

**GENERAL RULES OF CCASS**

**CHAPTER 40**

**CLEARING BY GENERAL CLEARING PARTICIPANTS**

**4003. Obligations of GCP**

A GCP shall capture all liabilities for all the Exchange Trades, Clearing Agency Transactions and/or China Connect Securities Trades concluded by each NCP with which it has entered into a Clearing Agreement, as if it were a party to these trades and transactions and shall not be entitled to decline to settle and clear any Exchange Trades, Clearing Agency Transactions and/or China Connect Securities Trades of the NCP. A GCP shall have arrangement in place with each NCP for the NCP to notify it of all Exchange Trades, Clearing Agency Transactions and/or China Connect Securities Trades concluded by the NCP.

A GCP shall have arrangement in place to monitor the ability of each NCP with whom it has entered into a Clearing Agreement to satisfy promptly all obligations arising from the Exchange Trades, Clearing Agency Transactions and/or China Connect Securities Trades concluded by such NCP. A GCP must forthwith notify HKSCC of any failure of ~~its-an~~ NCP to meet its obligations under the Clearing Agreement, in which case HKSCC may disclose such information to any other GCP of the NCP.

**CHAPTER 41**

**CHINA CONNECT CLEARING SERVICES**

**4104. General Clearing Participants as China Connect Clearing Participants**

Only General Clearing Participants which are China Connect Clearing Participants shall be eligible to clear and settle China Connect Securities Trades for NCPs which are China Connect Exchange Participants.

A General Clearing Participant which is a China Connect Clearing Participant and which intends to clear and settle China Connect Securities Trades for NCPs which are China Connect Exchange Participants shall:

- (v) forthwith notify HKSCC of any failure of any NCP to meet its obligations under the Clearing Agreement, in which case HKSCC may disclose such information to any other GCP of the NCP; and