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Annex: The Terms and Conditions of the RMB Liquidity Facility

Hong Kong Monetary Authority

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Annex**The terms and conditions of the RMB Liquidity Facility**

(i) Tenor	One week
(ii) Interest rate	By reference to prevailing market interest rates
(iii) Eligible collateral	<ul style="list-style-type: none">• Exchange Fund Bills and Notes• HKSAR Government bonds• RMB denominated bonds issued in Hong Kong by the Ministry of Finance of the People's Republic of China
(iv) Haircut on eligible collateral	<ul style="list-style-type: none">• 5% for securities with remaining maturity at 1 year or below• 10% for securities with remaining maturity at 5 years or below but over 1 year• 20% for securities with remaining maturity over 5 years
(v) Banks eligible	RMB Business Participating AIs
(vi) Contact details	Participating AIs interested to borrow RMB funds should contact the dealing room of the HKMA at 2878-8104 or Reuters dealing code EFHK before 10am on each business day
(vii) Settlement	RMB funds will be credited to the Participating AI's RMB RTGS account held with the Clearing Bank on T+2 basis subject to the receipt of the securities by the HKMA