BMECLEARING

Capital requirements for default fund exposures to BME CLEARING
CEM methodology

26 February 2021

Key Summary Statistics	Financial Derivatives	Power	Repo	IRS	Equities
Unit	Eur 1000	Eur 1000	Eur 1000	Eur 1000	Eur 1000
N, Number of clearing members	35	6	25	9	23
DF_{CCP}, CCP's prefunded own resources (before using default fund from surviving clearing members)	2,000	500	1,000	500	1,500
DF_{CM}, Prefunded default fund from all clearing members	177,250	26,650	70,250	5,150	198,850
DF'_{CM}, Prefunded default fund from surviving clearing members	167,121	17,767	64,630	4,006	181,559
$DF' = DF_{CCP} + DF'_{CM}$	169,121	18,267	65,630	4,506	183,059
∑(EBRMi-IMi-DFi), CCP total exposure	0	0	0	13,213	0
K_{CCP}, CCP hypothetical capital requirement	**0**	**0**	**0**	**211**	**0**
Formula Selected in K^*_{CM} Calculation	**3**	**3**	**3**	**3**	**3**
c_1, Decreasing capital factor applied to excess prefunded DF	0.16%	0.16%	0.16%	0.64%	0.16%
$K^*_{CM} = c_1 * DF'_{CM}$, Aggregate capital requirement before adjustment	**267**	**28**	**103**	**26**	**290**
Beta (concentration factor) in allocation formula	0.2608	0.5946	0.4968	0.5006	0.5083
Allocation method for C-factor	DFi/DFCM	DFi/DFCM	DFi/DFCM	DFi/DFCM	DFi/DFCM
(1+Beta*N/(N-2)), Adjustment Factor for granularity and concentration	1.2766	1.8918	1.5400	1.6436	1.5567
C-factor = (1+Beta*N/(N-2))* K^*_{CM} / DF_{CM}, Risk weight used to calculate each clearing member capital requirement	**0.193%**	**0.202%**	**0.227%**	**0.817%**	**0.227%**
K_{CMi} if DFi = 1.000	1.93	2.02	2.27	8.17	2.27

Capital requirements for default fund exposures to BME CLEARING
“Standardized Approach for Counterparty Credit Risk (SA-CCR)”

26 February 2021

Key Summary Statistics	Financial Derivatives	Power	Repo	IRS	Equities
Unit	Eur 1000	Eur 1000	Eur 1000	Eur 1000	Eur 1000
N, Number of clearing members	35	6	25	9	23
DF_{CCP}, CCP's prefunded own resources	2,000	500	1,000	500	1,500
DF_{CM}, Prefunded default fund from all clearing members	177,250	26,650	70,250	5,150	198,850
K_{CCP}, CCP hypothetical capital requirement	**2,392**	**904**	**0**	**6**	**0**
C-factor = max(K_{CCP} *(DF_i / (DF_{CCP} + DF_{CM})); 8% * 2% * DF_i)	**1.33%**	**3.33%**	**0.16%**	**0.16%**	**0.16%**
K_{CMi} if DFi = 1.000	13.34	33.31	1.60	1.60	1.60