

Terms and Conditions of the Services for Master SPSA Holder

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2 Interpretation and Definition

2.1 In these Terms and Conditions:

- (b) “**CCASSHKSCC Rules**” means the General Rules of **CCASSHKSCC** and the **CCASSHKSCC** Operational Procedures, as amended from time to time;

2.2 The capitalised terms and expressions used in these Terms and Conditions shall have the same meaning as defined in the **CCASS-HKSCC** Rules, unless a different meaning has been specifically ascribed in these Terms and Conditions. The Glossary to these Terms and Conditions has included such capitalised terms and expressions as defined in the **CCASSHKSCC** Rules as of the version date of these Terms and Conditions for ease of reference. In the case of any inconsistency, the terms as set out in the latest **CCASSHKSCC** Rules shall prevail over the Glossary.

9 Settlement Failure

9.1 If, after a sell order is executed under a Master SPSA ID in respect of any China Connect Security, an SPSA Delivery Failure occurs in respect of the resulting China Connect Securities Trade, HKSCC will, upon the request of the China Connect Clearing Participant responsible for settling the resulting China Connect Securities Trade which shall be made in such manner as HKSCC may from time to time prescribe, adjust for the purpose of pre-trade checking, both the sellable balance of relevant SPSA which caused such SPSA Delivery Failure and consequently the aggregated sellable balance of the Master SPSA ID. Any such adjustment which may be made by HKSCC in accordance with the **CCASSHKSCC** Rules shall only have the effect of adjusting the sellable balance for pre-trade checking purpose and will only apply on the following CSC trading day. The actual holdings of the China Connect Securities in the relevant SPSA will not be affected by the adjustment.

13 Event of Default

13.1 Each of the following shall constitute an event of default in respect of a Master SPSA Holder:

- (c) where a Master SPSA Holder is a Clearing Participant of CCASS, an Event of Default (as referred to in Rule 3701 of the **CCASSHKSCC** Rules) has occurred in respect of it as Clearing Participant.

¹ These Terms and Conditions are HKSCC's rules and any amendment thereto shall be subject to the Commission's approval.

Glossary

This glossary of capitalized terms and expressions extracted from the [CCASSHKSCC](#) Rules are for your ease of reference only. You are always advised to refer to the [CCASSHKSCC](#) Rules and SEHK Rules where applicable for complete definitions.