCP's obligations under the Rules. The Clearing Agreement shall incorporate any additional conditions prescribed by HKSCC from time to time. A GCP shall be bound by and comply strictly with the terms of each Clearing Agreement to which it is a party, to the extent that those Clearing Agreements are consistent with the Rules.

A GCP shall notify HKSCC of any changes to any of the Clearing Agreements it entered into forthwith upon such changes being made. Such notification shall be in a form as HKSCC may from time to time specify and be accompanied by a certified copy of a document evidencing such changes. For the avoidance of doubt, a GCP must ensure that any changes to the Clearing Agreement and any amendment agreement are in compliance with these Rules.

Every GCP which is a TSF CCASS Participant which intends to clear and settle TSF Exchange Trades for NCPs shall, in addition to the above, comply with Rule 12A21. Every GCP which is a China Connect Clearing Participant which intends to clear and settle China Connect Securities Trades for NCPs shall, in addition to the above, comply with Rule 4104.

4004. Termination of Clearing Agreement

A GCP shall give prior written notice to HKSCC if it or an NCCCP intends to terminate the Clearing Agreement between them, unless the NCCCP has already given notice to terminate the Clearing Agreement to the Exchange in accordance with the Exchange Rules.

When HKSCC receives a termination notice from a GCP or when HKSCC receives notification from the Exchange that notice to terminate the Clearing Agreement had been given by an NCCCP, HKSCC will issue a confirmation of termination to the GCP (with a copy to the NCCCP concerned) in writing and unless and until written confirmation has been issued to the GCP, the Clearing Agreement shall be treated as valid, binding and effective by HKSCC for the purposes of these Rules notwithstanding any provision to the contrary in the Clearing Agreement and/or the termination notice from the GCP or the NCCCP and the GCP shall continue to be bound by the Clearing Agreement and responsible for all the Exchange Trades, Clearing Agency Transactions and/or China Connect Securities Trades, as the case may be, concluded and, where applicable, designated to it for clearing by such NCCCP.

Notwithstanding the above, the Clearing Agreement is deemed to be terminated when the GCP is declared as a defaulter or suspended from further activities in CCASS under the Rules.

The termination of Clearing Agreement will not affect any rights or liabilities of the GCP and the NCCCP arising out of matters which have taken place prior to the termination of the relevant Clearing Agreement and for the purpose of settlement of any such rights or liabilities of the GCP and the NCCCP, HKSCC may continue to treat the GCP as the GCP of the relevant NCCCP.

HKSCC OPERATIONAL PROCEDURES

Section 9

Overview of Clearing and Settlement in CCASS

9.2 EXCHANGE TRADES

Under the Exchange Rules, all Exchange Trades (excluding those not recognized by the Exchange) will have to be settled in CCASS.

Where at least one of the parties to an Exchange Trade is an NCP, the GCP of that NCP designated for clearing such Exchange Trade of that NCP shall become a party to the Exchange Trade as principal, in substitution for and with exactly the same rights and obligations under the Exchange Trade, as that NCP.

In relation to a TSF Exchange Trade of a TSF Exchange Participant, the TSF Clearing Participant of that TSF Exchange Participant designated for clearing such TSF Exchange Trade of that TSF Exchange Participant shall become a party to the relevant TSF Exchange Trade and the corresponding TSF FX Transaction as principal in substitution for, and with exactly the same rights and obligations under the relevant TSF Exchange Trade and the corresponding TSF FX Transaction as, that TSF Exchange Participant at the same time as the relevant TSF Exchange Trade is effected on the Exchange Trading System.

Exchange Trades will be settled in CCASS either under:

- (i) the CNS System (see Section 10) pursuant to which HKSCC becomes substituted as the settlement counterparty and settlement will be effected between Clearing Participants and HKSCC on a net basis; or
- (ii) the Isolated Trades System (see Section 11) where settlement will be effected directly between the Clearing Participants concerned.

Settlement under the CNS System will always be effected on a DVP basis.

Settlement under the Isolated Trades System may be effected on a DVP or FOP basis, as selected by delivering Clearing Participants.

Section 10

Exchange Trades – CNS System

10.1 ACCEPTANCE FOR SETTLEMENT UNDER THE CNS SYSTEM

10.1.1 Details of Exchange Trades

Arrangements have been made by HKSCC for details of Exchange Trades to be reported to HKSCC on a daily basis. Participants will not, therefore, generally have to input into CCASS details of Exchange Trades. However, HKSCC reserves the right to require Participants to provide details of Exchange Trades executed by them or, in the case of GCPs, including those

concluded and designated to them for clearing by their NCPs to it.

Subject to any Trade Amendments, any “late” Exchange Trades and trades not recognized by the Exchange as referred to in Section 10.2, Exchange Trades will be settled under the CNS System unless they are isolated from the CNS System by the counterparty Exchange Participants at the time of trade or unless they are isolated from the CNS System by HKSCC.

10.2 TRADE AMENDMENTS, “LATE” EXCHANGE TRADES AND TRADES NOT RECOGNIZED BY THE EXCHANGE

10.2.5 Information contained in FCSs

A FCS will contain the following information in relation to (a) trades of a Participant and, in the case of a GCP, including those of its NCPs concluded on the Exchange and designated to it for clearing, or in the case of a Clearing Agency Participant, including those of its Special Participants concluded on the Exchange and/or (b) Clearing Agency Transactions of a Participant and, in the case of a GCP, including those of NCPs, effected on the previous Business Day (i.e. T-day) and which are to be settled on the following Settlement Day (i.e. T+2):

- (i) the net stock positions with HKSCC in each Eligible Security (which will each be assigned a unique settlement position number) and their related money positions under the CNS System (taking into account any Trade Amendments accepted by HKSCC, any “late” Exchange Trades accepted by HKSCC and the exclusion of any trades not recognized by the Exchange) as well as details of individual Exchange Trades and Clearing Agency Transactions of a Participant effected on the previous Business Day;
- (ii) the net money position with HKSCC for all net stock positions under the CNS System;
- (iii) details of Exchange Trades accepted for settlement under the Isolated Trades System and their related money positions (including any Trade Amendments thereto approved by the Exchange) and accrued interest amounts of Exchange Trades in eligible interest-bearing Debt Securities;
- (iv) details of Clearing Agency Transactions accepted for settlement under the CNS System or accepted for settlement under the Isolated Trades System and their related money positions (including any amendments thereto accepted by HKSCC);
- (v) details of Trade Amendments, any “late” Exchange Trades accepted by HKSCC and the exclusion of any trades not recognized by the Exchange, if any;
- (vi) details of trades effected in securities listed on the Exchange which are not Eligible Securities (and any Trade Amendments thereto); and
- (vii) details of fees payable in relation to the settlement of Exchange Trades and Clearing Agency Transactions in CCASS (see Section 21.1).

Where a Participant is in the process of opening a bank account in an Eligible Currency for money settlement of Exchange Trades and/or Clearing Agency Transactions accepted under CNS System, a message will be posted on the FCS of the Participant concerned to alert the Participant about the alternative payment methods available.

10.5 MONEY SETTLEMENT UNDER THE CNS SYSTEM

10.5.5 CNS positions involving both delivery and payment by HKSCC or by Participants

In some cases, it is possible that a Participant may have a CNS stock position under which it is obliged to deliver Eligible Securities to HKSCC as well as to pay HKSCC (or the other way round, where HKSCC is obliged to deliver Eligible Securities to it as well as to make payment to it). This may, for example, arise if on a particular day, the purchases and sales in a particular Eligible Security are made by a Participant or in the case of a GCP, including those made by its NCPs designated to it for clearing, or in the case of a Clearing Agency Participant, including that made by a Special Participant in such a way that whilst having a net long stock position (i.e. net buy position), the proceeds of its sales more than offset the purchase prices payable by it.

In such cases, money settlement in respect of such CNS positions will be effected on the due dates irrespective of whether or not such CNS stock positions have been settled in CCASS.

10.8 LATE DELIVERY : BUY-IN

10.8.3 Exemption from Buy-in

HKSCC may grant an exemption from a Buy-in on behalf of a short Participant on T+3 if such Participant is able to provide HKSCC with satisfactory evidence in accordance with Section 10.8.4 that a ground for exemption as set out below applies:

- (i) the Participant applying for exemption or the delivering Participant has made a deposit of sufficient Eligible Securities into the CCASS Depository prior to 4:15 p.m. on a Settlement Day but the CCASS Depository is unable to process the stock deposit before the final Batch-settlement-run;
- (ii) defects in the relevant instruments of transfer (such as use of outdated instruments of transfer, the transferor's signature not being in the correct place or defacement of the instrument of transfer) provided that there is prima facie evidence that the transferor has signed the instrument of transfer;
- (iii) [Repealed]
- (iv) the relevant Eligible Securities are not credited to the Stock Clearing Account of the Participant applying for exemption due to the hoisting of Typhoon Signal No. 8 or above, the announcement of Extreme Conditions, the issuance of a Black Rainstorm Warning, acts of God or due to the occurrence of other events beyond the relevant Participant's reasonable control such as labour disputes, strike, mechanical breakdowns, computer or electronic system or network failures, unavailability of or restrictions on any communication media or any other event (including sanctions or the issuance of a court order or a restriction notice or order by a competent authority) as determined by HKSCC at its sole discretion to be an acceptable ground for exemption on a case-by-case basis;
- (v) in respect of oversold trades due to clerical or calculation error of the short Participant applying for exemption (or in the case of a GCP, including such oversold trades of its NCP designated to it for clearing), the delivery obligations of the Participant applying for exemption will be settled fully on T+3 pursuant to purchase transactions executed on T+1, or, if trading of the underlying Eligible Security is suspended on T+1, within two Settlement Days after resumption of trading;
- (vi) in respect of assigned Clearing Agency Transactions, the delivery obligations of the Participant applying for exemption will be settled fully on T+3 pursuant to purchase transactions executed on T+1, or, if trading of the underlying Eligible Security is

suspended on T+1, within two Settlement Days after resumption of trading;

- (vii) for trades where a client buys and sells the same Eligible Securities on the same day through different Exchange Participants), sufficient Eligible Securities which are due to be credited to the Stock Clearing Account of the delivering Participant by HKSCC for onward delivery to the Participant applying for exemption have not been so credited as a result of relevant Eligible Securities not having been made available to HKSCC by Participants with short stock positions under the CNS System for allocation on the relevant due Settlement Day;
- (viii) [Repealed]
- (ix) in respect of Units or Eligible Securities to be received from a creation or redemption of Units, the Participant applying for exemption has an unconditional entitlement to receive sufficient Units or Eligible Securities to cover the relevant short position on T+2;
- (x) the Participant applying for exemption can provide evidence satisfactory to HKSCC that it or the delivering Participant has sufficient Eligible Securities in its Stock Account on T+2 to cover the relevant short position and the Participant applying for exemption or the delivering Participant has received valid instruction from the selling client to make delivery of the relevant Eligible Securities for settlement on T+2 but is unable to do so due to clerical error;
- (xi) in respect of transactions in Eligible Securities which are subject to parallel trading on the Exchange or transfers of Multi-counter Eligible Securities as referred to in Rule 816A or Rule 1008, the Participant applying for exemption or the delivering Participant has: (a) long positions in Eligible Securities or Multi-counter Eligible Securities of the relevant issuer (as the case may be); or (b) sufficient Eligible Securities or Multi-counter Eligible Securities of the relevant issuer (as the case may be) in its Stock Account, which following conversions of such long positions or holdings of Eligible Securities (as applicable) or transfers of Multi-counter Eligible Securities in CCASS, are sufficient to settle the relevant short positions on T+2;
- (xii) in respect of market making transactions in any Market Making Security as specified by HKSCC from time to time, the Participant applying for exemption has duly executed Cross-Border Transfer Instructions transferring sufficient Eligible Securities to HKSCC's account with the Appointed Depository to cover the relevant short position resulting from the market making activities as aforesaid on T+2 but is unable to cover such short position on T+2 due to clerical error of the Participant or the Appointed Depository;
- (xiii) in respect of market making transactions in any Market Making Security as specified by HKSCC from time to time, the Participant applying for exemption has sufficient Eligible Securities to cover the relevant short position resulting from the market making activities as aforesaid on T+2 but the transfer of the Eligible Securities by Cross-Border Transfer Instructions to HKSCC's account with the Appointed Depository cannot be effected to cover the relevant short position as a result of a holiday in the market of the Appointed Depository;
- (xiv) the person who is under an obligation to deliver, whether directly or indirectly, to the Participant applying for exemption the relevant quantity of Eligible Securities for settlement had lent such Eligible Securities and has duly executed a notice of recall pursuant to which such Eligible Securities will be delivered to the Participant on T+3 for

settlement of its delivery obligation in full, and that person is an approved lending agent as defined in the Securities and Futures (Disclosure of Interests – Securities Borrowing and Lending) Rules; or

- (xv) in respect of market making transactions in any Market Making Security as specified by HKSCC from time to time, the Participant applying for exemption can provide evidence satisfactory to HKSCC that a creation, borrowing and/or purchase of sufficient Eligible Securities has been effected but the relevant Eligible Securities will only be delivered on T+3 to cover the short positions resulting from the market making activities. HKSCC will review this exemption from time to time and may suspend the availability of this exemption for any Participant and any Market Making Security at any time and for such period in its absolute discretion.

For the avoidance of doubt, the market making transactions in a Market Making Security in respect of which an exemption is claimed under Section 10.8.3(xii), (xiii) or (xv) may be conducted by a Securities Market Maker for its own account, or for the account of any of its affiliates or for the account of any of its Designated Specialists as part of its or their market making activities in accordance with the Exchange Rules.

The short Participant to whom an exemption from a Buy-in is granted shall be obliged to settle all overdue short positions of which exemption is granted by day-end of T+3. In the event that such Participant fails to do so for whatever reason, HKSCC may consider executing on behalf of such Participant a Buy-in on T+4 (or, if it is not practicable to do so on T+4, at any time thereafter) in its absolute discretion as it may think fit.

10.10 RISK MANAGEMENT : MARKS

10.10.2 Various terms explained

For the purpose of this Section, the term "Favourable Marks" refers to Marks computed by the Mark-to-market of a CNS stock position which are favourable to a Participant and the term "Unfavourable Marks" has the opposite meaning.

A "day-end Marks position", in relation to the calculation and collection of day-end Marks, comprises the following stock positions of a Participant:

- (i) "pending CNS stock positions", which are the unsettled CNS stock positions of the Participant which are not yet due for settlement.

Under a T+2 settlement system, pending CNS stock positions of a Participant on a Business Day will be derived from Exchange Trades which were effected by the Participant and, in the case of a GCP or a Clearing Agency Participant, will include Exchange Trades effected and, where applicable, designated to it for clearing by each NCP or Special Participant with which such GCP or Clearing Agency Participant has entered into a Clearing Agreement, on that Business Day ("Current Day") and the immediately preceding Business Day ("Previous Day") and which had been accepted by HKSCC for settlement under the CNS System. Such pending CNS stock positions on the Current Day and Previous Day shall be referred to in this Section 10.10.2 as "Current Day positions" and "Previous Day positions" respectively. Unless otherwise stated, "pending CNS stock positions" in this Section 10.10.2 cover both Current Day positions and Previous Day positions;

- (ii) "overdue CNS stock positions", which are the CNS stock positions of the Participant

which are due for settlement but not yet settled; and

- (iii) “corporate action entitlement positions”, which are the stock positions to which the Participant is entitled under CCASS, as determined by HKSCC based on the holding of that Participant in the relevant Eligible Securities as at the date by reference to which the entitlement is determined.

An "intra-day Marks position", in relation to the calculation and collection of intra-day Marks, may comprise any of the following stock positions of a Participant which are not covered by cash payment or credit from settlement activities:

- (i) pending CNS stock positions, as referred to in this Section 10.10.2;
- (ii) overdue CNS stock positions, as referred to in this Section 10.10.2;
- (iii) corporate action entitlement positions, as referred to in this Section 10.10.2; and
- (iv) Allocated Positions.

Section 11

Exchange Trades – Isolated Trades System

11.1 SETTLEMENT UNDER THE ISOLATED TRADES SYSTEM

11.1.1 Details of Exchange Trades

As mentioned, arrangements have been made by HKSCC for details of Exchange Trades to be reported to HKSCC on a daily basis. Participants will not, therefore, generally have to separately input into CCASS details of Exchange Trades. However, HKSCC reserves the right to require Clearing Participants to provide details of Exchange Trades executed by them or in the case of GCPs, including those executed and designated to them for clearing by their NCPs to it.

To recap, subject to any Trade Amendments, any “late” Exchange Trades and trades not recognized by the Exchange, Exchange Trades will be settled in CCASS under the Isolated Trades System only if they are isolated from the CNS System by the counterparty Exchange Participants at the time of trade or by HKSCC.

11.1.5 Availability of and information contained in PCSs

Hard copies of PCSs issued by HKSCC on each Business Day can be obtained by Clearing Participants via their CCASS Terminals or Participant Gateways. PCSs are generated twice daily on each Business Day.

A PCS will provide a Clearing Participant with information in relation to all Exchange Trades and/or Clearing Agency Transactions effected by it and in the case of a GCP, including those effected and designated to it for clearing by its NCPs on that day. For a particular day, a PCS will set out the details of such Participant's and in the case of a GCP, including its NCPs', Exchange Trades and/or Clearing Agency Transactions to be settled by it under the Isolated Trades System and the details of its net stock position in each Eligible Security traded that day (and the relevant money positions).

For Exchange Trades relating to interest-bearing eligible Debt Securities, accrued interest amount and trade amount of the trades will be displayed separately in the PCSs. In addition, other information such as interest calculation method, interest rate used and number of days used in the calculation of accrued interest will also be provided in the PCSs.

Details of the Exchange Trades of the relevant Clearing Participant and in the case of a GCP, including its NCPs to be settled by it under the CNS System and details of trades in non-Eligible Securities will also be provided in the PCSs.

Details of Clearing Agency Transactions to be settled under the CNS System or the Isolated Trades System will be included in the second batch of PCSs only.

The information contained in a PCS will only be indicative of the settlement obligations of the Clearing Participant on the due settlement date (i.e. T+2). Trade Amendments may be made, "late" Exchange Trades may be accepted, trades not recognized by the Exchange may be excluded and the settlement obligations may be affected by unsettled positions under the CNS System in the intervening day (i.e. T+1) before the due settlement date.

The main purpose of a PCS, in addition to allowing the Clearing Participant to make initial preparation for settlement, is to allow a Clearing Participant to carry out daily reconciliation with its internal records relating to the Exchange Trades and/or Clearing Agency Transactions it clears and settles.

Where a Clearing Participant is in the process of opening a bank account in an Eligible Currency for money settlement of Exchange Trades and/or Clearing Agency Transactions in that Eligible Currency accepted under the Isolated Trades System, a message will be posted on the PCSs of the Clearing Participant to alert the Clearing Participant that the transaction must be settled on a FOP basis by input of a DI.

11.1.6 Availability of and information contained in FCSs

Hard copies of FCSs are available to Clearing Participants via CCASS Terminals and Participant Gateways.

A FCS will contain the following information in relation to the Exchange Trades and Clearing Agency Transactions of Clearing Participant and in the case of a GCP, including those of its NCP designated to it for clearing, concluded on the Exchange on the previous Business Day (i.e. T-day) and which are to be settled on the following Settlement Day (i.e. T+2):

- (i) the net stock positions with HKSCC in each Eligible Security (which will each be assigned a unique settlement position number) and their related money positions under the CNS System (taking into account any Trade Amendments accepted by HKSCC, any "late" Exchange Trades accepted by HKSCC and the exclusion of any trades not recognized by the Exchange) as well as details of individual Exchange Trades;
- (ii) the net money position with HKSCC for all net stock positions under the CNS System;
- (iii) details of Exchange Trades accepted for settlement under the Isolated Trades System and their related money positions (including any Trade Amendments thereto approved by the Exchange); and accrued interest amounts of Exchange Trades in interest-bearing eligible Debt Securities;

- (iv) details of Clearing Agency Transactions accepted for settlement under the Isolated Trades System and their related money positions (including any amendments thereto accepted by HKSCC);
- (v) details of Trade Amendments, any "late" Exchange Trades accepted by HKSCC and the exclusion of any trades not recognized by the Exchange, if any;
- (vi) details of trades effected in securities listed on the Exchange which are not Eligible Securities (and any Trade Amendments thereto); and
- (vii) details of fees payable in relation to the settlement of Exchange Trades and Clearing Agency Transactions in CCASS (see Section 21.1).

Where a Participant is in the process of opening a bank account in an Eligible Currency for money settlement of Exchange Trades in that Eligible Currency accepted under the Isolated Trades System, a message will be posted on the FCS of the Participant to alert the Participant that the transaction must be settled on a FOP basis by input of a DI.