

Guidance Notes to Applicant for Becoming a CCASS Designated Bank

1. Conditions for Becoming CCASS Designated Bank

To become a Designated Bank of the Central Clearing and Settlement System (“CCASS”) operated by Hong Kong Securities Clearing Company Limited (“HKSCC”), the applicant must fulfill the following conditions, namely:

- a. be a licensed bank or a restricted licence bank under the Hong Kong Banking Ordinance;
- b. agrees to install a CCASS Terminal maintaining electronic linkage with CCASS and HKSCC;
- c. has completed the necessary set-up and testing (with the clearing house for the relevant Eligible Currency) to be identified as a Designated Bank for the purpose of receiving the daily CCASS money settlement information;
- d. where the applicant agrees to provide money settlement of CCASS transactions via CHATS Payment Instructions (CPIs), it has completed the necessary technical set-up as prescribed by the clearing house for the relevant Eligible Currency from time to time for effecting CCASS-related Clearing House Automated Transfer System (CHATS) payment;
- e. in relation to its application to act as Designated Bank for Participants (other than Investor Participants), it has duly completed and submitted the required application documents, including an undertaking in favour of HKSCC in the form prescribed by HKSCC, by which it undertakes to issue to HKSCC a confirmation, by no later than the times as stipulated in such undertaking through its CCASS Terminal on all Bank Business Days stating details of payment under any Direct Debit Instructions (“DDIs”), Direct Credit Instructions (“DCIs”) or Electronic Payment Instructions (“EPIs”) drawn on or paid to and rejected by it;
- f. in relation to its application for acting as Designated Bank for Investor Participants, it has duly completed and submitted the required application documents, including an undertaking in favour of HKSCC in the form prescribed by HKSCC, by which it undertakes to issue to HKSCC a confirmation by no later than the time as stipulated in such undertaking through its CCASS Terminal on all Bank Business Days stating details of any DDIs and debit EPIs, which are generated from ISI Transactions to be settled on a Delivery versus Payment (DVP) basis with the application of on hold mechanism, drawn on and rejected by it.

2. Where to Submit Application

Applicant should complete and submit by post or by hand the prescribed application documents (see Notes 3 and 4 below) to Participant Services, Cash Trading of Hong Kong Exchanges and Clearing Limited (“HKEX”) at 6/F, Two Exchange Square, 8 Connaught Place, Central, Hong Kong. (For enquiry, please contact CCASS Hotline: 2979-7111)

3. Application Documents to be Submitted

Applicant must complete and submit the following documents:

- a. CCASS Designated Bank Application Form;
- b. Selection of Money Settlement Currency Questionnaire;
- c. Such Undertaking(s) as appropriate (see Note 1 above).

4. Other Documents Required

A copy of each of the following documents duly certified by any one of the applicant's directors, company secretary or a notary public, a solicitor or professional accountant must be submitted:

- a. For applicant incorporated under the Companies Ordinance of Hong Kong -
 - i. Business Registration Certificate;
 - ii. Certificate of Registration as licensed bank or a restricted licence bank in Hong Kong, as appropriate;
 - iii. Certified True Extract of Minutes of the Board of Directors authorising the application for admission as a Designated Bank of HKSCC (please refer to Attachment 1), or such other equivalent document; and
- b. For applicant incorporated outside Hong Kong and registered as a non-Hong Kong company under Part XI of the Companies Ordinance of Hong Kong -
 - i. Business Registration Certificate (issued in Hong Kong);
 - ii. Certificate of Registration as licensed bank or a restricted licence bank in Hong Kong, as appropriate;
 - iii. Certified True Extract of Minutes of the Board of Directors authorising the application for admission as a Designated Bank of HKSCC (please refer to Attachment 1), or such other equivalent document; and

*(Applicant should also complete and return various documents and forms to HKSCC in relation to its operations in the Central Clearing and Settlement System ("CCASS"). Please refer to **Attachment 2** for the list of the relevant documents and forms.)*

5. CCASS Publications

Copy of the following documents is available on HKEX website www.hkex.com.hk and at the Sales Counter of the Stock Exchange at a prescribed fee:

- a. General Rules of CCASS;
- b. CCASS Operational Procedures; and
- c. CCASS Terminal User Guide for Designated Bank.

(SAMPLE RESOLUTION)

Certified True Extract of Minutes of the Meeting of the Board of Directors of
_____ (Company Name)

held on _____ (Date) at _____ (Time) **at which a quorum was present.**

Present

APPLICATION FOR ADMISSION AS A DESIGNATED BANK OF THE CENTRAL CLEARING AND SETTLEMENT SYSTEM ("CCASS") OPERATED BY HONG KONG SECURITIES CLEARING COMPANY LIMITED ("HKSCC")

"IT WAS RESOLVED:

1. **THAT** the Company shall apply for admission as a Designated Bank of CCASS operated by HKSCC for the CCASS *Non-investor and/or Investor Participants;
2. **THAT** Mr _____ *and/or Mr _____ be authorised to act on behalf of the Company in relation to the aforesaid application and to sign all the application documents including such Undertaking(s) as prescribed by HKSCC.

Dated this day of , (Year).

I / We hereby certify that this is a true and correct extract of this original Minutes of the Meeting of Directors of the Company.

Director/Company Secretary

[This sample resolution is published by Hong Kong Exchanges and Clearing Limited ("HKEX") for reference only. HKEX and its subsidiaries accept no liability (whether in tort or contract or otherwise) for any loss or damage arising from any omission, inaccuracy or errors.]

申請結算公司指定銀行適用之文件及表格

Document and Forms applicable to Applications for admission as a Designated Bank of HKSCC

注意事項：

Notes :

1. 申請人須為其中央結算及交收系統（「中央結算系統」）之參與及運作向結算公司呈交下列文件及表格。結算公司在接獲申請後，將會提供有關之文件及表格予申請人填寫。
Applicant should complete and return the following documents and forms to HKSCC in relation to its participation and operations in the Central Clearing and Settlement System ("CCASS"). HKSCC will provide the relevant documents and forms to the applicant upon receipt of the application.
2. 申請人須呈交予結算公司董事會議決案之經核證為真實的副本，議決授權申請人的一名行政人員給予結算公司有關申請人在中央結算系統之參與及運作之所有事宜的書面指示（請參閱附件 3）；
Applicant should provide to HKSCC a certified true copy of the board resolution authorizing an officer(s) of the applicant to give written instructions to HKSCC in connection with any matters arising from the applicant's operations in CCASS of HKSCC (please refer to Attachment 3);
3. 申請人在填寫有關文件或表格時，如有疑問或需要協助，請聯絡中央結算系統熱線（電話：2979-7111）。Should the applicant have any question or require assistance when completing the documents or forms, please contact CCASS hotline at 2979-7111.

文件及表格：

Documents and Forms :

(結算公司在接獲申請後，將會提供下列之文件及表格予申請人填寫)

(The following documents and forms will be provided by HKSCC to the applicant upon receipt of the application.)

1. 「獲授權簽署人仕」名單及簽署式樣；
List of Authorized Signatories with Specimen Signatures;
2. 新參與者的公司資料；
Company Particulars Form for New CCASS Participant;
3. 安裝 CCASS/3 終端機申請表；
Application Form for Installation of CCASS/3 Terminal(s);
4. CCASS/ CCMS SDNet Line Service 通知表；
CCASS/ CCMS SDNet Line Service Notification Form;
5. 新參與者的聰明卡申請表；及
Smartcard Request Form for New Designated Bank; and
6. 新參與者的管理人仕的使用組別資料。
User Profile for Delegated Administrator for New Designated Bank.

如申請人欲申請安裝參與者網間連接器，必須填妥及交回下列表格：

Applicant must complete and submit the following documents if the applicant wishes to apply for the installation of a Participant Gateway:

1. 參與者網間連接器購買確認回條；
PG Acquisition Confirmation Reply; and
2. 參與者網間連接器使用規則。
Standard Terms and Conditions for Participant Gateway.

(SAMPLE RESOLUTION)

CERTIFIED TRUE EXTRACT of Minutes of the Meeting of the Board of Directors of (name of Applicant) (the "Company") held on (date) at (Place) at (time) .

Please tick “✓” in appropriate boxes below

APPLICATION FOR ADMISSION AS A DESIGNATED BANK OF HONG KONG SECURITIES CLEARING COMPANY LIMITED ("HKSCC")

3. **THAT** upon being admitted as a Designated Bank of HKSCC, the following list of signatories (hereinafter called “Authorised Signatories”) be authorised to give written instructions to HKSCC in connection with any matters arising from the Company’s operations in Central Clearing and Settlement System (“CCASS”) and that

- any one of the Authorised Signatories signing alone shall be valid:
- any two of the Authorised Signatories signing jointly shall be valid:
- any two of Group A or any one of Group A plus any one of Group B of the Authorised Signatories signing jointly shall be valid:
- company chop must be affixed in addition to signature(s):
- company chop is not required to be affixed in addition to signature(s):
- others: _____

No.	Full Name in English	Signing Group (Please state N.A. if not applicable)

4. **THAT** the Company shall hold HKSCC harmless against any and all claims that may arise by reason of HKSCC acting on such written instructions of the Authorised Signatories and HKSCC shall incur no liability for or in respect of any such action; and

5. **THAT** these resolutions be communicated to HKSCC and shall as between the Company and HKSCC be conclusive evidence of the passing of such resolutions and remain in force until amending resolutions to supersede them have been passed by the Company’s Board of Directors and communicated to HKSCC.”

Dated this day of , (Year) .

I/ We hereby certify that this is a true and correct extract of this original Minutes of the Meeting of Directors of the Company.

Director/Company Secretary

[This sample resolution is published by Hong Kong Exchanges and Clearing Limited ("HKEX") for reference only. HKEX and its subsidiaries accept no liability (whether in tort or contract or otherwise) for any loss or damage arising from any omission, inaccuracy or errors.]