



ISDA RESOLUTION STAY JURISDICTIONAL MODULAR PROTOCOL HONG KONG JURISDICTIONAL MODULE

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Note to Adhering Parties

The process for adhering to this Hong Kong Jurisdictional Module is set forth in paragraph 1 of the Protocol. By adhering to this Hong Kong Jurisdictional Module, a Module Adhering Party agrees to amend the agreements set forth in this Hong Kong Jurisdictional Module that it has entered into with, provided to or received from any “Regulated Entity” that such Module Adhering Party has designated as a “Regulated Entity Counterparty” with respect to it. The amendments provided in this Hong Kong Jurisdictional Module shall be made to each such agreement.

As provided in paragraph 1 of the Protocol, an Adhering Party that is subject to the Hong Kong Regulation can identify itself as a “Regulated Entity” for purposes of this Hong Kong Jurisdictional Module. Each such “Regulated Entity” agrees to amend certain agreements that it has entered into with, provided to or received from any Module Adhering Party that has designated the “Regulated Entity” as a Regulated Entity Counterparty.

This Hong Kong Jurisdictional Module (the “**Hong Kong Jurisdictional Module**”) is a “Jurisdictional Module” for purposes of the ISDA Resolution Stay Jurisdictional Modular Protocol (the “**Protocol**”).

As provided in paragraph 1 of the Protocol, (i) an Adhering Party that identifies itself as a Module Adhering Party with respect to this Hong Kong Jurisdictional Module in its Adherence Letter shall be a Module Adhering Party with respect to this Hong Kong Jurisdictional Module and (ii) an Adhering Party that identifies itself as a Regulated Entity with respect to this Hong Kong Jurisdictional Module in its Adherence Letter shall be a Regulated Entity Counterparty with respect to any Module Adhering Party that identifies such Adhering Party as a Regulated Entity Counterparty in its Adherence Letter or through the delivery of a Module Adherence Notice, with respect to this Hong Kong Jurisdictional Module (in the manner provided in paragraph 2 of the Protocol).

A Module Adhering Party and a Regulated Entity Counterparty with respect to such Module Adhering Party each agree that the terms of this Hong Kong Jurisdictional Module, including the amendments contained herein, shall apply to each Hong Kong Regulated Agreement between such Module Adhering Party and such Regulated Entity Counterparty, each Hong Kong Regulated Agreement provided by such Regulated Entity Counterparty for the benefit of such Module Adhering Party and each Hong Kong Regulated Agreement provided by such Module Adhering Party for the benefit of such Regulated Entity Counterparty (each such agreement, a “**Covered Agreement**”).

Capitalized terms not defined herein have the meaning ascribed to them in the Protocol.

1. Rule of Construction

Words and phrases in quotation marks and italics have the meaning given to them in or pursuant to the Hong Kong Regulation and the FIRO and this Hong Kong Jurisdictional Module shall be interpreted in accordance with the Hong Kong Regulation and the FIRO.

2. Effectiveness

- (a) Subject to clause (b) below, a Module Adhering Party and a Regulated Entity Counterparty with respect to such Module Adhering Party agree that with respect to the Covered Agreements between such parties, provided by such Regulated Entity Counterparty for the benefit of such Module Adhering Party or provided by such Module Adhering Party for the benefit of such Regulated Entity Counterparty, the amendments in paragraph 3 hereof shall be deemed to be made to such Covered Agreements as of the Compliance Date with respect to such Covered Agreements, as determined in accordance with clause (c) hereof.
- (b) The amendments in paragraph 3 hereof shall not apply to a Covered Agreement:—
 - (i) if the Regulated Entity Counterparty that is a party to such Covered Agreement does not satisfy the definition of Regulated Entity in this Hong Kong Jurisdictional Module; or
 - (ii) with respect to a Module Adhering Party that is an “*excluded counterparty*.”
- (c) The compliance date with respect to a Covered Agreement (such date, the “**Compliance Date**”) shall be as follows:—
 - (i) if there are no counterparties to the Covered Agreement other than an “*authorized institution*” or a “*financial institution*” (other than an “*authorized institution*”) that is a “*global systemically important bank*” on the “*initial day*,” the Compliance Date with respect to such Covered Agreement shall be the later of the Implementation Date and twenty-four (24) months from the “*initial day*”; and
 - (ii) otherwise, the Compliance Date with respect to such Covered Agreement shall be the later of the Implementation Date and thirty (30) months from the “*initial day*.”

3. Stay in Resolution

A Module Adhering Party and each Regulated Entity Counterparty with respect to such Module Adhering Party agree that with respect to each Covered Agreement between such Module Adhering Party and Regulated Entity Counterparty, provided by such Regulated Entity Counterparty for the benefit of such Module Adhering Party or provided by such Module Adhering Party for the benefit of such Regulated Entity Counterparty that, despite any other term or condition of the Covered Agreement or any other agreement, arrangement or understanding, the Module Adhering Party and the Regulated Entity Counterparty will be bound by a suspension of

a “*termination right*” in relation to the Covered Agreement imposed by the “*resolution authority*” under section 90(2) of the “*Ordinance*.”

4. Definitions

As used in this Hong Kong Jurisdictional Module:—

“**Covered Agreement**” has the meaning given to such term in the opening paragraphs hereof.

“**Hong Kong Regulated Agreement**” means a “*covered contract*.”

“**Hong Kong Regulation**” means the Financial Institutions (Resolution) (Contractual Recognition of Suspension of Termination Rights—Banking Sector) Rules (Cap. 628C, laws of Hong Kong) made by the “*Monetary Authority*” under section 92 of the Financial Institutions (Resolution) Ordinance (Cap. 628, laws of Hong Kong) (the “**FIRO**”).

“**Regulated Entity**” means:—

- (a) an “*authorized institution incorporated in Hong Kong*”;
- (b) an “*HK holding company*”; or
- (c) a “*related company of an authorized institution incorporated in Hong Kong*.”