

Chapter 21G Payments

Contract Payments

21G01. The Special Clearing House Participant and OTC Clear shall pay all amounts due under the relevant Contract Terms in respect of a Contract at the times and in such amounts as are required pursuant to the Contract Terms, this Part VA and Chapter 11 of the Clearing Procedures.

Margin

21G02. The Special Clearing House Participant shall make payment of the Collateral in respect of the Inter-CCP SHCH Margin Amount to OTC Clear from time to time in accordance with this Chapter 21G and Chapter 11 of the Clearing Procedures.

Default Interest

21G03. If the Special Clearing House Participant defaults in the performance of any of its payment obligations, it will, to the extent permitted by Applicable Laws, pay interest on the overdue amount in the currency in which such debt is owed at the Default Interest Rate, such interest will accrue daily during the period from (and including) the original due date for payment to (but excluding) the date of actual payment.

Interest Rates

21G04. Any alteration in the basis of calculating interest rates under Clearing Rule 21G03 shall become effective on the date designated and notified by OTC Clear to the Special Clearing House Participant.

Income on Cash Collateral

21G05. Any income received by OTC Clear on cash Collateral provided by the Special Clearing House Participant to OTC Clear in satisfaction of its Inter-CCP SHCH Margin Amount shall be credited into the Hong Kong Collateral Account as further described in section 11.9 of Chapter 11 of the Clearing Procedures.

Fees

21G06. No fees shall be payable by the Special Clearing House Participant to OTC Clear in respect of the Contracts created between the Special Clearing House Participant and OTC Clear pursuant to the novation of the Original Northbound Transactions.

Payments Calculation

21G07. On each Northbound Clearing Day, the amounts payable by or to the Special Clearing House Participant in respect of its House Position Account shall be calculated by reference to curves constructed by the Special Clearing House Participant based on the market data obtained at or around 16:00 hours China Standard Time on such Northbound Clearing Day.

21G08. OTC Clear may net the sums which would be payable by the Special Clearing House Participant to OTC Clear on a particular Northbound Clearing Day against the sums which would be payable by OTC Clear to the Special Clearing House Participant on such date (in each case, including without limitation, any amounts which became payable on or prior to such date and which remain unpaid and not otherwise discharged in full as at such date). For the avoidance of doubt, obligations to deliver an asset other than cash cannot be netted against a cash payment.

21G09. Any net sum payable by OTC Clear to the Special Clearing House Participant shall be payable at such times and in such manner as shall be specified in Chapter 11 of the Clearing Procedures.