9-19 KELER CCP's Announcement

KELER CCP's initial margining system

Effective from: 15 July 2025

The initial margining system

The initial margining system covers financial market transactions, BGH forward and HUDEX/Gas transactions defined in the General Business Rules of KELER CCP.

The initial margin parameters are announced on KELER CCP's website on each settlement day before end of day under the (Financial market/ and Gas market/) Margin parameters menu. The deadline for meeting the portfolio-level initial margin requirement calculated on the basis of the published initial margin parameters is 8:50 a.m. on the settlement day following publication in case of a financial market transactions, and 9 a.m. in case of BGH forward and HUDEX/Gas transactions.

Additional information for the Margin parameter csv file

- In the financial markets, the portfolio-level margin requirement is always determined in HUF. If the margin parameter of a product is not announced in HUF in the Margin parameters csv file, the conversion is done with the official MNB (National Bank of Hungary) exchange rate of the given day during the determination of the portfolio-level initial margin requirement.
- On the derivatives sections of BSE, the margin parameter for different maturities with the same underlying product is the same in all cases.
- On the derivatives sections of BSE, the margin parameter of option products is the same as the margin parameter for the underlying product in the case of currency options, index options and grain options. The margin parameters of stock option products are equal to the announced margin parameter of the futures product with the same underlying product.
- The minimum margin calculated for an option listed on the derivatives market of BSE is 10% of the initial margin for all option products. Method of margining: Netting.
- The margin parameters of BGH forward traded products are determined based on the HUDEX/gas proxy product until KELER CCP does not have a sufficient length of settlement price data for the BGH forward transactions.

Use of margin parameters csv file

The Margin parameters file is published in csv format. If you use Microsoft Excel, it is recommended to open the csv file by importing so that the columns containing numerical data are read as text.

Spread discount between settlement days

The spread discount between settlement days can be applied to opposite positions opened in the same product but on consecutive settlement days. Calculation of the spread parameter between settlement days:

$$2 * \text{Initial margin} * (1 - \text{Spread discount rate}[\%])$$

Spread discount between maturities

The spread discount between maturities is applied opposite positions (buying in one maturity and selling in another maturity) in the same product on the derivatives market of BSE or the derivative gas market of HUDEX, if KELER CCP has announced a discount for that product. Calculation of the spread parameter between maturities:

*2 * Initial margin * (1 - Spread discount rate [%])*

Spread discount between products

The spread discount between products is applied to products traded on the BSE derivative market or the HUDEX derivative gas market if KELER CCP has announced a discount for the products. The spread discount can be achieved by opening a position in product A in the amount of Delta A, and opening an opposite position in product B in the amount of Delta B.

Currently, KELER CCP does not apply spread discounts between products in any market.

Spread used when determining variation margin

The following rules apply when determining the variation margin for multinet settled transactions:

- 100% spread is applied between different settlement days for identical products.
  0% spread is applied between different products.

Additional margin for delivery month in the financial market

In case of physical delivery futures traded on the derivative market of BSE, the additional margin for delivery month is applied on the last four trading days and during the delivery cycle. Calculation of the additional margin for delivery month:

*Initial margin ** Additional margin for delivery month rate*[%]*

Calculation of delivery margin requirement on HUDEX/Gas market

The physically delivered gas futures' delivery margin requirement is calculated as follows:

$$\mathrm{M}_{(\mathrm{t+1})} = \mathrm{M}_{\mathrm{delivery(t+1)}} * (1 + \mathrm{VAT})$$

- $\mathrm{M}_{(\mathrm{t+1})}$: delivery margin requirement in EUR
- $\mathrm{M}_{\mathrm{delivery(t+1)}}$: margin of physically delivered products

- VAT: VAT value determined for the taxable dealer who purchases natural gas[1]

Delivery Margin ($M_{delivery}$(t+1))

In case of products that are in the delivery cycle, the calculation is based on the daily delivery payments. The delivery margin is provided by the buyer.

$$M_{delivery(t+1)} = D_{(t+1)} + D_{(t+2)}$$

where,

- t: date of the calculation
- D: payment amount (actual amount depends on the number of non-settlement days between settlement days)

Calculation of delivery margin requirement on BGH forward market

The physically delivered gas futures' delivery margin requirement is calculated as follows:

$$M_{(t+1)} = M_{delivery(t+1)} * (1 + VAT)$$

- $M_{(t+1)}$: delivery margin requirement in EUR
- $M_{delivery(t+1)}$: margin of physically delivered products
- VAT: VAT value determined for the taxable dealer who purchases natural gas[2]

Delivery Margin ($M_{delivery}$(t+1))

In case of products that are in the delivery cycle, the calculation is based on the daily delivery payments. The delivery margin is provided by the buyer.

$$M_{delivery(t+1)} = D_{(t+1)} + D_{(t+2)} + IM_{(LTD)} \text{ repaid in proportion to the outstanding payment obligation}$$

where,

- t: date of the calculation
- D: payment amount (actual amount depends on the number of non-settlement days between

[1,2]: Since 1 January 2025, the sale of natural gas is subject to reverse charge taxation under the rules of the Hungarian VAT Act, making the taxable dealer purchasing the natural gas liable for tax on these transactions. A taxable dealer is defined in the VAT Act as a person whose principal activity is the resale of gas and whose own use (consumption) of these products is negligible.

settlement days)

- $IM_{(LTD)}$ repaid in proportion to the outstanding payment obligation: the value of the initial margin determined on the last trading day of the product to be delivered is retained by the KELER CCP and repaid during the delivery cycle in proportion to the outstanding payment obligation

Other provisions

KELER CCP has the right to amend the Margin parameters csv file and this Announcement with immediate effect. It will publish the modified documents on its website.

Budapest, 8 July 2025

KELER CCP Ltd.