

香港聯合交易所期權結算所有限公司
(香港交易及結算所有限公司全資附屬公司)

THE SEHK OPTIONS CLEARING HOUSE LIMITED
(A wholly-owned subsidiary of Hong Kong Exchanges and Clearing Limited)

通告 CIRCULAR

Subject: Revision of Stress Testing Assumptions for Reserve Fund Sizing

Enquiry: Policy enhancement – frmfra@hkex.com.hk
Operational arrangement – ClearingPSD@hkex.com.hk / DCASS Hotline: 2979 7222

Policy enhancement

(1) Stress Testing Assumptions for Reserve Fund Sizing

The SEHK Options Clearing House Limited (SEOCH) has a comprehensive stress testing framework in place to monitor and ensure the sufficiency of the Reserve Fund (RF). SEOCH has recently completed a review and will strengthen such framework by revising the default assumption from the current largest and fifth largest clearing participants (CPs) to the two largest CPs and their affiliates (CP Group) for RF sizing purpose.

(2) Reserve Fund Threshold

As a result of the revised default assumption, the SEOCH's RF threshold will be revised from the current HK\$ 2.7 billion to HK\$ 3.2 billion¹.

The above changes will be effective from **1 December 2025**. To facilitate CPs' estimation and funding preparation of their RF contributions before implementation, SEOCH will provide simulated results to CPs for reference upon request. The simulated results will be calculated based on individual CP's prevailing risk exposure. CPs may submit their request to frmfra@hkex.com.hk by specifying the captioned subject and the name of their company.

Operational Arrangements

(1) Regular and ad hoc review of RF sizing

The operational arrangement for the regular and ad hoc review of RF sizing will remain unchanged. CPs will continue to access details of their individual contribution requirements through the SEOCH

¹ Comprises an increase to HK\$2.9 billion that would have been implemented due to a review of the Reserve Fund Threshold under the current RF sizing assumption.

Reserve Fund Contribution Notice report (RP008) distributed through the DCASS Terminal. The timeline for RF money settlement, which is by 4:00 p.m. on the 1st business day following the RF review, and means of settlement will also remain unchanged.

(2) Reserve Fund Additional Margin

In line with the policy enhancement, if the RF Threshold (HK\$3.2 billion) is reached, RF Additional Margin² will be collected from a CP Group³ if the Net Projected Loss of the CP Group exceeds 50% of the RF Threshold.

If RF Additional Margin is triggered, CP with payment obligation will be notified by email for the amount of additional margin required at around 2:00 a.m. The timeline for money settlement and means of settlement shall remain unchanged.

Should you have any queries in relation to the above policy enhancement, please contact our risk team at frmfra@hkex.com.hk. Kindly contact our operations teams at 2979 7222 or ClearingPSD@hkex.com.hk for operations related matters.

Lok Tang
Group Head of Financial Risk Management
Group Risk Management

² Operational Clearing Procedures for Options Trading Exchange Participants of SEOCH Section 9.2.5

³ RF Additional Margin for each of the CPs will be proportionate to their share of the Net Projected Loss of the CP Group.