Rules and Procedures of HKFE Clearing Corporation Limited

CHAPTER I

INTERPRETATION

Definitions

101. In these Rules, the definitions contained in the Exchange Rules (as hereinafter defined) shall where the context permits be incorporated herein by reference and the following expressions shall, unless the context otherwise requires, bear the following meanings:-

"Euro" or "EUR"	means the lawful currency of the member states of the European Union that adopt the single currency; in accordance with the Treaty establishing the European Community (signed in Rome on March 25, 1957), as amended by the Treaty on European Union (signed in Maastricht on February 7, 1992), the Treaty of Amsterdam (signed in Amsterdam on October 2, 1997), the Treaty of Nice (signed in Nice on February 26, 2001) and the Treaty of Lisbon (signed in Lisbon on December 13, 2007) and as further amended from time to time;
"Japanese Yen" or "JPY"	means the lawful currency of Japan;
~~"Negative Interest Rate Currency"~~	~~means a currency in respect of which its central bank or other relevant authority has adopted a negative interest rate policy and is specified by the Clearing House as such;~~
"Singapore Dollars" or "SGD"	means the lawful currency of the Republic of Singapore;
"US Dollars" or "USD"	means the lawful currency of the United States of America;

CLEARING HOUSE PROCEDURES FOR FUTURES/OPTIONS CONTRACTS TRADED ON THE AUTOMATED TRADING SYSTEM OF THE EXCHANGE ("HKATS")

Appendix V - (1)

Schedule I

INTEREST AND ACCOMMODATION CHARGE STRUCTURE

1. APPROVED CURRENCIES
INTEREST PAYABLE OR CHARGED TO AND COSTS AND CHARGES LEVIED ON HKCC PARTICIPANTS

Clearing House margin covered by cash Surplus cash Additional margin covered by cash	)))	In respect of each HKCC Participant, interest payable or charged shall be calculated daily by HKCC by multiplying the interest rate with the HK$, USD, RMB, EUR, JPY and SGD cash balance comprising the Margin Balance of each CCMS Collateral Account on such day. In relation to a currency, where the reference rate for such currency is positive and greater than the prevailing handling fee, the applicable interest rate will be the reference rate, less the prevailing handling fee. Where the reference rate for the relevant currency is positive and less than or equal to the prevailing handling fee, no interest payment will be made. Where the reference rate for the relevant currency is negative, HKCC will charge each HKCC Participant an interest rate on that currency which is calculated based

on the net costs incurred by HKCC for that currency (including any negative yield, swap costs and charges imposed by banks).

Interest payable or charged shall be paid or charged monthly to each HKCC Participant by crediting or debiting, as the case may be, each CCMS Collateral Account of each HKCC Participant on the first Business Day of the following month.

For the purposes of this section, the reference rate for each relevant currency is determined as follows:

Currency	**Reference rate**
HK$	The prevailing HKD-HIBOR overnight, being the overnight Hong Kong Interbank Offered Rate administered by the Treasury Markets Association
USD	The prevailing USD-SOFR, being the Secured Overnight Financing Rate administered by the Federal Reserve Bank of New York
RMB	The prevailing CNY-SHIBOR, being the Shanghai Interbank Offered Rate

	for overnight deposits administered by the China Foreign Exchange Trade System & National Interbank Funding Center authorized by the People's Bank of China
EUR	The prevailing EUR-EuroSTR, being the euro short term rate administered by the European Central Bank
JPY	The prevailing JPY-TONA, being the Tokyo Overnight Average Rate administered by the Bank of Japan
SGD	The prevailing SGD-SORA, being the Singapore Overnight Rate Average administered by the Monetary Authority of Singapore

For the purposes of this section, the prevailing handling fee is as follows:

Period	Prevailing handling fee
2 October 2025 – 30 December 2026	0.80%
31 December 2026 - 30 December 2027	0.70%
31 December 2027 - 28 December 2028	0.60%
29 December 2028 onwards	0.50%

~~**HKD**~~

~~Interest payable shall be calculated based on the prevailing 1 month Hong Kong Interbank Offered Rate (HIBOR), as adjusted by a factor of 0.5 and a 0.25% spread, provided that if the calculated amount is less than zero, the amount payable shall be set at zero.~~

~~**Any approved currency, other than HKD, which is not a Negative Interest Rate Currency**~~

~~Interest payable or charged shall be calculated from time to time based on prevailing bank savings rates.~~

~~**Any approved currency, other than HKD, which is a Negative Interest Rate Currency**~~

~~Interest and costs charged shall be calculated at a rate of 0.25% plus any costs incurred by the Clearing House (including any negative yield, swap costs and charges imposed by banks), as may be reduced by any positive return thereon received by the Clearing House.~~

HKCC Participant Additional Deposits made in cash	))	to be determined by the Clearing House from time to time based on prevailing deposit rates

2. ACCOMMODATION CHARGES PAYABLE BY HKCC PARTICIPANTS

Clearing House margin covered by Exchange Fund Bills/Notes/U.S. Government Treasury Bills and Notes/ Other non-cash collateral	—	to be determined by the Clearing House from time to time in its absolute discretion

Schedule V

LIST OF APPROVED CURRENCIES

List of approved currencies is as follows:-

1. ~~HK Dollars~~Hong Kong dollars
2. US Dollars
3. Euro
4. Japanese Yen
5. Renminbi
6. Singapore Dollars