

CHAPTER 23

INSOLVENCY

2301. Insolvency of Participants

In the event that a resolution is passed for the winding-up (save for the purpose of amalgamation or reconstruction) of, or that a bankruptcy or winding-up order is made against, a Participant, or the Participant if an Individual Investor Participant or if a Joint Individual Investor Participant, any individual or individual comprising such Joint Individual Investor Participant be declared to be subject to any legal incapacity by any competent court or body, HKSCC shall, except as otherwise determined by HKSCC to be in the interests of HKSCC or Participants, as soon as practicable after it becomes aware of the occurrence of such events cease to render all or any services to such Participant.

If HKSCC ceases to render services to a Participant other than an Investor Participant, either generally or in part, HKSCC shall endeavour to notify as soon as practicable all other Participants excluding Investor Participants and shall inform them of how pending matters of such Participant will be affected and the steps to be taken in connection therewith.

If HKSCC ceases to render services to an Investor Participant, HKSCC reserves the right to notify other Participants but will normally seek consent of the Investor Participant concerned before notifying all other Participants.