

**RMB Business Facility**  
**Terms and Conditions**

**A) Phase 1 and Phase 2**

Eligible parties <sup>(1)</sup>	Authorized institutions participating in RMB business with an assigned quota (Participating AIs)
Purpose	Provision of in-scope RMB financing to corporate customer(s) by Participating AIs and/or their overseas intragroup banking entities
Facility size	RMB100 billion
Tenor	1 month, 3 months, 6 months, 1 year
Settlement	T+1
Transaction types	<ul style="list-style-type: none"> <li>• Repurchase agreement (repo)</li> <li>• Cross-currency swap of RMB/HKD</li> </ul>
Minimum tapping size	RMB10 million
Eligible collateral under repo	<ul style="list-style-type: none"> <li>• Exchange Fund Bills and Notes (EFBN);</li> <li>• HKSAR Government bonds (HKGB);</li> <li>• RMB denominated debt securities issued in the onshore market by: <ul style="list-style-type: none"> <li>(i) the Ministry of Finance of the People's Republic of China (CMOF); and</li> <li>(ii) the policy banks of the People's Republic of China (China Policy Banks), namely Agricultural Development Bank of China, China Development Bank, and Export and Import Bank of China;</li> </ul> </li> <li>• RMB, USD and EUR denominated debt securities issued in offshore markets by: <ul style="list-style-type: none"> <li>(i) the CMOF;</li> <li>(ii) the People's Bank of China (PBOC);</li> <li>(iii) the Local People's Governments at various levels of the People's Republic of China (Local People's Governments); and</li> <li>(iv) China Policy Banks.</li> </ul> </li> </ul>
Haircut on eligible collateral under repo	<ul style="list-style-type: none"> <li>• EFBN and HKGB: 2% per year of remaining maturity, plus 2% for currency risk</li> <li>• RMB denominated debt securities issued by PBOC, CMOF, Local People's Governments and China Policy Banks: 2% per year of remaining maturity, minimum 2%</li> <li>• USD and EUR denominated debt securities issued by PBOC, CMOF, Local People's Governments and China Policy Banks: 2% per year of remaining maturity, minimum 2%, plus 2% for currency risk</li> </ul>

Interest rate	<ul style="list-style-type: none"> <li>The interest on RMB fund borrowing under the facility will be calculated by the Shanghai Interbank Offered Rate of the corresponding tenor on trade date for both the repo and cross-currency types of transaction.</li> <li>For cross-currency swap, the HKD interest received by the Participating AI will be calculated using the lowest among: <ul style="list-style-type: none"> <li>(i) Indicative Pricings of Exchange Fund Bills at 11:00 am;</li> <li>(ii) HKD Interest Settlement Rates published by the Treasury Markets Association; and</li> <li>(iii) Prevailing FX swap-implied HKD interest rate of the corresponding tenor on trade date.</li> </ul> </li> </ul>
Mode of operations	<ul style="list-style-type: none"> <li>Participating AIs interested in borrowing RMB funds should contact the dealing room of the HKMA at 2878 8104, provide the below information in written before 10:30 am, and confirm the transaction with the HKMA before 12:00 noon on trade date (T day): <ul style="list-style-type: none"> <li>(i) Size and tenor(s) of the RMB funding request;</li> <li>(ii) Trade date, value date and maturity date of the RMB funding request;</li> <li>(iii) Transaction type (i.e. repo or RMB/HKD cross-currency swap); and</li> <li>(iv) List of collaterals in the case of repo.</li> </ul> </li> <li>On T+1, RMB funds will be credited to the AI's RMB RTGS account held with the Clearing Bank subject to the receipt of the collateral (in case of repo) or HKD in RTGS (in case of cross-currency swap) by the HKMA before 4:00 pm.</li> <li>Participating AIs should repay the borrowed RMB funds before 12:00 noon on the maturity day, along with the corresponding RMB interests. In the case of cross-currency swap, the HKMA will release the respective HKD with interest to the RTGS account of the Participating AIs upon full receipt of the RMB payment.</li> </ul>
Operating hours	Request should be made before 10:30 am on each Hong Kong business day (not available on Mainland holidays)
Holiday	If the value date or maturity date of the transaction falls on a Hong Kong or Mainland holiday, it will be delayed to the next business day which is not a holiday in Hong Kong and the Mainland

Notes:

- (1) Participating AIs are required to have signed with the HKMA the Master Sale and Repurchase Agreement for the provision of liquidity assistance.

## B) Phase 3

Eligible parties <sup>(1)</sup>	Authorized institutions participating in RMB business with an assigned quota (Participating AIs)
Purpose	Provision of in-scope RMB financing to corporate customer(s) by Participating AIs and/or their overseas intragroup banking entities
Facility size	RMB100 billion
Tenor	1 month, 3 months, 6 months, 1 year
Settlement	T+1
Transaction types	<ul style="list-style-type: none"> <li>• Repurchase agreement (repo)</li> <li>• Cross-currency swap of RMB/HKD</li> </ul>
Minimum tapping size	RMB10 million
Eligible collateral under repo	<ul style="list-style-type: none"> <li>• Exchange Fund Bills and Notes (EFBN)</li> <li>• HKSAR Government bonds (HKGB)</li> <li>• RMB denominated debt securities issued in the onshore market by: <ul style="list-style-type: none"> <li>(i) the Ministry of Finance of the People's Republic of China (CMOF); and</li> <li>(ii) the policy banks of the People's Republic of China (China Policy Banks), namely Agricultural Development Bank of China, China Development Bank, and Export and Import Bank of China;</li> </ul> </li> <li>• RMB, USD and EUR denominated debt securities issued in offshore markets by: <ul style="list-style-type: none"> <li>(i) the CMOF;</li> <li>(ii) the People's Bank of China (PBOC);</li> <li>(iii) the Local People's Governments at various levels of the People's Republic of China (Local People's Governments); and</li> <li>(iv) China Policy Banks.</li> </ul> </li> </ul>
Haircut on eligible collateral under repo	<ul style="list-style-type: none"> <li>• 2% per year of remaining maturity, maximum 20%; no pro rata calculation will be applied; and</li> <li>• Additional 2% cross-currency haircut for non-RMB denominated collaterals</li> </ul>
Interest rate	<ul style="list-style-type: none"> <li>• The interest on RMB fund borrowing under the facility will be calculated by the Shanghai Interbank Offered Rate of the corresponding tenor on trade date for both the repo and cross-currency types of transaction.</li> <li>• For cross-currency swap, the HKD interest received by the Participating AI will be calculated using the lowest among: <ul style="list-style-type: none"> <li>(i) Indicative Pricings of Exchange Fund Bills at 11:00 am;</li> <li>(ii) HKD Interest Settlement Rates published by the Treasury Markets Association; and</li> <li>(iii) Prevailing FX swap-implied HKD interest rate of the corresponding tenor on trade date.</li> </ul> </li> </ul>

(Updated on 26 September 2025)

Mode of operations	<ul style="list-style-type: none"> <li>Participating AIs interested in borrowing RMB funds should contact the dealing room of the HKMA at 2878 8104, and provide the below information in written before 10:30 am on trade date: <ul style="list-style-type: none"> <li>(i) Size and tenor(s) of the RMB funding request;</li> <li>(ii) Trade date, value date and maturity date of the RMB funding request; and</li> <li>(iii) Transaction type (i.e. repo or RMB/HKD cross-currency swap).</li> </ul> </li> </ul> <p><u>For repo transactions (automated operations supported by the CMU Triparty Repo Service)</u></p> <ul style="list-style-type: none"> <li>Upon email confirmation of the transaction with the HKMA by noon, Participating AIs should input the repo instruction into the CMU Member Terminal (CMT) before 3:00 pm on trade date.</li> <li>On T+1, RMB funds will be credited to the AI's RMB RTGS account before 4:00 pm subject to whether there is sufficient collateral in the AI's Triparty Repo Sale Account.</li> <li>Participating AIs should ensure that there are sufficient funds in their RMB RTGS accounts before 2:30pm on maturity day for the automatic repayment of the borrowed RMB funds, along with the corresponding RMB interests, via the CMU Triparty Repo Service (see details in operating procedures of the CMU <sup>(2)</sup>).</li> </ul> <p><u>For cross-currency swap transactions (manual operations)</u></p> <ul style="list-style-type: none"> <li>Participating AIs should confirm the transaction with the HKMA before 12:00 noon on trade date (T day)</li> <li>On T+1, RMB funds will be credited to the AI's RMB RTGS account subject to the receipt of HKD in RTGS by the HKMA before 4:00 pm.</li> <li>Upon full receipt of the RMB payment latest by 12:00 noon on maturity day, the HKMA will release the respective HKD with interest to the AI's RTGS account.</li> </ul>
Operating hours	Request should be made to the HKMA dealing room before 10:30 am on each Hong Kong business day (not available on Mainland holidays)
Holiday	If the value date or maturity date of the transaction falls on a Hong Kong or Mainland holiday, it will be delayed to the next business day which is not a holiday in Hong Kong and the Mainland

Notes:

- (1) Participating AIs are required to have signed with the HKMA the Master Sale and Repurchase Agreement for the provision of liquidity assistance.
- (2) CMU operating procedures include CMU Reference Manual and relevant circulars issued by the HKMA from time to time.