

CHAPTER IX

DCASS

Introduction

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

Connection to DCASS

902. Prior to the establishment of an electronic connection of an HKCC Participant to DCASS (“DCASS connection”), a DCASS Agreement in a form prescribed by the Clearing House from time to time shall be entered into.

902A. An HKCC Participant shall establish its DCASS connections via the central gateway provided by the Clearing House.

903. The Clearing House reserves the right to limit the number of DCASS connections per HKCC Participant.

904. The Clearing House reserves the right immediately to disconnect a DCASS connection and prohibit any person (whether an HKCC Participant or not) from having access to DCASS on such conditions as the Clearing House thinks fit.

905. HKCC Participants shall follow such security procedures pertaining to their DCASS connections as are from time to time specified by the Clearing House.

906. HKCC Participants shall notify the Clearing House immediately if their DCASS connections or clearing activities on DCASS are affected by any disruptions, whether technical or otherwise.

907. The Clearing House may from time to time impose such requirements on HKCC Participants as to the operation of and access to DCASS as the Clearing House may think fit.

DCASS equipment and software

908. Equipment and software which are required for DCASS connection shall be specified by the Clearing House from time to time.

909. The Clearing House reserves the right to approve any equipment and software not specified by the Clearing House in accordance with Rule 908. In the

event that an HKCC Participant wishes to use any equipment and software other than that specified by the Clearing House, the Clearing House may require prior to DCASS connection that such equipment and software are thoroughly tested by the HKCC Participant and determined by the Clearing House not to have any detrimental impact on the operation of DCASS.

910. HKCC Participants shall install all applicable software specified by the Clearing House in the latest version in force together with system program software in the latest version specified by the Clearing House. HKCC Participants shall not alter, modify, reverse engineer, change or copy programs or software supplied by the Clearing House without the Clearing House's prior written permission.
911. HKCC Participants shall grant the Clearing House 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 HKCC Participant in question.

912. (deleted)

Backup Centre for DCASS

912A. In case HKCC Participants cannot perform post-trade functions via DCASS due to technical or other reasons, they can request the use of the backup centre provided by the Clearing House to perform such functions. For the service hours of the backup centre and other details, please refer to the DCASS User Guide.

912B. (deleted)

Liability of HKCC Participants

913. Each HKCC Participant shall be responsible and liable for all instructions and clearing and settlement activities arising from its 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 HKCC Participant or any other person.
914. No action shall lie against and no liability whatsoever nature and howsoever arising, whether in contract, tort or otherwise, shall be incurred by the Clearing House, the Exchange, the Board, any Director, the Chairman, any HKEX staff or a recognized exchange controller which is the controller of the Clearing House 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 the Clearing House.