

香港中央結算有限公司  
(香港交易及結算所有限公司全資附屬公司)

**HONG KONG SECURITIES CLEARING COMPANY LIMITED**  
(A wholly-owned subsidiary of Hong Kong Exchanges and Clearing Limited)

## 通告 CIRCULAR

Subject: VaR Platform Familiarisation Programme – Practice Sessions and Webinar Briefings for Official Launch

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Reference is made to the circular dated 24 September 2021 (Reference: [CD/CDCRM/278/2021](#)). During the course of the VaR Platform Familiarisation Programme since January 2021, Clearing Participants (CPs) should have familiarised themselves with the new risk models and operations of VaR Platform via reviewing the reports retrieved from Report Access Platform (RAP) and performing margin simulation in VaR Online.

### **Practice Sessions**

To prepare for the official launch of VaR Platform, it is important for CPs to test their operational procedures and system development work (if any) in an integrated environment. Hence, Hong Kong Securities Clearing Company Limited (HKSCC) will arrange practice sessions with the new risk models running on both CCASS and VaR Platform on 26 February 2022 (Saturday) and 27 February 2022 (Sunday) to facilitate CPs to test their operational procedures in a normal day, as well as an unlikely event where VaR Platform fails to operate. The major activities to be tested in the practice sessions are set out in the Appendix.

CPs should register for the practice sessions via the Event section in [Client Connect](#) **on or before 15 February 2022 (Tuesday)**, and are strongly encouraged to participate in these sessions to test their internal system process and operational flows so as to prepare for the official launch of VaR Platform. Moreover, CPs should arrange sufficient operations staff and IT / vendor support during the practice sessions.

## Preparation for Practice Sessions

To facilitate CPs to prepare for the practice sessions, HKSCC will:

- (i) prepare “VaR Platform Practice Session Information Package” which will be available via [HKEX website](#) on 11 February 2022 (Friday); and
- (ii) host 3 webinar briefings on 16 February 2022 (Wednesday), 17 February 2022 (Thursday) and 18 February 2022 (Friday) for the details of the practice sessions. CPs should register for the webinar briefings via the Event section in [Client Connect](#) **on or before 15 February 2022 (Tuesday)**. Details of the briefings are as follows:

| Date                         | Mode of Briefing            | Time        | Language  |
|------------------------------|-----------------------------|-------------|-----------|
| 16 February 2022 (Wednesday) | Webinar video conferencing* | 17:00-18:00 | English   |
| 17 February 2022 (Thursday)  |                             |             | Cantonese |
| 18 February 2022 (Friday)    |                             |             | Cantonese |

*\*Maximum 2 attendees per CP, confirmation email together with the webinar login information will be sent to those who have successfully registered.*

*Note : CPs should note that during the Familiarisation Programme, the VaR Platform is not in commercial operation and should not be used in any commercial context or form. As such, the VaR Platform and any output that can be obtained from such platform including without limitation the new set of reports are, during the Familiarisation Programme, provided for familiarisation purposes only. CPs therefore should not rely on the VaR Platform or any output from such platform in any way and should continue their normal risk management measures, prepare funding and make payments according to existing CCASS reports and schedule until the business implementation of the VaR Platform and the new risk models.*

*For effective communication, HKSCC will provide regular updates, latest information and upcoming activities directly to your nominated Project Coordinators. In case you wish to update the Project Coordinators, please send an email to [NG\\_PostTrade@hkex.com.hk](mailto:NG_PostTrade@hkex.com.hk) with your Participant ID, the names, titles, emails and contact numbers of your nominated Project Coordinators at once.*

**Terence Low**

**Head of Clearing Risk Management**

*This circular has been issued in the English language with a separate Chinese language translation. If there is any conflict in the circulars between the meaning of Chinese words or terms in the Chinese language version and English words in the English language version, the meaning of the English words shall prevail.*

*本通告已以英文及另以中文譯本刊發。如本通告中文本的字義或詞義與英文本有所出入，概以英文本為準。*

**Appendix**

The practice sessions are for CPs to test their operational procedures in a normal day and an unlikely event where VaR Platform fails to operate. Below are the highlights of the activities for the two sessions:

| Date                                   | Activities  | Tentative Time       |
|--|---|----------------------|
| <p>26 February 2022<br/>(Saturday)</p> | <p><u>Normal business day activities include:</u></p> <ul style="list-style-type: none"> <li>• Monthly Mainland Security Deposit process (for China Connect Clearing Participants (CCCPs) only)</li> <li>• Monthly default fund review</li> <li>• Intra-day marks process</li> <li>• Intra-day Mainland Settlement Deposit (MSTD) process (for CCCPs only)</li> <li>• End-of-day marks and margin estimation – 2 rounds</li> <li>• End-of-day MSTD estimation (for CCCPs only)</li> <li>• End-of-day MSTD process (for CCCPs only)</li> <li>• End-of-day marks and margin process</li> </ul> <p>During the session, CPs are expected to retrieve relevant reports from RAP or CCASS to test their operational procedures, in particular the projection of their marks/margin payment obligations to HKSCC and the corresponding funding preparation to meet such requirements in a timely manner.</p> <p>During the session, CPs may take this opportunity to arrange stock collateral to cover their short positions (Specific Stock Collateral), so as to reduce their marks and margin requirements. CPs may also conduct margin and stress test simulations via VaR Online.</p> | <p>13:00 – 19:30</p> |
| <p>27 February 2022<br/>(Sunday)</p>   | <p><u>Contingency arrangement under VaR Platform failure:</u></p> <p>During the session, CPs are expected to test their internal procedures under a contingency situation where VaR Platform fails to operate at a particular point. Under such situation, HKSCC will use alternative method to calculate the marks and margin and CPs have to rely on CCASS to (i) receive notification(s) from HKSCC; and (ii) retrieve relevant reports for their marks /margin payment obligations and prepare funding accordingly.</p>   | <p>09:00 – 13:00</p> |