



INSTRUCTION B06/2014

**Responsibilities of Clearing Members
and Allocation of Guarantees**

15.December.2022

Versions Index

14.Jul.2014

Initial Version

13.May.2016

Modification of the Service provided by OMIClear from “MIBEL Derivatives Market” to “Service on Power Derivatives Contracts”.

24.Nov.2017

Update aiming the inclusion of Service on Natural Gas Derivatives Contracts.

1.Mar.2019

Modification of the deadline referred in paragraph 15, following the extension of Service on Natural Gas Derivatives Contracts to MIBGAS S.A. and the closing time of this Market and also of MIBGAS Derivatives S.A..

15.Dec.2022

Instruction update, to extend the mandatory constitution of Guarantees in case of Guarantees balance deficit to the clients of Clearing Members with a Guarantees segregation regime.

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Pursuant to Articles 50 and 51 of its Rulebook, OMIClear approves this Instruction, which defines how Guarantees is allocated to cover the responsibilities of the Clearing Members that participate in the Service on Power Derivatives Contracts and in the Service on Natural Gas Derivatives Contracts.

General Provisions

1. For the purpose of this Instruction, references made to Guarantees must be considered under the rules and procedures defined by Instruction A06/2014 - Management and Evaluation of Guarantees.

Responsibilities of Clearing Members

2. Clearing Members (CM) must have, at all times, Guarantees set up with OMIClear to cover the responsibilities defined in the paragraphs below, which result from the activity of such CM in the Services referred in the introduction paragraph of this Instruction.
3. The Clearing Members' responsibilities are divided into two categories: own responsibilities (OR) and client responsibilities (CR).
4. Own responsibilities (OR) are the result of the following expression:

$$OR = CF + AC + \text{minimum}(0; M_o) + EM + NCR_{is}$$

Where:

CF = contribution to the Clearing Fund owed, at each time, by the CM;

AC = responsibility as an Additional Guarantees, when applicable to the CM;

M_o = Margins requirements for all the own Clearing Accounts of the CM;

OG = other responsibilities of the Clearing Member, such as Extraordinary Margin.

NCR_{is} = non covered responsibilities by Guarantees in the Clearing Accounts with Individual Segregation (CAIS) or Clearing Accounts with Omnibus Segregation (CAOS).

5. Client responsibilities (CR) are the result of the following expression:

$$CR = M_{GO}$$

Where:

M_{GO} = Total margins required for all General Omnibus Clearing Accounts (GOCA).

Allocation of Guarantees to the Responsibilities of Clearing Members

6. Regarding Guarantees set up to cover the responsibilities the CMs must define the following breakdown:
 - a) Guarantees allocated to own responsibilities;
 - b) Guarantees allocated to clients' responsibilities.
7. Notwithstanding paragraph 19, unless they are not necessary, Guarantees allocated to own responsibilities can only be used by OMIClear to cover the CM's own responsibilities, even if there is an excess of Guarantees allocated to this type of responsibilities.

8. Guarantees allocated to clients' responsibilities can only be used by OMIClear to cover the responsibilities of the CM's clients, even if there is an excess of Guarantees allocated to this type of responsibilities.
9. Notwithstanding the following paragraphs, the CM may readjust the allocation of Guarantees in excess allocated to own responsibilities and clients' responsibilities.
10. The difference between the value of Guarantees allocated to own responsibilities and the value of the related responsibilities will be the Guarantees balance of own responsibilities.
11. The difference between the value of Guarantees allocated to clients' responsibilities and the value of the related responsibilities will be the Guarantees balance of clients' responsibilities.
12. The balances of Guarantees referred to in the two preceding paragraphs must always be positive.
13. The maximum value allowed of a Guarantees balance corresponds to the value of Guarantees used in the calculation thereof.
14. For all purposes, in this Instruction the value of Guarantees will be the latest market value assigned by OMIClear minus the related Haircuts.

Guarantees of Clients with Individual Segregation and Omnibus Segregation

15. CM's clients associated to Clearing Accounts with Individual Segregation (CAIS) or Clearing Accounts with Omnibus Segregation (CAOS) must, at all times, have Guarantees set up with OMIClear to cover the respective responsibilities.
16. If the deposited Guarantees exceed the respective responsibilities, its balance may not be used by OMIClear to cover any other responsibilities not associated to the respective CAIS or CAOS.
17. If the deposited Guarantees do not cover the respective responsibilities, the corresponding deficit is covered by the CM's Guarantees allocated to own responsibilities, in accordance with paragraph (4).

Mandatory Constitution of Clearing Members' Guarantees

18. Where there are responsibilities of a CM not covered by Guarantees, either own responsibilities, responsibilities of clients with GOCA, or both until 18h00 CET, OMIClear will apply a mandatory constitution of cash Guarantees according to the provisions defined in Instruction B09/2014 – Operational Limits.
19. Where there are responsibilities of a CM's client with CAIS or CAOS not covered by Guarantees until 18h00 CET, OMIClear will apply a mandatory constitution of cash Guarantees according to the provisions defined in Instruction B09/2014 – Operational Limits.

Provision of Information

20. Daily, in the End-of-day Procedures of the Clearing Session, OMIClear provides each CM with the following information on its Guarantees and responsibilities:
 - a) Value of its contribution to the Clearing Fund, reflected in its own Collateral Account;
 - b) Value of the Additional Guarantee, if applicable, reflected in its own Collateral Account;
 - c) Value of Margins required for each Clearing Account;
 - d) Guarantees allocated to own responsibilities reflected in its own Collateral Account (Gp);
 - e) Guarantees allocated to responsibilities of clients with General Omnibus Clearing Accounts (GOCA), which are reflected in its Client General Omnibus Collateral Account (Ggoc);

- f) Guarantees allocated to responsibilities of clients with individual segregated Clearing Accounts (CAIS), which are reflected in its Client Collateral Account with Individual Segregation (Gcis);
 - g) Guarantees allocated to responsibilities of clients with omnibus segregated Clearing Accounts (CAOS), which are reflected in its Client Collateral Account with Omnibus Segregation (Gcos);
 - h) Balances of Gp, Ggoc, Gcis and Gcos relative to the respective responsibilities, which are reflected in the own Collateral Account, Client General Omnibus Collateral Account, Client Collateral Account with Individual Segregation and Client Collateral Account with Omnibus Segregation.
21. OMIClear provides, on a daily basis, through the Clearing Platform, to clients with CAIS or CAOS a report with the required value of Margins, the value of Guarantees set up and the respective balance of Guarantees.

Entry into Effect

22. This Instruction has been communicated to CMVM on February, 28th 2022 and enters into effect on December, 15th 2022.

The Board of Administration