

KELER CCP's Announcement - No. 105/2020

Procedure of financial settlement, settlement of paid interest or forwarded negative interest and forwarded expenses on cash collateral management charged on the accounts of KELER CCP on the Energy Market

Effective from: 1 December 2020

On basis of its General Business Rules point 5.2. KELER CCP Ltd. specifies the procedure of financial settlement on the Energy Market as follows.

Settlement currency

The currency of the energy market settlement: EUR, GBP.

Financial settlement

According to its General Business Rules point 5.2.4. KELER CCP Ltd. specifies daily energy market net financial settlement position per non-clearing members and per currency based on the consolidated financial receivables/payables (spot market purchase price, futures market variation margin and delivery purchase price, fees collected by ECC, interest paid by KELER CCP Ltd., etc.).

KELER CCP Ltd. debits energy market non-clearing member's payment account held with the settlement bank to cover net financial debit position and credits **KELER CCP Ltd.'s energy market technical purchase price bank account held with the settlement bank.**

Credit payments are fulfilled on the energy market non-clearing member's own euro payment account held with the settlement bank.

Margin settlement

According to its General Business Rules point 5.2.5. KELER CCP Ltd. specifies daily energy market margin requirement payable in cash per energy market non-clearing members. Method of the margin requirement calculation is based on KELER CCP Ltd.'s Announcement.

KELER CCP Ltd. debits energy market non-clearing member's payment account held with the settlement bank to cover daily margin requirement in cash and credits **KELER CCP Ltd.'s energy market technical margin bank account held with the settlement bank.**

Credit payments are fulfilled on the energy market non-clearing member's own euro payment account held with the settlement bank.

Settlement of the interest paid / collected on the cash collaterals placed at KELER CCP's accounts and the related expenses on cash collateral management

The account holder banks of KELER CCP Ltd. based on the daily interest level pay interest or forward negative interest on the cash euro collaterals to their clients and charge cash collateral management expenses.

KELER CCP Ltd. distributes the paid or forwarded negative interest computed on the daily closing balance of the collected cash euro collaterals and the related expenses on collateral management among the energy market non-clearing members in line with the rules below.

Rules of distribution:

1. Energy market non-clearing members are entitled to receive paid interest or obliged to fulfil forwarded negative interest and the expenses on cash collateral charged by the account holders of KELER CCP Ltd. daily, on their daily closing balance of their cash euro collaterals on a pro rata basis of their contribution.
2. KELER CCP Ltd. calculates and distributes paid or forwarded negative interest and the expenses on cash collateral monthly, based on the information provided by the account holder banks within 20 days after the subject period. Paid or forwarded negative interest or expenses on cash collateral not reaching the amount of EUR 1.00 (that is one euro) are not settled.
3. Paid or forwarded negative interest and forwarded expenses on cash collateral resulting from the calculation is settled by KELER CCP Ltd. in line with the part of present Announcement on Financial settlement.
4. KELER CCP Ltd. issues an invoice on the paid or forwarded negative interest and on the forwarded expenses on cash collateral for the energy market non-clearing members.

Settlement of the fees collected by ECC

ECC - together with its cooperating exchanges' and its own fees - directly debits KELER CCP Ltd.'s account with clearing house and exchange related fees charged for energy market non-clearing members. These fees are invoiced and sent directly to the energy market non-clearing members by ECC.

Fees charged based on the invoices issued by ECC shall be paid in the respective settlement currency in a lump sum to KELER CCP Ltd. in line with the part of present Announcement on Financial settlement.

Budapest, 25 November 2020

KELER CCP Ltd.