

# Chapter 1

## Commission Delegated Regulation (EU) 2016/2251

## Article 12 Provision of variation margin

(1) The posting counterparty shall provide the variation margin as follows:

(a) within the same business day of the calculation date determined in accordance with Article 9(3);

(b) where the conditions in paragraph 2 are met, within 2 business days of the calculation date determined in accordance with Article 9(3).

(2) The provision of variation margin in accordance with paragraph 1(b) may only be applied to the following:

For the purposes of point (a), in case no mechanism for segregation is in place between the two counterparties, those counterparties may offset the amounts to be provided.

(a) netting sets comprising derivative contracts not subject to initial margin requirements in accordance with this Regulation, where the posting counterparty has provided, at or before the calculation date of the variation margin, an advance amount of eligible collateral calculated in the same manner as that applicable to initial margins in accordance with Article 15, for which the collecting counterparty has used a margin period of risk ("MPOR") at least equal to the number of days in between and including the calculation date and the collection date;

(b) netting sets comprising contracts subject to initial margin requirements in accordance with this Regulation, where the initial margin has been adjusted in one of the following ways:

(i) by increasing the MPOR referred to in Article 15(2) by the number of days in between, and including, the calculation date determined in accordance with Article 9(3) and the collection date determined in accordance with paragraph 1 of this Article;

(ii) by increasing the initial margin calculated in accordance with the standardised approach referred to in Article 11 using an appropriate methodology taking into account a MPOR that is increased by the number of days in between, and including, the calculation date determined in accordance with Article 9(3) and the collection date determined in accordance with paragraph 2 of this Article.

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For the purposes of point (a), in case no mechanism for segregation is in place between the two counterparties, those counterparties may offset the amounts to be provided.

(3) In the event of a dispute over the amount of variation margin due, counterparties shall provide, in the same time frame referred to in paragraph 1, at least the part of the variation margin amount that is not being disputed.