

CCASS OPERATIONAL PROCEDURES

Section 18
Guarantee Fund

18.4 REVIEW OF CONTRIBUTIONS

18.4.2 Ad hoc reviews

If the daily risk exposure of the Guarantee Fund as calculated by HKSCC on each Business Day exceeds 80% of the existing Guarantee Fund size plus the aggregate Dynamic Contribution Credit utilized by all Clearing Participants for two consecutive Business Days or if HKSCC considers it appropriate to do so in any other circumstances, HKSCC may, from time to time and in its absolute discretion, review the size of the Guarantee Fund and the Basic Contribution and Dynamic Contribution required from each Clearing Participant. Such review by HKSCC may be undertaken at any time, regardless of whether or not a monthly review of Contributions has recently been, or is soon due to be, completed. At a minimum, HKSCC will review the size of Guarantee Fund monthly and HKSCC may, as a result of the ad hoc review or monthly review, require additional amounts as Basic Contributions and/or Dynamic Contributions from Clearing Participants.