

GENERAL RULES OF HKSCC

PART A: RULES OF GENERAL APPLICATION

CHAPTER 1

INTERPRETATION

101. Definitions

When used herein, the following expressions shall, unless the context otherwise requires, bear the following meanings:

“Business Day”	means a day on which CCASS is and CCASS Depository, and the Customer Service Centre are open for business to Participants (except Saturdays, Sundays and public holidays) <u>and shall, for the purposes of or in connection with any depository, nominee or other related services that may be provided by CCASS Depository or the Customer Service Centre, exclude the day on which CCASS Depository and the Customer Service Centre are closed at any time due to severe weather conditions pursuant to the Operational Procedures unless otherwise determined by HKSCC;</u>
<u>“Chief Executive”</u>	<u>means the Chief Executive from time to time appointed by the Board or, as the context may require, his designee;</u>
“Extreme Conditions”	means the occurrence of “extreme conditions” as announced by any government authority of Hong Kong due to serious disruption of public transport services, extensive flooding, major landslides, large-scale power outage or any other adverse conditions before Typhoon Signal No. 8 or above is replaced with Typhoon Signal No. 3 or below;

CHAPTER 12A

FOREIGN EXCHANGE SERVICES

12A22. ~~Typhoons, Extreme Conditions and rainstorms~~[Repealed]

~~If a Typhoon Signal No. 8 or above is hoisted or lowered, Extreme Conditions are announced or cancelled and/or a Black Rainstorm Warning is issued or cancelled on any Business Day, the provisions set out in the Operational Procedures with respect to the TSF shall apply.~~

CHAPTER 26

SUSPENSION OF SERVICES

2601. HKSCC may suspend services

~~If in the opinion of the Chief Executive, the Board or the HKEX board an emergency (including but not limited to fire, epidemic or other casualty or accident, severe weather conditions, earthquake, natural disaster, power failures, communications breakdowns, computer malfunction, war, riot, civil commotion, labour strike, terrorist attack and other similar events) is imminent or threatened or has occurred or developed, and in consequence no orderly operation of HKSCC's clearing, settlement and other services HKSCC the functioning of a System or the services and facilities that it provides in relation to the settlement and/or clearance of Foreign Securities held by an Appointed Depository can take place, the Chief Executive (with prior reference to the Board) and the Board shall have full authority (in consultation with the Commission) to suspend the whole or any part of HKSCC's facilities or services and to take such other action as the Chief Executive and Board may, in their absolute discretion, deem necessary or appropriate to deal with such emergency or as directed by the HKEX board. Notwithstanding the foregoing, the Chief Executive may suspend HKSCC's facilities or services under this Rule without prior reference to the Board if, but only if, in his opinion it is not possible for a meeting of the Board to be convened immediately. The Chief Executive may not otherwise suspend HKSCC's facilities or services under this Rule and whenever HKSCC's facilities or services are suspended by the Chief Executive in accordance with this Rule, he shall arrange for a meeting of the Board to be held as soon as practicable after the suspension. Under no circumstances shall HKSCC or HKEX be responsible for damages arising from any such emergency or any action taken by HKSCC in respect thereof. is or is likely to be impaired by any event or circumstance, HKSCC may suspend the whole or any part of the operations of the System or the relevant services and facilities to Participants, for such duration as it sees fit.~~

~~HKSCC may also take such other action as it may deem necessary or appropriate in the interests of HKSCC and Participants.~~

CHAPTER 41

CHINA CONNECT CLEARING SERVICES

4107. Risk Management Measures applicable to China Connect Securities Trades

i. Mainland Settlement Deposit and Mainland Security Deposit

HKSCC shall have the right to satisfy its obligations as clearing participant to the China Connect Clearing House under the relevant Clearing Link with, or otherwise use, funds provided by China Connect Clearing Participants as Mainland Settlement Deposit and Mainland Security Deposit. Without limitation to the foregoing or to application of such funds in accordance with the rules of the China Connect Clearing House, HKSCC may use such funds for money settlement in the event that the usual money settlement procedures between HKSCC and the China Connect Clearing House under the relevant Clearing Link are temporarily delayed or prevented as a result of any ~~severe weather condition~~~~Typhoon Signal No. 8 or above, Extreme Conditions, Black Rainstorm Warning~~, human error or delay, third party or technical incidents or force majeure events, provided that HKSCC will endeavour to replenish the funds used in such money settlement as soon as practicable. For the avoidance of doubt, in such situations HKSCC shall still be liable to pay to a China Connect Clearing Participant an amount equal to the Mainland Settlement Deposit and Mainland Security Deposit provided by it (less any amount if any used to satisfy obligations and liabilities of such China Connect Clearing Participant) in accordance with Rule 4107(v).

4111. Suspension and Cessation of Operation of China Connect Clearing Services and emergency arrangements

If in the opinion of HKSCC, the operation or functioning of the China Connect Clearing Services is, or is likely to be, severely or adversely threatened or affected by an emergency including but not limited to fire or other casualty or accident, ~~typhoon, Extreme Conditions, rainstorms~~~~severe weather conditions~~, power outage, communications breakdown, system failure, computer malfunction, war, riot, civil commotion, labour strike, material change of law or issue of any governmental or regulatory order, decree or judgment having significant impact on the continuous operation of the China Connect Clearing Services, a China Connect Clearing House or a China Connect Market Operator or other similar events, HKSCC shall have full authority to take such actions, steps or measures, whether in relation to the China Connect Clearing Services (including suspension or restriction of access to or use of all or part of the services or change of operational hours) or otherwise as it may deem necessary or appropriate to deal with such emergency.

4112. ~~Typhoons, Extreme Conditions and rainstorms~~[Repealed]

~~If Typhoon Signal No. 8 or above is hoisted or lowered, Extreme Conditions are announced or cancelled and/or a Black Rainstorm Warning is issued or cancelled on any Mainland Business Day, the provisions set out in the Operational Procedures with respect to China Connect Clearing Services under such circumstances shall apply.~~