

香港場外結算有限公司
(香港交易及結算所有限公司附屬公司)

OTC CLEARING HONG KONG LIMITED
(A subsidiary of Hong Kong Exchanges and Clearing Limited)

通告 CIRCULAR

Subject: Changes to Margin Collateral Arrangements for OTC Clear
Enquiry: OTC Platform Development Team (Phone: (852) 2211 6508 / Email:
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OTC Clearing Hong Kong Limited ("OTC Clear") will change the interest payable and charged to each Clearing Member ("CM") in respect of any Initial Margin, Additional Margin, Ad Hoc Intra-day Variation Margin or Routine Intra-day Variation Margin delivered in the form of cash and comprising the Margin Balance, commencing on **Friday, 2 January 2026**.

1. Change of interest payments and charges on cash margin collateral

Interest payable or charged will be calculated daily by OTC Clear by multiplying the relevant interest rate for each Eligible Currency with the relevant Eligible Currency cash balance comprising the Margin Balance of each Collateral Account on such day. The interest rate applicable to each Eligible Currency comprising the Margin Balance of each Collateral Account shall be determined as follows:

- (i) Where the reference rate for the relevant Eligible Currency is positive and greater than the prevailing handling fee, the applicable interest rate will be the reference rate, less the prevailing handling fee;
- (ii) Where the reference rate for the relevant Eligible Currency is positive and less than or equal to the prevailing handling fee, the applicable interest rate will be zero and no interest will be paid or charged; and
- (iii) Where the reference rate for the relevant Eligible Currency is negative, OTC Clear will charge each CMs an interest rate on that currency which is calculated based on the net costs incurred by OTC Clear for that currency (including any negative yield, swap costs and charges imposed by banks).

The reference rate for each relevant Eligible Currency is determined by OTC Clear as follows:

Currency	Reference Rate
HKD	HKD HIBOR Overnight
USD	SOFR
CNY (Offshore)	CNY SHIBOR Overnight
EUR	EuroSTR

2. Handling fee arrangement

The applicable prevailing handling fee for cash margin collateral shall follow the schedule as follows:

Period	Prevailing handling fee
From 2 January 2026 – 3 January 2027	0.8%
From 4 January 2027 – 2 January 2028	0.7%
From 3 January 2028 – 1 January 2029	0.6%
From 2 January 2029 onwards	0.5%

For the avoidance of doubt, Participating Margin and Rates and FX Contribution are excluded from above changes. Relevant rule amendments will be announced via a separate circular. CMs should refer to the amendments and Attachment for further details of the changes.

Danny Tang
Senior Vice President
OTC Platform Development

Comparison of Applicable Interest Rates

Cash Margin Collateral		
Currency	Current interest payments and charges	Interest payment and charges, effective 2 January 2026
HKD	The prevailing bank savings rates	HKD HIBOR Overnight, less the prevailing handling fee
USD	The prevailing bank savings rates	SOFR, less the prevailing handling fee
CNY (offshore)	The prevailing bank savings rates	CNY SHIBOR Overnight, less the prevailing handling fee
EUR	The prevailing bank savings rates	EuroSTR, less the prevailing handling fee