Instruction 6

on the elements of the Daily Account Structure and

reports provided by the BRM to the CM

Valid from ... 03.2025

# Daily Account Structure

1. **Balance of the account**= Total Guarantees provided by the CM
	* Guarantees are ***constituted*** *by the CM* (e.g. SGB or cash by payment order) or ***drawn*** *by the BRM* from the Liquidity Account by Direct Debit
	* Account balance is positive (minimum 0)
	* **The account analytically shows the balance of cash funds**
2. **Risk Limit**= Total Margins required to be established by the CM
	* Total margins: Cumulative Initial Margin+ Cumulative Variation Margin+ Cumulative Physical Delivery Margin
	* Cumulative Initial Margin can be negative (-) or 0
	* The cumulative Variation Margin can be negative (-) or 0 or positive (+); *if there are positive Contract Variation Margins they will*

*be adjusted to the maximum level of compensation according to the Regulation, in order to calculate the cumulative Variation Margin.*

* + Cumulative Physical Delivery Margin can be negative (-) or 0
1. **Margin Margin Call**= the situation of required Additional Collateral, i.e. **(i)+(ii)< 0.**

*The Margin Call amount is (i)+(ii).*

1. **Trading limit**= situation of surplus of Guarantees, i.e. **(i)+(ii)> 0**.

*The trading limit is (i)+ (ii)*

1. **Cash on hand**= funds from the Account Balance deposited in cash and not blocked in Margin Collateral. *Only exists if (1) + (2) >0.*
	* Cash on hand is a part of the Account Balance with a value between 0 and the maximum Account Balance
	* Cash on hand is the amount that can be effectively withdrawn by a CM in accordance with *the Daily Schedule Instruction* and in compliance with

*Instruction on the Determination of Physical Delivery Margin Values*

* + Cash on hand is an amount of money at the disposal of the CM not affected by open positions or orders in the Market
	+ Cash on hand is recorded in the daily statements submitted to the MC
	+ The cash availability can be requested at any time by the CM, but the release to the banking system *(its payment)* is only made on the condition that the following conditions are met

End of Day Risk Limit

# Reports provided by BRM as Counterparty to the CM

**List of reports:**

* 1. **Trading report**
* It includes the list of Transactions executed during the current Day on the Romanian Market and those provided by BETP to BRM for the Bulgarian Market.
	1. **Daily Statement of Account**

**It is available from the opening date of a Contract until the end of the Delivery Period.**

**Highlights the Margins retained at the end of the Day on orders in execution valid at least for the next trading session.**

**Includes the summarized situation of the Collateral, Margin and Trading Limit / Margin Call Account**

**Record cash deposits/withdrawals and other guarantees**

* + 1. **Report for Contracts before the Delivery period**

***.A.* on Positions and Initial Margin per Contract**

* Includes gross and net positions on each Contract
* Includes Initial Margin values per Net Position / Contract
* Includes total Initial Margins: Cumulative Initial Margin

**B on marking to Market and Variation Margin**

* It includes the calculations from the marking to market of each individual Transaction *(marking to market on a gross basis)* by comparing the Transaction price with the Daily Settlement Price
* Includes Daily Settlement Price
* It includes the calculation of the Variation Margin/Contract including the positive Variation Margin per Contract that is not eligible for compensation
* Includes the calculation of total Variation Margins, respectively Cumulative Variation Margin per Account
	+ 1. **Report on Contracts in the Delivery Period:**

***It is available from the date of entry into the Delivery Period of a Contract until the end of its Delivery Period.***

* + - 1. ***Report on the situation of guarantees withheld and released***

− ***includes margins retained for the Delivery Period***

− ***includes calculations on the release of guarantees in the Delivery Period***

* + - 1. **Report on payments and receipts related to delivery of a CM according to Transactions**
				* Highlights the status of payments due on a daily basis for the Underlying Asset *operated the Day Before for each day of the Delivery Period*
				* It highlights the situation of daily receipts for *each day of the Delivery Period, at the end of that Day*
				* Provides a summary of the payments and receipts accounted for up to the current Day and of the deliveries and payments still to be executed in the Delivery Period
				* Presents a daily net daily calculation *(financial netting*) for the netting of flows of amounts *(in the case of opposite direction Positions entered in the Delivery Period)* related to each delivery day by reference to the Transactions and prices of the related Transactions.

***Note:***

**Detailed technical reports are provided through a dedicated MC IT interface and by email.**