

## OTC Clear Clearing Procedures

### Chapter 3

#### Rates and FX Clearing Services

#### 3.4 Product Eligibility Requirements

##### 3.4.2 Specific Requirements for an Original Standard Rates Derivatives Transaction, an Original Standard Cross-currency Rates Derivatives Transaction, and an Original Non Deliverable Rates Derivatives Transaction

3.4.2.1 OTC Clear will only accept the types of Original Standard Rates Derivatives Transaction, Original Standard Cross-currency Rates Derivatives Transaction and Original Non Deliverable Rates Derivatives Transaction for registration as set out in the table as follows:

Instrument		Currencies / Currency Pairs (swap and FX)	Floating Rate Option	Maximum Residual Term	Designated Maturity
Original Standard Rates Derivatives Transactions	Single currency interest rate swaps	USD	<del>USD-LIBOR</del>	<del>16 years</del>	<del>One month, three months, six months and one year</del>
			USD-SOFR-OIS Compound	16 years	Not Applicable
			USD-Federal Funds- OIS Compound		
			<del>USD-SOFR</del>		
		EUR	EUR-EURIBOR	11 years	One month, three months, six months and one year
			EUR-EuroSTR-OIS Compound	11 years	Not Applicable
		HK\$	HKD-HIBOR	16 years	One month, three months, six months and one year
			HKD-HONIA-OIS Compound	16 years	Not Applicable
		CNY (offshore)	CNY-SHIBOR		

Instrument		Currencies / Currency Pairs (swap and FX)	Floating Rate Option	Maximum Residual Term	Designated Maturity
	Single currency basis swaps	USD	CNH-HIBOR	11 years	One month, three months, six months and one year
			<del>USD-LIBOR</del>	<del>16 years</del>	<del>One month, three months, six months and one year</del>
			(a) USD-SOFR-OIS Compound vs (b) USD-Federal Funds- OIS Compound	16 years	(a) <del>1</del> & (b) & (c): Not Applicable;  (c): <del>One month, three months, six months and one year</del>
		EUR	( <del>ab</del> ) <del>USD-SOFR-OIS Compound</del> <del>USD-Federal Funds- OIS Compound</del> vs (c) USD- <del>LIBOR</del> SOFR		
			EUR-EURIBOR	11 years	One month, three months, six months and one year
			(a) EUR-EuroSTR-OIS Compound vs (b) EUR-EURIBOR	11 years	(a): Not Applicable; (b): One month, three months, six months and one year
		HK\$	HKD-HIBOR	16 years	One month, three months, six months and one year
			(a) HKD-HONIA-OIS Compound vs (b) HKD-HIBOR	16 years	(a): Not Applicable; (b): One month, three months, six months and one year

Instrument		Currencies / Currency Pairs (swap and FX)	Floating Rate Option	Maximum Residual Term	Designated Maturity
Original Standard Cross-currency Rates Derivatives Transactions	Cross-currency interest rate swaps and Cross-currency basis swaps	CNY (offshore) and USD	CNY (offshore): (a) CNH-HIBOR (b) CNY-SHIBOR	11 years	(a), <del>(b)</del> & <del>(c)</del> One month, three months, six months and one year; <del>(c)</del> & (d): Not Applicable
			USD: (c) USD- <del>LIBOR</del> SOFR (d) USD-SOFR-OIS Compound		
		HK\$ and USD	HK\$: (a) HKD-HIBOR (b) HKD-HONIA-OIS Compound	16 years	(a) <del>&amp; (c)</del> : One month, three months, six months and one year; (b), <del>(c)</del> & (d): Not Applicable
			USD: (c) USD- <del>LIBOR</del> SOFR (d) USD-SOFR-OIS Compound <del>For the avoidance of doubt, OTC Clear will not accept for registration any Original Standard Cross-currency Rates Derivatives Transaction for which HKD-HONIA-OIS Compound and USD-LIBOR are specified as the applicable Floating Rate Options.</del>		
Original Non Deliverable Rates Derivatives Transactions	Non-deliverable interest rate swaps	CNY	CNY-Fixing Repo Rate	5.5 years	Not Applicable
		INR	INR-MIBOR-OIS Compound	11 years	Not Applicable
		KRW	KRW-CD-91D	11 years	Three months
		MYR	MYR-KLIBOR	11 years	Three months
		<del>THB</del>	<del>THB-THBFIX</del>	<del>11 years</del>	<del>Six months</del>

Instrument		Currencies / Currency Pairs (swap and FX)	Floating Rate Option	Maximum Residual Term	Designated Maturity
		TWD	TWD-TAIBOR	11 years	Three months

### 3.4.2.2 Day Count Fraction

OTC Clear will only accept the Floating Rate Day Count Fractions as follows:

Instrument		Currencies	Floating Rate Day Count Fraction
Original Standard Rates Derivatives Transactions	Single currency interest rate swaps	USD	Actual/360
		EUR	Actual/360
		HK\$	Actual/365 (Fixed)
		CNY (offshore)	Actual/360 and Actual/365 (Fixed)
	Single currency basis swaps	USD	Actual/360
		EUR	Actual/360
		HK\$	Actual/365 (Fixed)
Original Standard Cross-currency Rates Derivatives Transactions	Cross-currency interest rate swaps	USD	Actual/360
		CNY (offshore)	Actual/360 and Actual/365 (Fixed)
		HK\$	Actual/365 (Fixed)
	Cross-currency basis swaps	USD	Actual/360
		CNY (offshore)	Actual/360 and Actual/365 (Fixed)
		HK\$	Actual/365 (Fixed)
Original Non Deliverable Rates Derivatives Transactions	Non-deliverable interest rate swaps	CNY	Actual/365 (Fixed)
		INR	Actual/365 (Fixed)
		KRW	Actual/365 (Fixed)
		MYR	Actual/365 (Fixed)
		<del>THB</del>	<del>Actual/365 (Fixed)</del>
		TWD	Actual/365 (Fixed)

OTC Clear will accept any of the following Fixed Rate Day Count Fractions:

- (i) Actual/Actual;
- (ii) Actual/365 (Fixed);
- (iii) Actual/360;
- (iv) 30/360;
- (v) 30E/360;
- (vi) 30E/360 (ISDA); and
- (vii) Actual/Actual (ICMA).

#### 3.4.2.6 Notional Amount

OTC Clear will accept an Original Standard Rates Derivatives Transaction and an Original Non Deliverable Rates Derivatives Transaction for registration only if the Notional Amount of that particular Original Transaction is:

- (i) greater than or equal to one unit of the relevant currency;
- (ii) an integer if the relevant Notional Amount is denominated in KRW, or an integer or a number rounded up to two or less decimal points if the relevant Notional Amount is denominated in USD, EUR, HK\$, CNY (offshore), CNY, INR, MYR, ~~THB~~ or TWD; and
- (iii) the same for each Calculation Period during the term of that particular Original Transaction.

#### 3.4.2.9 Linear Interpolation

- (i) OTC Clear will accept an Original Standard Rates Derivatives Transaction (except an Original Standard Rates Derivatives Transaction for which HKD-HONIA-OIS Compound, USD-SOFR-OIS Compound, USD-SOFR, USD-Federal Funds-OIS Compound or EUR-EuroSTR-OIS Compound (or equivalent Floating Rate Option(s)) as set out in Appendix VI) is specified as one of the applicable Floating Rate Option(s)), an Original Standard Cross-currency Rates Derivatives Transaction (except an Original Standard Cross-currency Rates Derivatives Transaction for which HKD-HONIA-OIS Compound, ~~USD-SOFR-OIS Compound~~ or USD-SOFR (or equivalent Floating Rate Option(s)) as set out in Appendix VI) is specified as one of the applicable Floating Rate Option(s)) or an Original Non Deliverable Rates Derivatives Transaction which is denominated in MYR, ~~THB~~ or TWD for registration regardless of whether Linear Interpolation is applicable or not.

In the case that Linear Interpolation is applicable to an Original Standard Rates Derivatives Transaction, an Original Standard Cross-currency Rates Derivatives Transaction or an Original Non Deliverable Rates Derivatives Transaction which is denominated in MYR, ~~THB~~ or TWD, OTC Clear will accept that particular Original Transaction for registration provided that:

- (a) Linear Interpolation is elected for the Calculation Period(s) in respect of the Floating Amount Payer to which stub is applicable; and
- (b) in respect of the Designated Maturities elected for Linear Interpolation:
  - (A) both Designated Maturities are available for the relevant Floating Rate Option as shown in Appendix V to these Clearing Procedures; and

- (B) prior to any adjustment being made in accordance with the applicable Business Day Convention to the relevant Calculation Period to which stub applies, one of the Designated Maturities is shorter than the interval of the Calculation Period to which stub applies and another Designated Maturity is longer than the interval of the Calculation Period to which stub applies;
- (ii) in respect of an Original Non Deliverable Rates Derivatives Transaction which is denominated in CNY, INR or KRW, OTC Clear will accept that particular Original Transaction for registration only if Linear Interpolation is inapplicable; or
- (iii) in respect of an Original Transaction for which HKD-HONIA-OIS Compound, USD-SOFR-OIS Compound, USD-SOFR, USD-Federal Funds-OIS Compound or EUR-EuroSTR-OIS Compound (or equivalent Floating Rate Option(s) as set out in Appendix VI) is specified as one of the applicable Floating Rate Option(s), OTC Clear will accept that particular Original Transaction for registration only if Linear Interpolation is inapplicable to the Floating Amount calculated by reference to the HKD-HONIA-OIS Compound, USD-SOFR-OIS Compound, USD-SOFR, USD-Federal Funds-OIS Compound or EUR-EuroSTR-OIS Compound Floating Rate Option (or equivalent Floating Rate Option(s) as set out in Appendix VI), as the case may be.

#### 3.4.2.10 Period End Date

- (i) OTC Clear will accept an Original Standard Rates Derivatives Transaction (except an Original Standard Rates Derivatives Transaction for which HKD-HONIA-OIS Compound, USD-SOFR-OIS Compound, USD-SOFR, USD-Federal Funds-OIS Compound or EUR-EuroSTR-OIS Compound (or equivalent Floating Rate Option(s) as set out in Appendix VI) is specified as one of the applicable Floating Rate Option(s)), an Original Standard Cross-currency Rates Derivatives Transaction (except an Original Standard Cross-currency Rates Derivatives Transaction for which HKD-HONIA-OIS Compound, ~~USD-SOFR-OIS Compound~~ or USD-SOFR (or equivalent Floating Rate Option(s) as set out in Appendix VI) is specified as one of the applicable Floating Rate Option(s)) and an Original Non Deliverable Rates Derivatives Transaction which is denominated in CNY, KRW, MYR, ~~THB~~ or TWD for registration only if the Termination Date and the Period End Date for determination of each Calculation Period of Fixed Amount with respect to the Fixed Amount Payer and of Floating Amount with respect to the Floating Amount Payer (or each Floating Amount Payer if Fixed Amount Payer is inapplicable) are either subject to adjustment on the same basis or are both not subject to adjustment respectively.
- (ii) OTC Clear will accept an Original Standard Rates Derivatives Transaction for which HKD-HONIA-OIS Compound, USD-SOFR-OIS Compound, USD-SOFR, USD-Federal Funds-OIS Compound or EUR-EuroSTR-OIS Compound (or equivalent Floating Rate Option(s) as set out in Appendix VI) is specified as one of the applicable Floating Rate Option(s), an Original Standard Cross-currency Rates Derivatives Transaction for which HKD-HONIA-OIS Compound, ~~USD-SOFR-OIS Compound~~ or USD-SOFR (or equivalent Floating Rate Option(s) as set out in Appendix VI) is specified as one of the applicable Floating Rate Option(s) and an Original Non Deliverable Rates Derivatives Transaction which is denominated in INR for registration only if the Termination Date

and the Period End Dates for determination of each Calculation Period of a Floating Amount are both subject to adjustment.

- (iii) if the Period End Date(s) or Payment Date(s) is/are designated to be the last calendar day of a calendar month during the term of an Original Standard Rates Derivatives Transaction, an Original Standard Cross-currency Rates Derivatives Transaction and an Original Non Deliverable Rates Derivatives Transaction regardless of the currency in which such Original Non Deliverable Rates Derivatives Transaction is denominated, OTC Clear will accept such Original Transaction for registration provided that:
  - (a) both the Effective Date and Termination Date of that particular Original Transaction fall on the last calendar day of a relevant calendar month and regardless of whether stub is applicable to the initial Calculation Period, the final Calculation Period or both the initial and the final Calculation Periods in respect of:
    - (A) the Floating Amount Payer and/or the Fixed Amount Payer of that particular Original Transaction; or
    - (B) one of or both of the Floating Amount Payers of that particular Original Transaction if a Fixed Amount Payer is not applicable to that particular Original Transaction;
  - (b) both the Effective Date and Termination Date of that particular Original Transaction does not fall on the last calendar day of a relevant calendar month and stub is applicable to both the initial and final Calculation Periods in respect of:
    - (A) the Floating Amount Payer and/or the Fixed Amount Payer of that particular Original Transaction; or
    - (B) one of or both of the Floating Amount Payers of that particular Original Transaction if a Fixed Amount Payer is not applicable to that particular Original Transaction;
  - (c) the Termination Date of that particular Original Transaction falls on the last calendar day of a relevant calendar month and stub is applicable to the initial Calculation Period or both the initial and the final Calculation Periods in respect of:
    - (A) the Floating Amount Payer and the Fixed Amount Payer of that particular Original Transaction; or
    - (B) both of the Floating Amount Payers of that particular Original Transaction if a Fixed Amount Payer is not applicable to that particular Original Transaction; or
  - (d) the Effective Date of that particular Original Transaction falls on the last calendar day of a relevant calendar month and stub is applicable to the final Calculation Period or both the initial and final Calculation Periods in respect of:
    - (A) the Floating Amount Payer and the Fixed Amount Payer of that particular Original Transaction; or

- (B) both of the Floating Amount Payers of that particular Original Transaction if a Fixed Amount Payer is not applicable to that particular Original Transaction; or
- (e) the Effective Date of that particular Original Transaction falls on the last Currency Day (relating to the Contractual Currency of that particular Original Transaction) of a relevant calendar month, the Termination Date of that particular Original Transaction falls on the last calendar day of the relevant month and regardless of whether stub is applicable to the initial Calculation Period, the final Calculation Period, or both the initial and the final Calculation Periods in respect of:
  - (A) the Floating Amount Payer and the Fixed Amount Payer of that particular Original Transaction; or
  - (B) both of the Floating Amount Payers of that particular Original Transaction if a Fixed Amount Payer is not applicable to that particular Original Transaction; or
- (f) the Effective Date of that particular Original Transaction falls on the last Currency Day (relating to the Contractual Currency of that particular Original Transaction) of a relevant calendar month, the Termination Date of that particular Original Transaction does not fall on the last calendar day of a relevant calendar month and stub is applicable to the final Calculation Period or both the initial and final Calculation Periods in respect of:
  - (A) the Floating Amount Payer and the Fixed Amount Payer of that particular Original Transaction; or
  - (B) both of the Floating Amount Payers of that particular Original Transaction if a Fixed Amount Payer is not applicable to that particular Original Transaction.
- (iv) OTC Clear will accept Original Standard Rates Derivatives Transactions, Original Standard Cross-currency Rates Derivatives Transactions and Original Non Deliverable Rates Derivatives Transactions for registration only if "Period End Date adjustment for Unscheduled Holiday" is not applicable.

For the avoidance of doubt, if the Modified Following Business Day Convention or the Preceding Business Day Convention applies to any Period End Date and that date would otherwise fall on a day that is not a Business Day as a result of an Unscheduled Holiday, then in respect of any Period End Date (other than where a Period End Date is a Payment Date), that date will be subject to adjustment in accordance with the Business Day Convention that applies to such date.

#### **3.4.2.11 Delayed Payment, Observation Period Shift, Lookback and Lockout**

OTC Clear will only accept Original Standard Rates Derivatives Transactions, Original Standard Cross-currency Rates Derivatives Transactions and Original Non Deliverable Rates Derivatives Transactions for registration if any of (i) Delayed Payment, (ii) Observation Period Shift, (iii) Lookback and/or (iv) Lockout (as applicable), and at the respective period of days are specified for the relevant Floating Amount payments corresponds to the parameters specified below. For the avoidance of doubt, one of either Observation Period Shift, Lookback or Lockout must be specified in respect of the applicable Floating Rate Options specified below. Delayed Payment



may or may not be specified (in addition to the specification of one of either Observation Period Shift, Lookback or Lockout):

Instrument		Currencies / Currency Pairs (swap and FX)	Floating Rate Option	Delayed Payment (number of relevant Business Days)	Observation Period Shift (number of relevant Business Days)	Lookback (number of relevant Business Days)	Lockout (number of relevant Business Days)
Original Standard Rates Derivatives Transactions	Single currency interest rate swaps	USD	USD-LIBOR	0, 1 or 2			
			USD-SOFR-OIS Compound				
			USD-Federal Funds-OIS Compound	Minimum 2	N/A	N/A	N/A
			USD-SOFR	Minimum 0	Minimum 2	Minimum 2	Minimum 3
		EUR	EUR-EURIBOR	0, 1 or 2 Minimum 0	N/A	N/A	N/A
			EUR-EuroSTR-OIS Compound	Minimum 1	N/A	N/A	N/A
		HK\$	HKD-HIBOR	0, 1 or 2 Minimum 0	N/A	N/A	N/A
			HKD-HONIA-OIS Compound	Minimum 02	N/A	N/A	N/A
		CNY (offshore)	CNY-SHIBOR	0, 1 or 2 Minimum 0	N/A	N/A	N/A
			CNH-HIBOR				
	Single currency basis swaps	USD	USD-LIBOR	0, 1 or 2  For the avoidance of doubt, the number of days specified for the Floating Amounts may differ			
			(a) USD-SOFR-OIS Compound vs (b) USD-Federal Funds-OIS Compound	Minimum 2 for each of the Floating Amounts. For the avoidance of doubt, the number of days specified for the two Floating	N/A	N/A	N/A

Instrument		Currencies / Currency Pairs (swap and FX)	Floating Rate Option	Delayed Payment (number of relevant Business Days)	<u>Observation Period Shift (number of relevant Business Days)</u>	<u>Lookback (number of relevant Business Days)</u>	<u>Lockout (number of relevant Business Days)</u>
				<u>Amounts may differ</u>			
			(a) USD-SOFR-OIS Compound vs (c) USD-LIBOR (b) <u>USD-Federal Funds-OIS Compound vs</u> (c) <u>USD-SOFR</u>	2 for USD-SOFR-OIS Compound and any of 0, 1 or 2 for USD-LIBOR. Minimum 0 for USD-SOFR and Minimum 2 for USD-Federal Funds-OIS Compound. For the avoidance of doubt, the number of days specified for the two Floating Amounts may differ	Minimum 2 for USD-SOFR	Minimum 2 for USD-SOFR	Minimum 3 for USD-SOFR
			EUR	EUR-EURIBOR 0, 1 or 2 Minimum 0	N/A	N/A	N/A
		EUR	(a) EUR-EuroSTR-OIS Compound vs (b) EUR-EURIBOR	Minimum 1 for EUR-EuroSTR-OIS Compound and Minimum 0 any of 0, 1 or 2 for the EUR-EURIBOR. For the avoidance of doubt the number of days specified for the two Floating Amounts may differ	N/A	N/A	N/A
			HK\$	HKD-HIBOR 0, 1 or 2 Minimum 0	N/A	N/A	N/A

Instrument		Currencies / Currency Pairs (swap and FX)	Floating Rate Option	Delayed Payment (number of relevant Business Days)	Observation Period Shift (number of relevant Business Days)	Lookback (number of relevant Business Days)	Lockout (number of relevant Business Days)
			(a) HKD-HONIA-OIS Compound vs (b) HKD-HIBOR	<del>2</del> Minimum 0 for HKD- HONIA-OIS Compound and <del>any of 0, 1</del> <del>or 2</del> for HKD- HIBOR. For the avoidance of doubt the number of days specified for the Floating Amounts may differ	N/A	N/A	N/A
Original Standard Cross-currency Rates Derivatives Transactions	Cross-currency interest rate swaps and Cross- currency basis swaps	CNY (offshore) and USD	CNY (offshore): (a) CNH-HIBOR (b) CNY-SHIBOR	<del>0, 1 or 2</del> Minimum 0 For the avoidance of doubt, the number of days specified for the two Floating Amounts may differ	N/A	N/A	N/A
			USD: (c) USD- <del>LIBOR</del> SOFR (d) USD-SOFR-OIS Compound	Minimum 0 for <del>USD-SOFR</del> and 2 for USD-SOFR- OIS Compound and <del>any of 0, 1</del> <del>or 2</del> for the USD-LIBOR.	Minimum 2 for <del>USD-SOFR</del>	Minimum 2 for <del>USD-SOFR</del>	Minimum 3 for <del>USD-SOFR</del>
		HK\$ and USD	HK\$: (a) HKD-HIBOR (b) HKD-HONIA-OIS Compound	Minimum 02 for HKD- HONIA-OIS Compound and <del>any of 0, 1</del> <del>or 2</del> for HKD- HIBOR. For the avoidance of doubt the number of days specified for the Floating Amounts may differ	N/A	N/A	N/A

Instrument		Currencies / Currency Pairs (swap and FX)	Floating Rate Option	Delayed Payment (number of relevant Business Days)	<u>Observation Period Shift (number of relevant Business Days)</u>	<u>Lookback (number of relevant Business Days)</u>	<u>Lockout (number of relevant Business Days)</u>
			USD: (c) USD- <del>SOFR</del> LIBOR (d) USD-SOFR-OIS Compound	Minimum 0 for USD-SOFR and minimum 2 for USD- SOFR-OIS Compound and any of 0, 1 or 2 for the USD-LIBOR.			
Original Non Deliverable Rates Derivatives Transactions	Non-deliverable interest rate swaps	CNY	CNY-Fixing Repo Rate	0	N/A	N/A	N/A
		INR	INR-MIBOR-OIS Compound				
		KRW	KRW-CD 91D				
		MYR	MYR-KLIBOR				
		<del>THB</del>	<del>THB-THBFIX</del>				
		TWD	TWD-TAIBOR				

### 3.4.2.12 Payment Date

- (i) Original Standard Rates Derivatives Transaction and Original Standard Cross-currency Rates Derivatives Transaction

With regard to both an Original Standard Rates Derivatives Transaction and Original Standard Cross-currency Rates Derivatives Transaction, OTC Clear will accept such Original Transaction for registration only if:

- (a) with respect to the Floating Amount Payer (or if a Fixed Amount Payer is not applicable to that Original Standard Rates Derivatives Transaction or Original Standard Cross-currency Rates Derivatives Transaction, then with respect to each Floating Amount Payer), the frequency of payment of each Floating Amount payable by such Floating Amount Payer during the term of that particular Original Standard Rates Derivatives Transaction or Original Standard Cross-currency Rates Derivatives Transaction as designated by the Clearing Members is:

(A)

- (1) the same as the interval of the Calculation Period of the Floating Amount payable by such Floating Amount Payer during the term of that particular Original Standard Rates

Derivatives Transaction or Original Standard Cross-currency Rates Derivatives Transaction as designated by the Clearing Members if stub is inapplicable to any Calculation Period in respect of such Floating Amount Payer; or

- (2) the same as the interval of the Calculation Period of the Floating Amount payable by such Floating Amount Payer during the term of that particular Original Standard Rates Derivatives Transaction or Original Standard Cross-currency Rates Derivatives Transaction as designated by the Clearing Members other than the interval of the Calculation Period in respect of such Floating Amount Payer to which stub is applicable;

(B)

- (1) where applicable, the same as the Designated Maturity elected for the relevant Floating Rate Option applicable to each Calculation Period in respect of such Floating Amount Payer if stub is inapplicable to any Calculation Period in respect of such Floating Amount Payer; or
- (2) where applicable, the same as the Designated Maturity elected for the relevant Floating Rate Option applicable to each Calculation Period (other than the Calculation Period to which stub is applicable) in respect of such Floating Amount Payer;

(C) one month, three months, six months or one year if IMM Settlement Dates are inapplicable; and

(D) three months if IMM Settlement Dates are applicable; and

- (b) the frequency of payment of each Fixed Amount (if applicable) being payable during the term of that particular Original Standard Rates Derivatives Transaction or Original Standard Cross-currency Rates Derivatives Transaction as designated by the Clearing Members is:

(A)

- (1) the same as the interval of the Calculation Period of the Fixed Amount being payable during the term of that particular Original Standard Rates Derivatives Transaction or Original Standard Cross-currency Rates Derivatives Transaction as designated by the Clearing Members if stub is inapplicable to any Calculation Period in respect of the Fixed Amount Payer;
- (2) the same as the interval of the Calculation Period of the Fixed Amount being payable during the term of that particular Original Standard Rates Derivatives Transaction or Original Standard Cross-currency Rates Derivatives Transaction as designated by the Clearing Members other than the interval

of the Calculation Period in respect of the Fixed Amount Payer to which stub is applicable; or

- (3) once at the maturity of that particular Original Standard Rates Derivatives Transaction as designated by the Clearing Member:

- (B) one month, three months, six months, one year, or once at maturity if IMM Settlement Dates are inapplicable; and

- (C) three months if IMM Settlement Dates are applicable;

(ii) Original Non Deliverable Rates Derivatives Transaction

With regard to an Original Non Deliverable Rates Derivatives Transaction, OTC Clear will accept such Original Non Deliverable Rates Derivatives Transaction for registration only if:

- (a) in respect of an Original Non Deliverable Rates Derivatives Transaction which is denominated in CNY or INR, the frequency of payment of each Floating Amount being payable during the term of that particular Original Non Deliverable Rates Derivatives Transaction as designated by the Clearing Members is:

- (A)

- (1) the same as the interval of the Calculation Period of the Floating Amount being payable during the term of that particular Original Non Deliverable Rates Derivatives Transaction as designated by the Clearing Members if stub is inapplicable to any Calculation Period in respect of the Floating Amount Payer; or

- (2) the same as the interval of the Calculation Period of the Floating Amount being payable during the term of that particular Original Non Deliverable Rates Derivatives Transaction as designated by the Clearing Members other than the interval of the Calculation Period in respect of the Floating Amount Payer to which stub is applicable;

- (B) one month, three months, six months or one year if IMM Settlement Dates are inapplicable; and

- (C) three months if IMM Settlement Dates are applicable;

- (b1) in respect of an Original Non Deliverable Rates Derivatives Transaction which is denominated in KRW, the frequency of payment of each Floating Amount being payable during the term of that particular Original Non Deliverable Rates Derivatives Transaction as designated by the Clearing Members is:

- (A)

- (1) the same as the interval of the Calculation Period of the Floating Amount being payable during the term of that particular Original Non Deliverable Rates Derivatives Transaction as designated by the Clearing Members if stub is

inapplicable to any Calculation Period in respect of the Floating Amount Payer; or

- (2) the same as the interval of the Calculation Period of the Floating Amount being payable during the term of that particular Original Non Deliverable Rates Derivatives Transaction as designated by the Clearing Members other than the interval of the Calculation Period in respect of the Floating Amount Payer to which stub is applicable;
  - (B) the same as the Designated Maturity elected for the relevant Floating Rate Option applicable to the Floating Amount payable by the Floating Amount Payer; and
  - (C) three months only;
- (b2) in respect of an Original Non Deliverable Rates Derivatives Transaction which is denominated in MYR or TWD, the frequency of payment of each Floating Amount being payable during the term of that particular Original Non Deliverable Rates Derivatives Transaction as designated by the Clearing Members is:
- (A)
    - (1) the same as the interval of the Calculation Period of the Floating Amount being payable during the term of that particular Original Non Deliverable Rates Derivatives Transaction as designated by the Clearing Members if stub is inapplicable to any Calculation Period in respect of the Floating Amount Payer; or
    - (2) the same as the interval of the Calculation Period of the Floating Amount being payable during the term of that particular Original Non Deliverable Rates Derivatives Transaction as designated by the Clearing Members other than the interval of the Calculation Period in respect of the Floating Amount Payer to which stub is applicable;
  - (B)
    - (1) the same as the Designated Maturity elected for the relevant Floating Rate Option applicable to each Calculation Period in respect of the Floating Amount Payer if stub is inapplicable to any Calculation Period in respect of the Floating Amount Payer; or
    - (2) the same as the Designated Maturity elected for the relevant Floating Rate Option applicable to each Calculation Period (other than the Calculation Period to which stub is applicable) in respect of the Floating Amount Payer; and
  - (C) three months only;

~~(c) — in respect of an Original Non Deliverable Rates Derivatives Transaction which is denominated in THB, the frequency of payment of each Floating Amount being~~

~~payable during the term of that particular Original Non Deliverable Rates Derivatives Transaction as designated by the Clearing Members is:~~

~~(A) —~~

- ~~(1) — the same as the interval of the Calculation Period of the Floating Amount being payable during the term of that particular Original Non Deliverable Rates Derivatives Transaction as designated by the Clearing Members if stub is inapplicable to any Calculation Period in respect of the Floating Amount Payer; or~~
- ~~(2) — the same as the interval of the Calculation Period of the Floating Amount being payable during the term of that particular Original Non Deliverable Rates Derivatives Transaction as designated by the Clearing Members other than the interval of the Calculation Period in respect of the Floating Amount Payer to which stub is applicable;~~

~~(B) —~~

- ~~(1) — the same as the Designated Maturity elected for the relevant Floating Rate Option applicable to each Calculation Period in respect of the Floating Amount Payer if stub is inapplicable to any Calculation Period in respect of the Floating Amount Payer; or~~
- ~~(2) — the same as the Designated Maturity elected for the relevant Floating Rate Option applicable to each Calculation Period (other than the Calculation Period to which stub is applicable) in respect of the Floating Amount Payer; and~~

~~(C) — six months only;~~

~~(d)~~(c) in respect of an Original Non Deliverable Rates Derivatives Transaction which is denominated in CNY, INR, KRW, MYR or TWD, the frequency of payment of each Fixed Amount being payable during the term of that particular Original Non Deliverable Rates Derivatives Transaction as designated by the Clearing Members is:

(A)

- (1) the same as the interval of the Calculation Period of the Fixed Amount being payable during the term of that particular Original Non Deliverable Rates Derivatives Transaction as designated by the Clearing Members if stub is inapplicable to any Calculation Period in respect of the Fixed Amount Payer;
- (2) the same as the interval of the Calculation Period of the Fixed Amount being payable during the term of that particular Original Non Deliverable Rates Derivatives Transaction as designated by the Clearing Members other than the interval



of the Calculation Period in respect of the Fixed Amount Payer to which stub is applicable; or

- (3) once at maturity of that particular Original Non Deliverable Rates Derivatives Transactions as designated by the Clearing Member;

(B) one month, three months, six months, one year or once at maturity if IMM Settlement Dates are inapplicable; and

(C) three months if IMM Settlement Dates are applicable; ~~and~~

~~(e) in respect of an Original Non Deliverable Rates Derivatives Transaction which is denominated in THB, the frequency of payment of each Fixed Amount being payable during the term of that particular Original Non Deliverable Rates Derivatives Transaction as designated by the Clearing Members is:~~

~~(A)~~

~~(1) the same as the interval of the Calculation Period of the Fixed Amount being payable during the term of that particular Original Non Deliverable Rates Derivatives Transaction as designated by the Clearing Members if stub is inapplicable to any Calculation Period in respect of the Fixed Amount Payer;~~

~~(2) the same as the interval of the Calculation Period of the Fixed Amount being payable during the term of that particular Original Non Deliverable Rates Derivatives Transaction as designated by the Clearing Members other than the interval of the Calculation Period in respect of the Fixed Amount Payer to which stub is applicable; or~~

~~(3) once at maturity of that particular Original Non Deliverable Rates Derivatives Transactions as designated by the Clearing Member;~~

~~(B) one month, three months, six months, one year or once at maturity;~~

- (iii) Original Standard Rates Derivatives Transaction and Original Non Deliverable Rates Derivatives Transaction

With regard to both an Original Standard Rates Derivatives Transaction and Original Non Deliverable Rates Derivatives Transaction, OTC Clear will accept such Original Transaction for registration only if such Original Transaction is submitted to OTC Clear for registration prior to 19:00 hours Hong Kong time on an OTC Clear Clearing Day that falls at least one OTC Clear Clearing Day prior to any forthcoming Payment Date of that Original Transaction; and

- (iv) Original Standard Cross-currency Rates Derivatives Transaction

With regard to an Original Standard Cross-currency Rates Derivatives Transaction, OTC Clear will accept such Original Transaction for registration only if such Original Transaction is submitted to OTC Clear for registration prior to 19:00 hours Hong Kong time on an OTC Clear Clearing Day (other than Initial Exchange Date in respect of Initial

Exchange Amount (if applicable) which is set out in section 3.4.2.28 and Payment Dates) that falls at least one OTC Clear Clearing Day prior to any forthcoming Payment Date of that Original Transaction.

- (v) OTC Clear will accept Original Standard Rates Derivatives Transactions, Original Standard Cross-currency Rates Derivatives Transactions and Original Non Deliverable Rates Derivatives Transactions for registration only if Section 2.3.6(i)(a) of the ISDA Definitions applies such that if the Modified Following Business Day Convention or the Preceding Business Day Convention applies to any Payment Date and that date would otherwise fall on a day that is not a Business Day as a result of an Unscheduled Holiday, then in respect of such Payment Date (including where the Period End Date or the Termination Date is a Payment Date), that date will instead fall on the first following day that is a Business Day, notwithstanding the provisions of Section 2.3.3 (*Modified Following Business Day Convention*) and Section 2.3.4 (*Preceding Business Day Convention*) of the ISDA Definitions.

#### **3.4.2.15 Reset Date**

OTC Clear will accept an Original Transaction for registration only if:

- (i) with regard to an Original Non Deliverable Rates Derivatives Transaction which is denominated in CNY, any Reset Date is the first day of each Compounding Period;
- (ii) with regard to an Original Non Deliverable Rates Derivatives Transaction which is denominated in INR, any Reset Date is the last day of each relevant Calculation Period;
- (iii) with regard to an Original Non Deliverable Rates Derivatives Transaction which is denominated in KRW, MYR, ~~THB~~ or TWD, any Reset Date is the first day of each relevant Calculation Period;
- (iv) with regard to both an Original Standard Rates Derivatives Transaction and an Original Standard Cross-currency Rates Derivatives Transaction,
  - (a) the Reset Date is the first day of each relevant Calculation Period; or
  - (b) the Reset Date is the last day of each relevant Calculation Period, if the Floating Amount of such Original Transactions is calculated by reference to HKD-HONIA-OIS Compound, USD-SOFR-OIS Compound, USD-SOFR, USD-Federal Funds-OIS Compound or EUR-EuroSTR-OIS Compound Floating Rate Option (or equivalent Floating Rate Option(s) as set out in Appendix VI), as the case may be;
- (v) with regard to the initial Calculation Period in respect of the Floating Amount Payer (or if a Fixed Amount Payer is not applicable to that particular Original Transaction, then in respect of each Floating Amount Payer) of an Original Standard Rates Derivatives Transaction which is denominated in CNY (offshore) or USD, an Original Standard Cross-currency Rates Derivatives Transaction and an Original Non Deliverable Rates Derivatives Transaction which is denominated in MYR or TWD, the determination of the rate for the Reset Date for such Calculation Period is consistent with that prescribed for in the Floating Rate Matrix except that a different Fixing Days Offset can be elected by the Clearing Members for the respective Floating Rate Option, provided that such Fixing Days Offset is:

- (a) zero; or
- (b) any number of day(s) preceding the Reset Date, provided that each of such day is a Business Day in respect of:
  - (A) a financial center as shown in the table below in the column entitled "Mandatory Financial Center" and marked against the relevant Floating Rate Option; and

<b>Floating Rate Option</b>	<b>Mandatory Financial Center</b>
CNH-HIBOR	Hong Kong
CNY-SHIBOR	Beijing
MYR-KLIBOR	Kuala Lumpur
TWD-TAIBOR	Taipei
USD-LIBOR	London

- (B) any additional financial center(s) (as set out in Appendix II to these Clearing Procedures) being elected by the Clearing Members with no limitation in number;
- (vi) with regard to the initial Compounding Period in respect of the Floating Amount Payer of an Original Non Deliverable Rates Derivatives Transaction which is denominated in CNY, the determination of the rate for the Reset Date for such Compounding Period is consistent with that prescribed for in the Floating Rate Matrix except that a different Fixing Days Offset can be elected by the Clearing Members for the respective Floating Rate Option, provided that such Fixing Days Offset is:
  - (a) zero; or
  - (b) any number of day(s) preceding the Reset Date, provided that each of such day is a Business Day in respect of:
    - (A) Beijing; and
    - (B) any additional financial center(s) (as set out in Appendix II to these Clearing Procedures) being elected by the Clearing Members with no limitation in number;
- (vii) with regard to any Calculation Period (save and except the initial Calculation Period) in respect of the Floating Amount Payer (or if a Fixed Amount Payer is not applicable to that particular Original Transaction, then in respect of each Floating Amount Payer) of an Original Standard Rates Derivatives Transaction which is denominated in CNY (offshore) or USD, an Original Standard Cross-currency Rates Derivatives Transaction and an Original Non Deliverable Rates Derivatives Transaction which is denominated in MYR or TWD, the determination of the rate for the Reset Date for such Calculation Period is consistent with that prescribed for in the Floating Rate Matrix;
- (viii) with regard to any Compounding Period (save and except the initial Compounding Period) in respect of the Floating Amount Payer of an Original Non Deliverable Rates

Derivatives Transaction which is denominated in CNY, the determination of the rate for the Reset Date for such Compounding Period is consistent with that prescribed for in the Floating Rate Matrix; and

- (ix) with regard to any Calculation Period in respect of the Floating Amount Payer (or if a Fixed Amount Payer is not applicable to that particular Original Transaction, then in respect of each Floating Amount Payer) of an Original Standard Rates Derivatives Transaction which is denominated in EUR or HK\$ and an Original Non Deliverable Rates Derivatives Transaction which is denominated in INR, ~~or~~ KRW ~~or THB~~, the determination of the rate for the Reset Date for such Calculation Period is consistent with that prescribed for in the Floating Rate Matrix.

**“Fixing Days Offset”** (as set out in this section 3.4.2.15, section 3.4.2.30 and section 3.8.1.1.3) means in respect of a Floating Rate Option, the number of days by which the Reset Date precedes or follows the day on which the relevant rate relating to a Designated Maturity for a Reset Date appears on the specific rate source (including the fallback rate source) at the designated time which are stipulated in the Floating Rate Matrix. For the avoidance of doubt, if the relevant rate relating to a Designated Maturity for a Reset Date is the rate which appears on the specific rate source (including the fallback rate source) at the designated time on the Reset Date, the Fixing Days Offset will be zero.

#### **3.4.2.18 Compounding**

In respect of an Original Standard Rates Derivatives Transaction or an Original Standard Cross-currency Rates Derivatives Transaction, OTC Clear will accept such Original Transaction for registration only if Compounding is elected to be inapplicable to such Original Transaction, except for an Original Standard Rates Derivatives Transaction or an Original Standard Cross-currency Rates Derivatives Transaction for which USD-SOFR is specified as one of the applicable Floating Rate Option(s).

In respect of an Original Standard Rates Derivatives Transaction or an Original Standard Cross-currency Rates Derivatives Transaction for which USD-SOFR is specified as one of the applicable Floating Rate Option(s), OTC Clear will accept such Original Standard Rates Derivatives Transaction or Original Standard Cross-currency Rates Derivatives Transaction for registration only if one of (i) Compounding with Lookback, (ii) Compounding with Observation Period Shift, or (iii) Compounding with Lockout is elected as applicable.

In respect of an Original Non Deliverable Rates Derivatives Transaction which is denominated in CNY, OTC Clear will accept such Original Non Deliverable Rates Derivatives Transaction for registration only if:

- (i) Compounding is elected to be applicable; and
- (ii) Straight Compounding is applicable.

In respect of an Original Non Deliverable Rates Derivatives Transaction which is denominated in INR, KRW, MYR, ~~THB~~ or TWD, OTC Clear will accept such Original Non Deliverable Rates Derivatives Transaction for registration only if Compounding is elected to be inapplicable to such Original Non Deliverable Rates Derivatives Transaction.

### 3.4.2.22 IMM Settlement Dates

- (i) OTC Clear will accept an Original Standard Rates Derivatives Transaction, an Original Standard Cross-currency Rates Derivatives Transaction and an Original Non Deliverable Rates Derivatives Transaction which is denominated in CNY, INR, KRW, MYR or TWD for registration regardless of whether IMM Settlement Dates are applicable or not.
- (ii) If IMM Settlement Dates are applicable to an Original Standard Rates Derivatives Transaction, an Original Standard Cross-currency Rates Derivatives Transaction and an Original Non Deliverable Rates Derivatives Transaction which is denominated in CNY, INR, KRW, MYR or TWD, OTC Clear will accept that particular Original Transaction for registration only if
  - (a) such IMM Settlement Dates are limited to the third Wednesday of March, June, September and December of each calendar year; and
  - (b) both the Effective Date and Termination Date of that particular Original Transaction fall on a day which is the third Wednesday of March, June, September or December of a calendar year.
- ~~(iii) OTC Clear will accept an Original Non Deliverable Rates Derivatives Transaction which is denominated in THB for registration only if IMM Settlement Dates are inapplicable.~~

### 3.4.2.30 Floating Rate

OTC Clear will accept:

- (i) an Original Standard Rates Derivatives Transaction or an Original Standard Cross-currency Rates Derivatives Transaction for registration if:
  - (a) in respect of the initial Calculation Period of such Original Transaction:
    - (A) no Floating Rate has been designated by the Clearing Members for such Calculation Period; or
    - (B) the Floating Rate has been designated by the Clearing Members for such Calculation Period and such Floating Rate is any numerical value which is an integer or a number rounded up to seven or less decimal points, provided that no numerical Floating Rate may be designated for such Calculation Period in respect of such Original Transaction for which HKD-HONIA-OIS Compound, USD-SOFR-OIS Compound, USD-SOFR, USD-Federal Funds-OIS Compound or EUR-EuroSTR-OIS Compound (or equivalent Floating Rate Option(s) as set out in Appendix VI) has been specified as the Floating Rate Option; and
  - (b) in respect of any Calculation Period other than the initial Calculation Period of such Original Transaction, no Floating Rate has been designated by the Clearing Members for such Calculation Period;
- (ii) an Original Non Deliverable Rates Derivatives Transaction which is denominated in KRW, MYR, ~~THB~~ or TWD for registration if:
  - (a) in respect of the initial Calculation Period of such Original Transaction:

- (A) no Floating Rate has been designated by the Clearing Members for such Calculation Period; or
  - (B) the Floating Rate has been designated by the Clearing Members for such Calculation Period and such Floating Rate is any numerical value which is an integer or a number rounded up to seven or less decimal points; and
- (b) in respect of any Calculation Period other than the initial Calculation Period of such Original Transaction, no Floating Rate has been designated by the Clearing Members for such Calculation Period;
- (iii) an Original Non Deliverable Rates Derivatives Transaction which is denominated in CNY for registration if:
  - (a) in respect of the initial Compounding Period of such Original Transaction:
    - (A) no Floating Rate has been designated by the Clearing Members for such Compounding Period; or
    - (B) the Floating Rate has been designated by the Clearing Members for such Compounding Period and such Floating Rate is any numerical value which is an integer or a number rounded up to seven or less decimal points; and
  - (b) in respect of any Compounding Period other than the initial Compounding Period of such Original Transaction, no Floating Rate has been designated by the Clearing Members for such Compounding Period; and
- (iv) an Original Non Deliverable Rates Derivatives Transaction which is denominated in INR for registration only if no numerical Floating Rate has been designated for any Calculation Period of such Original Transaction.

For the avoidance of doubt, if the Clearing Members designate the Floating Rate for the initial Calculation Period or initial Compounding Period (as the case may be) of an Original Transaction and elect the Fixing Days Offset which is inconsistent with that prescribed for in the Floating Rate Matrix for the respective Floating Rate Option in the determination of the rate for the Reset Date for the initial Calculation Period or initial Compounding Period (as the case may be) of such Original Transaction, such Original Transaction will not be accepted by OTC Clear for registration.

### **3.8.1 Daily Settlement Components**

OTC Clear will determine the daily settlement components on each OTC Clear Clearing Day. Daily settlement components consist of (i) coupon payment for a Standard Rates Derivatives Contract, Standard Cross-currency Rates Derivatives Contract and Non Deliverable Rates Derivatives Contract, (ii) settlement amount for a Non Deliverable FX Derivatives Contract, (iii) Additional Payment, (iv) Additional Amount, (v) Initial Margin, (vi) Additional Margin, (vii) Variation Margin, (viii) Rates and FX Contribution, (ix) Initial Exchange Amount and Final Exchange Amount for a Standard Cross-currency Rates Derivatives Contract, (x) Notional Amounts for a Deliverable FX Forward Contract and Deliverable FX Swap Contract, (xi) Compression Cash Settlement Payments and any other components which may be specified by OTC Clear from time to time.

Market data (such as non-business days for different financial centers, any interest rate, exchange rate or price) which are applied to determine the daily settlement components will be published in the “OTC Clear Market Data Reports (Report Number MKDR01, MKDR02 and MKDR03)”. The amount of daily settlement components to be settled by a Clearing Member will be published in the “OTC Clear Settlement Report (Report Number STRP01)” in respect of any payment relevant to a House Account or “OTC Clear Settlement Report for Client (Report Number STRP01\_C)” in respect of any payment relevant to a Client Account. Such reports are available to the Clearing Members on the Web Portal. The daily settlement components published in the “OTC Clear Settlement Report (Report Number STRP01)” and “OTC Clear Settlement Report for Client (Report Number STRP01\_C)” shall be final and conclusive, and shall be settled on the relevant “Value Date” as stipulated in the “OTC Clear Settlement Report (Report Number STRP01)” and “OTC Clear Settlement Report for Client (Report Number STRP01\_C)” in accordance with section 3.12. Any de-registration request that is accepted by OTC Clear after the publication of the “OTC Clear Settlement Report (Report Number STRP01)” or “OTC Clear Settlement Report for Client (Report Number STRP01\_C)” for any relevant “Value Date” shall not have any effect on the payment obligation of a Clearing Member to settle the daily settlement components set out in the relevant “OTC Clear Settlement Report (Report Number STRP01)” or “OTC Clear Settlement Report for Client (Report Number STRP01\_C)” for such “Value Date”.

#### **3.8.1.1 Coupon Payment for a Standard Rates Derivatives Contract, a Standard Cross-currency Rates Derivatives Contract and a Non Deliverable Rates Derivatives Contract**

With respect to each of section 3.8.1.1.1 and section 3.8.1.1.2, if the Payment Date or Period End Date of a Standard Rates Derivatives Contract, Standard Cross-currency Rates Derivatives Contract or Non Deliverable Rates Derivatives Contract is specified to be the 29<sup>th</sup>, 30<sup>th</sup> or 31<sup>st</sup> of a calendar month but there is not any such numerically corresponding day in the calendar month in which the Payment Date or Period End Date would otherwise fall, then the relevant Payment Date or Period End Date shall be deemed to fall on the last calendar day of the relevant calendar month, and be subject to adjustment in accordance with the Business Day Convention specified in the Contract Terms relating to such Standard Rates Derivatives Contract, Standard Cross-currency Rates Derivatives Contract or Non Deliverable Rates Derivatives Contract.

##### **3.8.1.1.1 Calculation of the Fixed Amount**

Calculation of the Fixed Amount is based on the methodologies stipulated in Sections 5.2, 5.3 and 5.4 of the ISDA Definitions and the Economic Terms specified in the relevant Contract.

For the avoidance of doubt, irrespective of the Registration Time of a Contract, the Calculation Period of a Fixed Amount of such Contract is the period from and including the immediately preceding Period End Date (or the Effective Date if such Calculation Period is the initial Calculation Period of that particular Contract) to but excluding the Period End Date of the relevant Calculation Period (or the Termination Date if such Calculation Period is the final Calculation Period of that particular Contract).

### 3.8.1.1.2 Calculation of the Floating Amount

- (i) In respect of a Standard Rates Derivatives Contract, calculation of the Floating Amount is based on the methodologies stipulated in Section 6.2 of the ISDA Definitions and the Economic Terms specified in the relevant Standard Rates Derivatives Contract;
- (ii) in respect of a Non Deliverable Rates Derivatives Contract which is denominated in CNY, calculation of the Floating Amount is based on the methodologies stipulated in Section 4.9.5 of the ISDA Definitions and the Economic Terms specified in the relevant Non Deliverable Rates Derivatives Contract and the Compounding Date is deemed to be each relevant CNY 7-Repo Compounding Date in accordance with Section 4.9.3 of the ISDA Definitions;
- (iii) in respect of a Non Deliverable Rates Derivatives Contract which is denominated in INR, KRW, MYR, ~~THB~~ or TWD, calculation of the Floating Amount is based on the methodologies stipulated in Section 6.2 of the ISDA Definitions and the Economic Terms specified in the relevant Non Deliverable Rates Derivatives Contract;
- (iv) in respect of a Standard Cross-currency Rates Derivatives Contract, calculation of the Floating Amount is based on the methodologies stipulated in Section 6.2 of the ISDA Definitions and the Economic Terms specified in the relevant Standard Cross-currency Rates Derivatives Contract; and
- (v) in respect of a Standard Northbound Rates Derivatives Contract, calculation of the floating interest amount is based on the economic terms specified in the relevant Standard Northbound Rates Derivatives Contract and the methodologies stipulated as follows:
  - (a) If the method of interest accrual is simple interest, the interest amount of each calculation period is equal to the sum of the interest amount for each fixing period. For the avoidance of doubt, please refer to article 5.5.2.1(2)1) of the SHCH Clearing Guidelines for the detailed formula.
  - (b) If the method of interest accrual is compound interest, the interest amount of each calculation period is equal to the sum of the interest amount for each fixing period. For the avoidance of doubt, please refer to article 5.2.2.1(2)2) of the SHCH Clearing Guidelines for the detailed formula.

For the avoidance of doubt, irrespective of the Registration Time of a Contract, the Calculation Period of a Floating Amount of such Contract is the period from and including the immediately preceding Period End Date (or the Effective Date if such Calculation Period is the initial Calculation Period of that particular Contract) to but excluding the Period End Date of the relevant Calculation Period (or the Termination Date if such Calculation Period is the final Calculation Period of that particular Contract). Same calculation logic applies to Standard Northbound Rates Derivatives Contracts.



A Clearing Member should note the provisions set out in Clearing Rules 2222, 2319 and 2518 in relation to the applicability of the “Floating Negative Interest Rate Method” to a Standard Rates Derivatives Contract, Standard Cross-currency Rates Derivatives Contract or Non Deliverable Rates Derivatives Contract, as applicable.

### 3.8.1.1.3 Determination of the Rate for a Reset Date

- (i) In respect of a Standard Rates Derivatives Contract which is denominated in CNY (offshore) or USD, Standard Cross-currency Rates Derivatives Contract and Non Deliverable Rates Derivatives Contract which is denominated in MYR or TWD, the rate for a Reset Date, including the source and the time at which such source is obtained from the relevant provider, is determined by reference to the Floating Rate Matrix except that if a different Fixing Days Offset is elected by the Clearing Members for the initial Calculation Period in respect of a Floating Amount Payer than that prescribed in the Floating Rate Matrix it shall be amended to make reference to the Fixing Days Offset elected by the Clearing Members;
- (ii) in respect of a Non Deliverable Rates Derivatives Contract which is denominated in CNY, the rate for a Reset Date, including the source and the time at which such source is obtained from the relevant provider, is determined by reference to the Floating Rate Matrix except that if a different Fixing Days Offset is elected by the Clearing Members for the initial Compounding Period in respect of a Floating Amount Payer than that prescribed in the Floating Rate Matrix it shall be amended to make reference to the Fixing Days Offset elected by the Clearing Members;
- (iii) in respect of a Standard Rates Derivatives Contract which is denominated in EUR or HK\$ and a Non Deliverable Rates Derivatives Contract which is denominated in INR, ~~or~~ or KRW ~~or THB~~, the rate for a Reset Date, including the source and the time at which such source is obtained from the relevant provider, is determined by reference to the Floating Rate Matrix; or
- (iv) in respect of a Standard Northbound Rates Derivatives Contract, the rate for a fixing date, shall be refer to follows:

Reference rate	Reference rate value:	Fixing Time:
SHIBOR_O/N	The Shanghai Interbank Offered Rate that People's Bank of China authorized the National Interbank Funding Center to release on <a href="http://www.shibor.org/">http://www.shibor.org/</a>	11:00 UTC+8
FR007	The 7-day Interbank Repo Fixing Rate that People's Bank of China authorized the National Interbank Funding Center to release on <a href="http://www.chinamoney.com.cn">http://www.chinamoney.com.cn</a>	11:30 UTC+8
SHIBOR_3M	The Shanghai Interbank Offered Rate that People's Bank of China authorized the National Interbank Funding Center to release on <a href="http://www.shibor.org/">http://www.shibor.org/</a>	11:00 UTC+8

For the avoidance of doubt, (a) if Linear Interpolation is elected to be applicable to a Calculation Period, the relevant rate for the Reset Date in respect of that Calculation Period will be calculated by OTC Clear in accordance with Section 6.10 of the ISDA Definitions; and (b) if the Floating Rate has been designated by the Clearing Members for the initial Calculation Period or initial Compounding Period, as the case may be, in respect of a Floating Amount Payer of a Contract, such Floating Rate is deemed to be the rate for the Reset Date for the initial Calculation Period or initial Compounding Period, as the case may be, in respect of the relevant Floating Amount Payer of such Contract.

**Appendix V**  
**Designated Maturities available for Linear Interpolation and for a**  
**Stub Calculation Period**

<b>Floating Rate Option</b>	<b>Designated Maturity</b>
CNH-HIBOR	One Month, Three Months, Six Months and One Year
CNY-SHIBOR	One Month, Three Months, Six Months and One Year
EUR-EURIBOR	One Week, One Month, Three Months, Six Months, and One Year
HKD-HIBOR	One Month, Two Months, Three Months, Six Months and One Year
<del>USD-LIBOR</del>	<del>One Day, One Month, Three Months, Six Months and One Year</del>
MYR-KLIBOR	One Month, Two Months, Three Months, Six Months and One Year
<del>THB-THBFIX</del>	<del>One Month, Three Months, Six Months and One Year</del>
TWD-TAIBOR	One Month, Two Months, Three Months and Six Months
KRW-CD 91D	Three Months

## Appendix VI

### List of Equivalent Floating Rate Options

Floating Rate Option	Equivalent Floating Rate Option as defined in the 2006 ISDA Definitions
CNH-HIBOR	CNH-HIBOR-TMA
CNY-SHIBOR	CNY-SHIBOR-Reuters
CNY-Fixing Repo Rate	CNY-CNREPOFIX=CFXS-Reuters
EUR-EuroSTR-OIS Compound	EUR-EuroSTR-COMPOUND
EUR-EURIBOR	EUR-EURIBOR-Reuters
HKD-HIBOR	HKD-HIBOR-HKAB
HKD-HONIA-OIS Compound	HKD-HONIX-OIS-COMPOUND
INR-MIBOR-OIS Compound	INR-MIBOR-OIS-COMPOUND
	INR-FBIL-MIBOR-OIS-COMPOUND
KRW-CD 91D	KRW-CD-KSDA-Bloomberg
	KRW-CD-3220
MYR-KLIBOR	MYR-KLIBOR-BNM
<del>THB-THBFIX</del>	<del>THB-THBFIX-Reuters</del>
TWD-TAIBOR	TWD-TAIBOR-Reuters
USD-Federal Funds-OIS Compound	USD-Federal Funds-H.15-OIS-COMPOUND
<del>USD-LIBOR</del>	<del>USD-LIBOR-BBA</del>
USD-SOFR-OIS Compound	USD-SOFR-COMPOUND