Approved

*by Supervisory Board*

*of the Moscow Exchange*

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FX and precious metals market trading rules of the moscow exchange

(restarted version)

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# GLOSSARY

The following terms and definitions shall be accepted for the purposes of these FX and Precious Metals Market Trading Rules of the Moscow Exchange (hereinafter – the Trading Rules):

**Digital Analogue of** **the Handwritten Signature of the Trading Member’s Trader (hereinafter – Trader's DAHS)** shall designate a requisite of the Trading Member’s Order or Clearing Centre’s Confirmation, which is the trader's individual code allowing for unambiguous identification of the Trading Member’s Trader, who generated this Trading Member’s Order or Clearing Centre’s Confirmation, respectively.

**Digital Analogue of the Handwritten Signature of the Trading Member (hereinafter –Trading Member’s DAHS)** shall designate a requisite of the Trading Member’s Order, which is a technological identifier of the Trading Member/Technical Identifier of the WS DMWS, allowing for unambiguous identification of the Trading Member and his WS ESH/WS DMWS who generated this Order.

**Authentication** shall designate the Exchange’s procedure for verification via TC’s SHC, or pursuant to the Derivatives Rules of the right of the Trading Member /Trading Member’s Trader to conduct transactions to buy and sell foreign currency/precious metals and/or of the right to obtain the Market Data.

**Market Data** shall designate the data in the TC’s SHC (including numerical data) of non-confidential nature on the course and results of regulated trading, treated and arranged with the help of TC’s SHC facilities, which may be legally used by the Exchange pursuant to the laws of the Russian Federation and contracts signed.

**Base Currency** shall designate the currency/precious stone, in which the instrument lot is denominated.

**Off-book (SWITCH) Trades** shall designate trades concluded by means of confirmation by the Clearing Centre of each of the two Opposite Off-book Orders where end counterparties are specified by the Trading Members. Off-bookTrades shall not be taken into account when calculating the average weighted rate.

**Trading Schedule for trading on the FX and Precious Metals Market (Trading Schedule)** – Trading Schedule for trading on the FX and Precious Metals Market approved by the Exchange upon agreement with the Clearing Centre. Trading Schedule set the trading sessions period for trading in each instrument.

**Bona Fide Trading Member** shall designate a Trading Member who has duly fulfilled its Total Net Obligations in a foreign currency/precious metal towards the Clearing Centre, and is recognized as a Bona Fide Clearing Participant as per the Clearing Rules.

**Precious metals –** unallocated gold, silver, platinum or palladium.

**Order** shall designate an electronic message signed by the Trader's DAHS/ Trading Member’s DAHS and submitted to the TS that contains information specified in the Trading Rules. An Order shall be deemed a document that contains the Trading Member’s offer to execute a trade in the foreign currency/precious metals on the terms indicated in the Order.

Orders registered in the TS shall be displayed in all workstations of the Trading Members, excluding Off-book Orders and Off-book Swap Orders.

An Order shall be considered duly entered irrespective of the type of the workstation used by the Trading Member to place the Order.

**Filling an Order** shall designate execution of a trade on the terms specified in the Order. An Order can be filled partially.

**Filled Order** shall designate an Order on the basis of which trades were concluded on the terms specified in the Order. An Order on the basis of which trades were concluded in full shall be considered fully filled. An Order on the basis of which not all transactions were concluded shall be considered filled partially.

**Unfilled Order** shall designate an Order on the basis of which not a single trade was concluded.

**Standard kinds of Orders** shall designate those kinds of Orders which contain concrete terms set forth in these Trading Rules that prevent ambiguities. Two kinds of Orders are distinguished: Limit Orders and Market Orders.

**Limit Order** shall designate an Order of the standard kind that represents consent not requiring an additional confirmation, to buy a certain number of lots at a price not higher than the maximum purchase price specified in such Order, or sell a certain number of lots at a price not lower than the minimum selling price specified in such Order. If no Standard Type is specified for the Limit Order, such Limit Order shall be deemed to be a Limit Order of the "Place in Queue" type.

**Market Order** shall designate an Order of the standard kind that represents consent not requiring an additional confirmation, to purchase or sell a certain number of lots at the best prices of Orders registered in the TS. When entering a Market Order in the TS, indication of its Standard Type is required.

**Standard Types of Orders** shall designate those types of Orders that contain additional specific terms of their filling. Four Standard Types of Orders are singled out: "immediate-or-cancel", "place in queue", "fill-or-kill" and "hidden order".

**Order of the "Immediate-or-Cancel" Type** shall designate an Order to be filled to the maximum extent possible immediately after its registration in the TS, whereupon any unfilled order quantity is to be deleted from the TS.

**Order of “Place in Queue” Type** shall designate an Order to be filled to the maximum extent possible immediately after its registration in the TS, whereupon the unfilled order quantity is to be placed in queue as a Limit Order. If the registered order is a Market Order, it is placed in the order queue with a limit price that is indicated for this purpose in the Market Order and is then filled as a Limit Order.

**Order of the "Fill-or-Kill" Type** shall designate an Order to be filled in its entirety immediately after registration in the TS; otherwise, the entire Order shall be cancelled.

**Hidden Order Type (Iceberg Order)** shall designate a Limit Order, where the indicated number of lots is not displayed in the current quotes window. The minimum number of lots specified in the Iceberg Order and displayed in the current quotes window is set by the Exchange as agreed upon with the Clearing Centre. The maximum allowed ratio of the total lots number indicated in the Iceberg Order to the number of lots displayed in the current quotes window is determined by the Exchange as agreed upon with the Clearing Centre. Iceberg Orders cannot be entered into the TS with the purpose of executing swap trades.

**Opposite Orders** shall designate Orders of opposite direction, i.e. Opposite Orders for Buy Orders would be Sell Orders and vice versa.

**Valid Opposite Orders** shall mean in relation to any Order those Opposite Orders that meet the terms of such Order.

Valid Opposite Orders in relation to a Limit Order of the "Place in Queue" or "Immediate-or-Cancel" Types shall be Opposite Orders priced not higher than the buy price (not lower than the sell price) specified in the Order.

In case an Order of the "Fill-or-Kill" Type is registered in the TS, Valid Opposite Orders shall be Opposite Orders priced not higher than the buy price (not lower than the sell price) specified in the Order, the total value of which is not less than that indicated in the Order.

Opposite Orders listed below shall not be recognized as Valid Opposite Orders:

* opposite orders submitted by the same Trading Member using the same, or different registration codes assigned to this Trading Member when conducting trades in its name and at its expense;
* opposite orders submitted by the same Trading Member, or different Trading Members when conducting trades in its(their) name(s) and on behalf of the same Client.

The above opposite orders cannot be matched into a trade.

Opposite Orders shall be deemed Valid Opposite Orders provided that these are:

* submitted by the same Trading Member when conducting trades on behalf of its Clients using different registration codes assigned to this Trading Member;
* submitted by the same Trading Member, or different Trading Members when conducting trades on behalf of different Clients;
* submitted by different Trading Members when conducting trades in their names and at their expense;
* submitted by the same Trading Member when conducting trades in its name and at its expense and in its name and on a Client’s behalf.

These Orders shall be registered in the TS.

In relation to Orders of the "Place in Queue" or "Immediate-or-Cancel" Type registered in the TS Opposite Orders sitting at the top of the queue shall be Valid Opposite Orders. For a Market Order of the "Fill-or-Kill" Type Opposite Orders at the top of the queue, the total value of which is not less than that indicated in the Order shall be Valid Opposite Orders.

If opposite orders submitted by the same Trading Member using the same or different registration codes assigned to this Trading Member when conducting trades in its name and at its expense reach the top of opposite queues these orders are matched with the next highest priority orders. In case of a partial fill the unfilled order quantity is cancelled.

If opposite orders submitted by the same Trading Member using the same or different registration codes assigned to this Trading Member when conducting trades in its name and on behalf of the same Client reach the top of opposite queues these orders are matched with the next highest priority orders. In case of a partial fill the unfilled order quantity is cancelled.

If opposite orders submitted by Trading Members when conducting trades in their names and on behalf of the same Client reach the top of opposite queues these orders are matched with the next highest priority orders. In case of a partial fill the unfilled order quantity is cancelled.

**Off-book Order** shall designate an Order that in addition to the required information contains indication of the end counterparty chosen from the Trading Members by the Trading Member who submitted this Order. Off-book Orders shall be displayed only in the workstation of the Trading Member indicated as the end counterparty of the Off-book Trade.

**Off-book Order of the “Visible to All” type** shall mean an Order that indicates a prospective end counterparty selected by the Trading Member from the existing Trading Members by enabling a special “Visible to All” functionality available at all workstations of Trading Members. This Order is displayed in workstations of all Trading Members.

**Instrument** shall designate the set of conditions of trades in foreign currency/precious metals concluded during trading as determined in accordance with Parameters of instruments and swap trades.

**Client of the Trading Member (Client)** shall mean a legal entity, or an individual on whose behalf the Trading Member shall enter Orders in the TS with the aim of executing trades to buy or sell foreign currency/precious metals in the course of trading.

**Clearing Centre** shall mean Bank "National Clearing Centre" Сlosed joint-stock company performing clearing for the FX and Precious Metals Market pursuant to the Clearing Rules and acting as the Central Counterparty.

**Short Code of the Client of a Trading Member (Short Client Code)** shall mean an alphanumeric code assigned to the Client of a Trading Member by the Exchange.

**End Counterparty** shall designate the Trading Member indicated by another Trading Member in the Off-book Order, or Off-book Swap Order as a prospective counterparty.

**Individual Code** **of a Trader/Trader’s Identifier** shall designate a unique alphanumeric code assigned by the Exchange to a trader who is authorized by the Trading Member to conduct trades to buy or sell foreign currency and/or precious metals in the course of trading on behalf of the Trading Member by placing the Orders. The Individual Code of a Trader shall be generated based on the Trading Member's registration code, which confirms that the given Individual Code of the Trader is linked to the registration code of the Trading Member and allows for unambiguous identification of both the Trader and the Trading Member who authorized the trader to perform operations to buy or sell foreign currency and/or precious metals during the trading.

**Lot** shall designate a standard amount of currency/precious metals determined in respect of each instrument in accordance with the Trading Rules.

**Best price** shall designate the price of an Order that is at front of the Queue of Orders registered in the TS.

**Defaulting Trading Member** shall mean a Trading Member who has failed to fulfill or properly fulfill its Total Net Obligations in a foreign currency and/or foreign currency and/or has failed to meet or properly meet a Margin Call and/or has overdue obligations towards the Clearing Centre, and is recognized as a Defaulting Clearing Member in accordance with the Clearing Rules.

The Exchange shall have the right to disclose information about Defaulting Trading Members on its website.

**Moscow Exchange (Exchange)** shall mean an organizer of trading providing services on organization of trading in foreign currency and precious metals pursuant to the present Trading Rules.

**On-exchange trading (trading)** – trading in foreign currency and/or precious metals conducted subject to procedures set in the present Trading Rules, which includes main trading session or both, the main trading session and (an) additional session(s).

**Main session** shall designate a session during which the Trading Members on one business day trade foreign currency and/or precious metals by executing buy trades and sell trades in each of the instruments.

**Additional session** shall designate a session during which the Clearing Centre concludes foreign currency and/or precious metals buy trades and sell trades with Trading Members and/or Authorized Trading Members in cases provided for in the Clearing Rules.

For the purposes of these Trading Rules the following types of additional sessions shall be established:

* **Additional Session of the First Type** shall designate a session during which the Clearing Centre concludes foreign currency and/or precious metals buy trades and sell trades with Defaulting Trading Members in cases provided for in the Clearing Rules.
* **Additional Session of the Second Type** shall designate a session during which the Clearing Centre concludes swap trades with the purpose to handle the cases of failure of Trading Members to perform or improper performance of their obligations, as well as with the purpose to enable the Clearing Centre to perform its obligations on other markets where the Clearing Centre acts as a clearing organization and/or the central counterparty.

**Order Queue (Queue)** shall designate an ordered sequence of Orders that are registered in the TS as fully or partially unfilled. The Buy Order with the highest price shall take precedence over the other Buy Orders arranged in descending order of their prices. The Sell Order with the lowest price shall take precedence over other Sell Orders arranged in ascending order of their prices. Equally priced Orders of the same direction shall be arranged on a time priority basis. There shall be no queue before the opening of trading. The Order Queue shall not include Off-book Orders, Off-book Orders of the “Visible to All” type, and Off-book swap orders. All pending Orders shall be marked as "active."

**Clearing Centre’s confirmation** shall designate an electronic message signed by DAHS of the Clearing Centre's Trader generated by the Clearing Centre in the TS that contains information as per the Trading Rules and represents the Clearing Centre's consent (acceptance of the offer) to execute (a) trade(s) on the basis of Valid Opposite Orders on the terms determined in the TS in accordance with the Trading Rules, unless otherwise provided for herein.

**Rules of conducting on-exchange trading** (Trading Rules) shall designate the present Trading Rules for the FX and Precious Metals Market of the Moscow Exchange agreed with the Clearing Centre and approved by the authorized body of the Moscow Exchange.

**Clearing Rules** shall designate the Clearing Rules for the FX and Precious Metals Market of Bank "National Clearing Centre" Сlosed joint-stock company approved by the authorized body of the Clearing Centre.

**Derivatives Market Clearing Rules** shall designate the Clearing Rules of Bank "National Clearing Centre" Сlosed joint-stock company approved by the authorized body of the Clearing Centre.

**Derivatives Rules** shall designate the Derivatives Rules of the Moscow Exchange approved by the authorized body of the Moscow Exchange.

**Rules of electronic documents interchange (EDI)** – Rules of electronic documents interchange approved by the authorized body of the Moscow Exchange.

**Software-Hardware Complex of the Technical Center (TC’s SHC)** shall designate the entirety of software and hardware of the Technical Center that is utilized to provide services to Trading Members in accordance with agreements signed between the Trading Members and the Technical Center. TC’s SHC ensures security and integrity of the Orders and Clearing Centre’s confirmations as a result of implementation of set of organizational and technical activities.

**TC’s SHC Subsystem** shall designate a component of TC’s SHC designed to provide Trading Members with a specific set of services. The Trading System and the Clearing System are subsystems of the TC’s SHC.

**Business day** shall mean any day including Saturday, Sunday, or a public holiday when the Exchange holds trading in foreign currencies and/or precious metals. The decision to conduct trading in foreign currencies and/or precious metals at a weekend or on a public holiday is made by the Exchange as agreed upon with the Clearing Centre.

**Workstation of the Trading Member** shall designate a set of software and hardware intended for the use by Trading Members in order to obtain technical access to the TC’s SHC.

For purposes of the Trading Rules the following types of workstations shall be defined:

* workstation of the Trading Member with technical access to the TC’s SHC via a remote workstation (hereinafter – WS RWS);
* workstation of the Trading Member with technical access to the TC’s SHC via terminal of the Derivatives Market of the Moscow Exchange (further – WS DMWS);
* workstation of the Trading Member with technical access to the TC’s SHC via Reuters/Bloomberg data transfer system (hereinafter – WS Reuters Dealing/WS Bloomberg);
* workstation of the Trading Member with technical access to the TC’s SHC via external software and hardware integrated into the TC’s SHC by means of a universal software and hardware gateway (hereinafter – WS ESH).

**Registration code of the Trading Member (the Trading Member’s Identifier)** shall designate a unique alphanumeric code assigned by the Exchange to the Trading Member for obtaining technical access to the TC’s SHC in the manner prescribed in bylaws of the Exchange, with the purpose of concluding trades to buy or sell foreign currency and/or precious metals.

**Swap Trade** shall designate a foreign currency/precious metals trade executed in the course of on-exchange trading whereby a Trading Member executes a trade to buy foreign currency/precious metal in an instrument, and simultaneously concludes a trade to sell foreign currency/precious metal in another instrument with a matching base currency and a matching quote currency, and vice versa, a Trading Member executes a trade to sell foreign currency/precious metal in an instrument and simultaneously concludes a trade to buy foreign currency/precious metal in another instrument with a matching base currency and a matching quote currency. Whereby, the size of the above-mentioned simultaneously executed trades denominated in the base currency shall be the same.

If the trade in the instrument with an earlier settlement date is a buy trade, then the swap trade shall have the "buy/sell" direction. If the trade in the instrument with an earlier settlement date is a sell trade, then the swap trade shall have the "sell/buy" direction.

**Base Swap Rate** shall designate the rate of the trade in the instrument with an earlier settlement date. The procedure for determining the Base Swap Rate shall be established by decision of the Exchange.

**Final Swap Rate** shall designate the rate of the trade in the instrument with a later settlement date that is calculated as the sum of the Base Swap Rate and the price of the Swap Trade.

**Off-book Swap Trade** shall designate a swap trade for the execution of which a Trading Member indicates in addition to the required information the end counterparty chosen from the Trading Members.

**Swap Order** shall designate each of the Orders entered simultaneously by the Trading Member for two different instruments with the aim of concluding a Swap Trade.

If the Order in the instrument with an earlier settlement date is a Buy Oder, the Swap Trade Order shall have the "buy/sell" direction. If the Order in the instrument with an earlier settlement date is a Sell Order, the Swap Trade Order shall have the "sell/buy" direction.

**Off-book Swap Order** shall designate an Order for execution of a swap trade that in addition to the required information contains indication of the end counterparty chosen from the Trading Members by the Trading Member who submitted this Order. Off-book Swap Orders shall be displayed only in the workstation of the Trading Member indicated as the end counterparty of the Off-book Swap Trade.

**Swap Trade Price** shall designate the value indicated by the Trading Member when placing the Order as its parameter and used in calculating the Final Swap Rate. The Swap Trade Price shall be calculated by deducting the Base Swap Rate from the Final Swap Rate.

**Reuters Dealing system** shall designate a software and hardware complex provided by Thomson Reuters and designed for transmission of messages during the on-exchange trading by the Trading Members.

**Bloomberg Dealing system** shall designate a software and hardware complex provided by Bloomberg and designed for transmission of messages during the on-exchange trading by the Trading Members.

**Quote Currency** shall designate the currency used to purchase or sell instrument lots.

**Parameters of instruments and swap trades on the FX and Precious Metals Market (Parameters)** – a document approved by the Exchange upon agreement with the Clearing Centre containing the list of instruments and swap trades for the FX and Precious Metals Market of the Moscow Exchange.

**Average weighted rate of an instrument (Average Weighted Rate)** shall designate a value determined in the course of trading in the instrument, which is numerically equal to the ratio of the total value of trades made by the Trading Members in the Quote Currency to the total value of trades in the Base Currency.

**Technical Access to the TC’s SHC (technical access)** shall designate the technical opportunity for the Trading Member to use the necessary set of functions of one or several subsystems of the TC’s SHC.

**Technical Center (TC)** shall designate an organization that operates and maintains a software-hardware complex (TC’s SHC) and provides an integrated technological service to the Trading Members. The Moscow Exchange acts as the Technical Center.

**Trading Member’s Technological Identifier/ WS DMWS Technological Identifier (Technological Identifier)** – a unique alphanumeric code assigned to the Trading Member participating in trading through the WS ESH/WS DMWS by the Exchange. The Technological Identifier is made up using registration code of the Trading Member. Thereby the correspondence between the technological identifier and the registration code of the Trading Member is observed and an unambiguous identification of the Trading Member and its WS ESH/WS DMWS is available.

**Trading System (TS)** shall designate a subsystem of the TC’s SHC designed for execution of trades to buy or sell foreign currency and precious metals by the Trading Members, as well as for preparation of trading results reports in accordance with the Trading Rules.

**Trader** shall designate an employee of the Trading Member duly authorized to conclude transactions on behalf of the Trading Member

Trading Member’s Trader gets access to the TC’s SHC via WS RWS and/or WS REUTERS Dealing and/or WS Bloomberg Dealing.

**Authorized Representative of the Exchange** shall designate a person authorized by the Exchange to perform certain actions as provided for in the present Trading Rules by a relevant power-of-attorney.

**Authorized Trading Member** shall designate the Trading Member that provides the Clearing Centre with cash funds by executing swap trades during an Additional Session of the Second Type on conditions established in the Clearing Rules, with the aim of enabling the Clearing Centre to fulfill its obligations to Bona Fide Trading Members under trades to buy or sell foreign currency and/or precious metals and also other markets obligations where the Clearing Centre acts as a clearing organization and/or as a central counterparty.

**Trading Member** shall designate the Bank of Russia, Clearing Centre and organizations having been admitted to trading subject to admission terms and conditions established by the Exchange.

The provisions of these Trading Rules on Trading Members shall apply to the Bank of Russia and Clearing Centre, unless the Trading Rules provide special conditions for the Bank of Russia and Clearing Centre.

Trading Members shall execute the on-exchange trading service agreement with the Exchange.

**Price Tick** shall designate the minimum possible difference between the prices indicated in orders of the same direction.

Terms not specifically defined in the Trading Rules shall be used in the meaning defined in Clearing Rules and other documents adopted by the Exchange.

# general provisions

* 1. Principles of conducting trades in the course of on-exchange trading

### These Trading Rules shall establish procedures to conduct trades for purchase/sale of foreign currency and precious metals in the course of on-exchange trading, as well as the general procedure for interaction between the Exchange and Trading Members.

The Trading Rules, as well as all amendments and addenda hereto, the date and procedure for coming into force shall be approved by the Authorized Body of the Exchange.

The text of the Trading Rules and amendments and addenda thereto approved by the Authorized Body of the Exchange, as well as the relevant new version of the Trading Rules, shall be published on the website of the Exchange. The Trading Rules become effective not later than five days after the information thereof is disclosed. The effective date of the Trading Rules, amendments and addenda thereto, as well as the effective date of new version of the Trading Rules shall be also disclosed on the website of the Exchange.

In addition the information on the approval and coming into force of the Trading Rules, as well as all amendments and addenda hereto shall be communicated to the Clearing Centre and Trading Members not later than three business days prior to the effective date by sending a notification in one of the following ways:

1. in e-form through the Trading System;
2. via e-mail;
3. otherwise.

### The Exchange holds regulated trading in foreign currencies and/or precious metals where the Clearing Centre shall conclude trades to buy or sell foreign currency and/or precious metals:

* with Trading Members during main sessions if information is received via the TC’s SHC about availability of two valid opposite orders, including the information about their price and size calculated in the TS in accordance with the Trading Rules, on the terms of which two trades can be executed;
* with Trading Members during main sessions held simultaneously with additional sessions of the first type in cases provided for in the Clearing Rules;
* with Trading Members and Authorized Trading Members during additional sessions in the manner provided for in the Trading Rules.

The Bank of Russia shall conclude trades with the Clearing Centre to purchase or sell foreign currency, including swap trades during main sessions and additional sessions of the second type in the manner provided for in the Trading Rules and Cooperation Agreement between the Bank of Russia, Exchange and the Clearing Centre.

### Clearing based on results of on-exchange trading shall be performed by the central counterparty, i.e. the Clearing Centre. The Clearing Centre shall be the party to all the trades executed in accordance with the present Trading Rules subject to procedures set forth in the Clearing Rules.

### Trading in foreign currency and (or) precious metals shall be conducted daily except for weekends and public holidays as determined by the legislation of the Russian Federation. The Exchange shall have the right to make a decision on termination of trading (inclusive of trading in certain instruments) on a business day determined in accordance with the laws of the Russian Federation, and/or on conducting trading (inclusive of trading in certain instruments) on weekends or public holidays day determined in accordance with the laws of the Russian Federation.

The Exchange сconducts trading in foreign currency and/or precious metals from 10:00 till 23:50 MSK.

The time for trading sessions for each instrument shall be determined by the Exchange upon agreement on with the Clearing Centre in the Trading Schedule disclosed on the website of the Exchange.

The Exchange shall notify the Trading Members about all changes regarding the date and/or the time of trading (inclusive trading in particular instruments) not later than three days before the effective date of such changes by disclosing the information thereof on the website.

### During on-exchange trading the TC’s SHC shall ensure security and integrity of the Trading Members’ orders and Clearing Centre’s confirmations in the TS by utilizing a complex of organizational and technical measures, including but not limited to the following:

* usage by Trading Members of the trader’s individual code/Technological Identifier of the trader and password to authenticate the Trading Member/ Trading Member's trader receiving technical access to the TC’s SHC;
* a special procedure for communication of information about the trader’s individual code/Technological Identifier to the Trading Member, designed to protect such information from unauthorized access;
* usage of a special technology for registration of orders and Clearing Centre’s confirmations in the TS that rules out the possibility of changing the terms of orders and Clearing Centre’s confirmations after their registration in the TS (subject to strict compliance by the Exchange, TC and Trading Members with the Trading Rules, as well as internal documents of the Exchange and TC);
* usage of specialized software and hardware providing for unambiguous identification by IP-address of the Trading Member’s workstation on the Moscow Exchange’s website;
* usage of cryptographic protection of information in the Electronic Document Interchange (EDI) System of Moscow Exchange to ensure integrity and protection of data against unauthorized access during transmission via public communication networks.

### The procedure for using Workstations of Trading Members by Trading Members while placing the orders and executing trades via WS Reuters/WS Bloomberg Dealing shall be determined by internal documents of the Exchange.

### Pursuant to the Trading Rules the Exchange has the right to suspend trading:

­ if this is necessary to change the parameters set by the TC’s SHC;

­ in cases provided for in clause 3.6. hereof.

The Exchange shall suspend or cease trading in the events, in the order and within the period as provided for in the relevant regulatory documents and upon receipt of an instruction on suspension/cessation of trading in the foreign currency from the executive body for the securities market or the Bank of Russia.

Upon resumption trading shall last until the end of trading session unless otherwise provided for in the relevant regulatory documents, instructions of the executive body for the securities market, the notice of the Bank of Russia, and except for cases stipulated in clause 3.6 herein. Trading members/Trading members’ traders shall undergo all procedures required for authentication in the TC’s SHC.

The information on suspension, resume or cessation of trading shall be published on the website of the Exchange, unless the regulatory documents and (or) the present Trading Rules provide otherwise.

### The present Trading Rules, the rights and obligations of the Exchange, Trading Members and Authorized Trading Members arising thereof shall be interpreted pursuant to the laws of the Russian Federation. Trades to purchase/sell foreign currency/precious metals executed in the course of on-exchange trading by and between Trading Members and the Clearing Centre, Clearing Centre and the Authorized Trading Member, as well as the rights and obligations of the Exchange, Trading Members and Authorized Trading Members arising thereof shall be governed pursuant to the laws of the Russian Federation.

* 1. The general procedure for interaction between the Exchange and Trading Members
     1. The procedure for interaction between the Exchange and Trading Members shall be governed by the present Trading Rules and bylaws of the Exchange.
     2. The Exchange shall provide Trading Members with admission to on-exchange trading in foreign currency and/or precious metals and furnish reporting documents on the results of trading in accordance with Section 4 "Processing registered orders and executed trades" hereof and other bylaws of the Exchange (hereinafter – reporting documents). The forms of reporting documents are provided in bylaws of the Exchange.
     3. In the course of on-exchange trading the Trading Members can execute trades to purchase or sell foreign currency and/or precious metals in their own name and at their own expense.

During the main trading session the Trading Members may in their name execute trades to purchase/sale the foreign currency and/or precious metals in the interests and at expenses of their clients. Trading Members executing trades to purchase/sell precious metals in the interests and at expenses of clients and not being brokers, having been licensed as a professional market participant, shall be included by the Exchange in the separate List. The terms of enrollment into/exclusion from such List shall be determined by the Exchange.

Whereby the Trading Members shall ensure compliance of orders entered in their name and at their own expense, as well as orders entered in their name and on behalf of Clients, with requirements set forth in the regulatory acts of the Russian Federation governing the procedure for execution of trades in foreign exchange/precious metals.

In order to ensure a failure-free operation of the TS the Exchange shall be entitled to make a decision on suspending the opportunity to submit, change, or withdraw orders with the use of a trader’s individual code/Technological Identifier on a trading day during which the following parameters were exceeded for a period of time defined by the Exchange:

* average allowed number of actions per second performed in the TS with the use of a relevant trader’s individual code/Technical Identifier as determined in internal documents of the Exchange, or
* average allowed number of error messages per second generated by the TS following erroneous actions performed with the use of a relevant trader’s individual code/Technical Identifier as determined in internal documents of the Exchange.

Whereby for the purpose of this Clause of the Trading Rules, actions performed in the TS with the use of a trader’s individual code/Technical Identifier shall mean submission, withdrawal of orders, or introduction of changes into orders.

The opportunity to submit, change, or withdraw orders with the use of a trader's individual code/Technical Identifier is suspended until the receipt by the Exchange of notification of a Trading Member on correction of the detected error in the software utilized by the Trading Member (the format of the electronic document is disclosed on the website of the Exchange subject to approval by the Exchange). If the threshold value is reached for a second time during the current trading day, the suspension period is extended until the end of this trading day.

In case of suspension of the opportunity to submit, change, or withdraw orders those active orders that have been submitted with the use of the relevant trader’s individual code/Technical Identifier can be deleted at the request of the Trading Member in accordance with the procedure set forth in Paragraph 3.5.2 of Section 3 herein. For this purpose the Trading Member does not have to indicate the numbers of active orders that were entered with the use of the relevant trader’s individual code/Technical Identifier.

* + 1. The fee payable to the Exchange by the Trading Members shall be calculated and charged by the Clearing Centre in favour of the Exchange based on the Cooperation Agreement between the Clearing Centre and the Exchange, and in accordance with the Clearing Rules in respect of trades executed using registration codes assigned to the Trading Members. In the events provided for in the Clearing Rules the Clearing Centre shall perform the obligation of a Trading Member on payment of fee to the Exchange. The size of fee, as well as the procedure for its calculation and term of payment by the Trading Member shall be determined by the Exchange.

The Bank of Russia shall pay a fee to the Exchange in accordance with the cooperation agreement signed between the Bank of Russia, the Exchange and the Clearing Centre.

The Clearing Centre shall pay a fee to the Exchange in accordance with the cooperation agreement signed between the Clearing Centre and the Exchange.

The fee shall not be charged for trades concluded during an additional session.

If a Trading Member (except for the Bank of Russia) has unpaid fee amounts payable to the Exchange, the Clearing Centre shall charge a penalty from such Trading Member in favor of the Exchange. The penalty shall be calculated as follows:

Fine = D × 2 × S × n / 365, where

Fine –a penalty amount in Russian rubles,

D – the outastanding fee amount payable in Russian rubles,

S –the refinancing rate set by the Bank of Russia as of the penalty calculation day,

n - number of calendar days between the penalty calculation day and the next business day.

* + 1. The Exchange shall provide Trading Members with information including the Market Data, in the scope and according to a procedure stipulated in the laws of the Russian Federation and the current Trading Rules.

The Exchange shall be entitled to provide Trading Members with the Market Data for a fee. Fees for providing this Market Data and the payment procedure for such services shall be determined by the Exchange.

* + 1. A Trading Member shall keep confidential information which has become available to it when placing the orders and executing trades and which does not constitute the Market Data. In particular, the Trading Member shall refrain from transferring such information to its clients unless otherwise provided for in a certain agreement between the Trading Member and the Exchange and/or herein and/or the law of the Russian Federation.
    2. A Trading Member shall be obliged to:
* not to disclose the information related to the operation of the Trading System that has become available to the Trading Member in the course of trading;
* submit information related to a certain Client of the Trading Member only to that Client;
* use the Market Data only for the purposes of participation in trading;
* provide the Market data to a Client only for purposes of participating in trading and making decisions about execution of trades;
* include a provision on a liability of a Client to use the Market data only for purposes of participating in trading and making decisions about execution of trades in the agreement with the Client;
* execute a relevant agreement with the Exchange in case of using and circulating the Market data, for purposes not stipulated herein, inclusive of calculation and further circulation of the derived indicators.
  + 1. The Exchange may request from a Trading Member to reimburse for loss caused to the Administrator by breach of confidentiality with regard to information that has been disclosed to the Trading Member when using the TS, as well violation of procedures for the Market Data use prescribed in the present Trading Rules.
    2. A Trading Member shall be liable for failure to comply with requirements of the present Trading Rules and to other internal documents of the Exchange regulating trading procedures pursuant to the laws of the Russian Federation., inclusive of conducting the trades on purchase/trade of the foreign currency/precious metals in breach of the present Trading Rules.
  1. The general procedure for interaction between the Exchange and the Clearing Centre
     1. The procedure for interaction between the Exchange and the Clearing Centre during on-exchange trading and the performance of settlement obligations based on clearing results shall be governed by the Trading Rules, the Clearing Rules, as well as agreements concluded between the Clearing Centre and the Exchange.

The Clearing Rules and any amendments thereto shall be approved by the Clearing Centre after consultation with the Exchange.

* 1. The general procedure for interaction between the Exchange and the Bank of Russia
     1. The Bank of Russia shall be entitled to:
* receive full information about orders and trades of Trading Members;
* instruct the Exchange to suspend trading;
* instruct the Exchange to cease trading;
* send binding instructions to the Exchange to suspend the admission to trading or termination of admission to trading in foreign currency of Trading Members in accordance with rules of interaction between the Exchange and the Bank of Russia approved by the Bank of Russia and the Exchange.
  + 1. The Bank of Russia shall inform the Exchange in writing about the persons authorized to exercise the above powers of the Bank of Russia during trading.
    2. The Bank of Russia shall participate in additional sessions of the second type as the Authorized Trading Member in accordance with the cooperation agreement concluded between the Bank of Russia, Exchange and the Clearing Centre.
    3. The procedure for interaction and document interchange between the Exchange and the Bank of Russia during additional sessions of the second type shall be determined by an agreement concluded between the Bank and Russia, Exchange and the Clearing Centre.

# trading procedure

## **General provisions**

# Trading Members, other than the Bank of Russia and the Clearing Centre, execute trades to purchase foreign currency/precious metal in the course of on-exchange trading only provided that results of verification of their capability to perform each of such trades are positive. The above verification shall be carried out by the Clearing Centre based on the analysis of the change of the Single Limit value of the Trading Member before and after the transaction. The procedure for calculating the Single Limit of the Trading Member and the procedure of the aforementioned verification shall be determined by the Clearing Rules. Trading Members may execute trades to purchase foreign currency/precious metal during the trading session via WS DMWS only subject to positive results of verification of their capability to execute each of such trades pursuit to Clearing Rules for the Derivatives Rules of the National Clearing Centre. The Bank of Russia and the Clearing Centre shall conclude trades to purchase or sell foreign currency and/or precious metals during trading sessions without undergoing this verification procedure and without posting collateral.

# During a trading session verification of the Trading Member's capability of performing transactions shall be carried out by the Clearing Centre on the basis of information available to the Clearing Centre via the TC’s SHC and Derivatives Market TS in the manner provided for in the Clearing Rules and Derivatives Market Clearing Rules.

# The Exchange admits foreign currency/precious metal to on-exchange trading by determining an instrument or instruments specifying a set of conditions for conducting the trades in such currency/precious metal in the course of on-exchange trading.

The list of instruments shall be included in the Parameters of instruments.

Foreign currency/precious metal shall be admitted to trading from the effective date of Parameters for the relevant instrument(s).

Foreign currency/precious metal shall stop to be admitted to trading from the effective date of Parameters with no instrument in such currency/precious metal included

# The Trading Member's orders registered in the TS and signed by the trader's DAHS/ Trading Members’ DAHS and Clearing Centre’s confirmation registered in the TS and signed by the trader’s DAHS, shall be deemed electronic documents having the same power as documents signed by the trader's handwritten signature.

## In communicating electronic messages signed with Trading Members’ DAHS**/** Trading Members’ Trader's DAHS, the Exchange shall identify the person having signed the electronic message by matching Trading Members’ DAHS**/** Trading Members’ Trader's DAHS in the electronic message to Technological Identifier/Trader’s Individual Code assigned by the Exchange to the Trading Member/Trading Member’s Trader respectively.

When a Trading Member communicates an electronic message via WS DMWS, identification of the person having signed the electronic message with the DAHS used in communicating electronic messages on the Delivery Market of the Exchange, shall be effected in accordance with the Derivatives Rules.

In communicating electronic messages signed with the DAHS used in communicating electronic messages on the Delivery Market of the Exchange from the Trading System (as this term is defined in the Derivatives Rules), such electronic message shall be assigned with the relevant one-valued Trading Member’s DAHS. Matching of the DAHS used in communicating electronic messages on the Delivery Market of the Exchange to Trading Member’s DAHS shall be verified based on the application submitted by the Trading Member to the Exchange following the procedures established by the Exchange.

Data on assigned trader’s Individual Code/Technical Identifier shall be treated as confidential and not to be disclosed to the third persons. Trading Members and the Exchange shall ensure compliance with confidentiality requirements and shall be liable for any risk arising of violation of such requirements.

## Swap trades shall be executed when trading is held in the instruments with the earliest settlement date.

# The Parameters of instruments and swap trades (lot, order price precision, price tick) shall be established in the Parameters of the instruments in consultation with the Clearing Centre.

## The Exchange shall notify Trading Members about all changes in the parameters introduced by the Parameters of the instruments and in consultation with the Clearing Centre not later than three business days prior to the effective date of such changes.

## **Authentication**

## Authentication of traders participating in trading via WS RWS shall be carried out prior to the start of trading in accordance with the following procedure:

## The trader enters his individual code and password in the TS. The password is set directly by the trader at his workstation.

* + - 1. During authentication, the Exchange checks if the trader's individual code corresponds to the registration code of the Trading Member.

# Authentication of Trading Members participating in trading via WS DMSW shall be carried pursuant to the Derivatives Rules.

# Authentication of traders participating in trading via WS Reuters Dealing /WS Bloomberg shall be carried out at the time when the trader places an order by checking whether the trader's individual code corresponds to the unique symbol code assigned to the Trading Member in the Reuters/Bloomberg System that corresponds to the registration code of the Trading Member assigned by the Exchange in accordance with internal documents of the Exchange.

* + 1. Authentication of a Trading Member via WS ESH shall be carried out prior to the beginning of the trading session by checking if the Technological Identifier corresponds to the registration code of the Trading Member assigned by the Exchange in accordance with internal documents of the Exchange.

## **Procedure for execution of trades during trading sessions**

* + 1. Trades to purchase or sell foreign currency/precious metals during trading sessions shall be conducted by means of entering orders by the Trading Members and creating Clearing Centre’s confirmations of trade terms by the Clearing Centre, which shall be defined as per the present Section of the Trading Rules. The Trading Member places the orders to the TS via electronic message signed by the Trading Member’s Trader's DAHS/ Trading Member’s DAHS and submitted to the TS using the workstations of the Trading Members. The Clearing Centre’s confirmation is created in the TS via electronic message signed by the Clearing Centre’s Trader’s DAHS. The order and the Clearing Centre’s confirmation shall be electronic documents having the same power as documents signed by the handwritten signature of the Trading Member’s traders/ Trading Member and the Clearing Centre’s traders respectively.

An order shall be deemed received by the Clearing Centre at the time when the order entered by the Trading Member is registered in the TS. A Clearing Centre’s confirmation shall be deemed received by the Trading Member at the time when the Clearing Centre’s confirmation is registered in the TS.

# A trade to purchase and sell foreign currency/precious metals in the course of on-exchange trading shall be executed through exchange of documents via electronic means of communications that enables to identify that the documents specified herein come from the Trading Members and the Clearing Centre.

# A trade to purchase and sell foreign currency/precious metals shall be deemed concluded when the Exchange defines in the TS two valid opposite orders among those in the queue by making an entry on the trade executed in the trades register, except for as provided herein.

During trading sessions, the Clearing Centre shall not place orders in the TS, except for as provided in the present Trading Rules.

# Prior to the opening of trading in each instrument, the Exchange shall verify, and, as may be necessary, shall enter the following parameters into the TS: the opening and closing times, the lot size.

# Prior to the opening and during the trading, the Exchange shall interact with the Bank of Russia, performing the following functions:

* receipt and fulfillment of written instructions of the Bank of Russia concerning the trading process. Written instructions shall be sent by fax. The Exchange shall be also advised of such instructions by telephone and the original hard copy of the written instruction shall be subsequently served to the Exchange;
* notifying the Clearing Centre about the instructions received from the Bank of Russia by telephone with a written notice to follow.

# From the opening time and after authentication, the Trading Members shall have the right to place buy/sell orders in an instrument/swap trade orders in the TS, as well as to withdraw and amend previously entered orders registered in the TS, which are not yet filled, or are partially filled.

When registering or withdrawing orders, the TS shall record the time of such actions.

By entering an order for purchase or sale of foreign currency/precious metals in accordance with the effective Trading Rules, the Trading Member shall acquire all rights and obligations stipulated in the Trading Rules effective on the date of the order.

# With the negative Single Limit the Trading Member shall have the right to perform the following actions on condition that such actions will not lead to further reduction of the Single Limit:

* place buy/sell orders in an instrument/orders for swap trade;
* amend their previously entered and registered orders in the TS, which are not yet filled, or are partially filled.

# Placing of buy/sell orders in instrument by Trading Members shall be carried out in the TS through an electronic message signed by the Trading Member DAHS/ Trading Member’s Trader's DAHS and containing the following data (terms of the order):

* Client’s short code (for orders submitted by the Trading Member in its name, on behalf of the Client);
* settlement code of the Trading Member;
* instrument/swap trade;
* direction of the trade: to sell or buy/ to sell/buy or to buy/sell;
* number of lots - total, hidden;
* settlement date (generated in the TS based on the instrument chosen by the Trading Member);
* kind of the order of possible standard kinds;
* type of the order of possible standard types;
* in case of a limit order or a market order of the "place in queue" type, the maximum sell or buy price of the instrument shall be indicated in the quote currency to the accuracy established in the Parameters of the instruments and swap trades.

# Whenever the Trading Member places a buy/sell order in the instrument in the TS, this order becomes accessible to the Clearing Centre via TC’s SHC. In the course of trading, the Clearing Centre verifies if it is possible to register such order in the TS according to the procedure established in the Clearing Rules.

# Information on the results of the above-mentioned verification of the possibility to register an order in the TS, becomes accessible to the Exchange through the TC’s SHC.

If the results of verification of the possibility to register an order in the TS are negative, the Exchange shall not register such order in the TS.

If the results of verification of the possibility to register an order in the TS are positive, the Exchange shall register such order in the TS.

# Orders of Trading Members shall be registered in the TS by means of making an entry in the orders register. The orders register shall contain information specified in clause 4.1 hereof.

# For each newly registered order the Exchange shall check the availability of pending valid opposite orders. This verification shall identify two valid opposite orders, which shall be the newly registered order and a valid opposite order, which is first in the queue of orders.

Upon identifying two valid opposite orders from among the pending orders, information about which becomes available to the Clearing Centre via TC’s SHC, the Clearing Centre shall create Clearing Centre’s confirmations for each of the opposite orders. The mentioned Clearing Centre’s confirmations shall contain the price and volume of transactions, as defined in the TC in accordance with the following rules:

* the price of each transaction (transaction rate) shall be equal to the price specified in a valid opposite order, which is first in the queue of orders;
* the volume of each transaction shall be equal to the minimum volume of those indicated in these two valid counter offer.

The procedure for determination of the price (trade exchange rate) and value of each trade that makes up the trade in the DCB instrument shall be established by decision of the Exchange as agreed upon with the Clearing Centre and the Bank of Russia.

# Clearing Centre’s confirmation in the TS shall be signed by the Clearing Centre’s Trader's DAHS and shall contain the following information:

* name of the Trading Member;
* registration code of the Trading Member;
* Client’s short code (for orders submitted by the Trading Member in its name, on behalf of the Client);
* settlement code of the Trading Member;
* instrument/swap trade;
* settlement date (except confirmation messages in relation to swap trades and trades in the DCB instrument);
* order number;
* Clearing Centre’s confirmation number
* terms of transaction confirmed by the Clearing Centre, established in accordance with paragraph 3.3.10 herein and complying with the terms of the order: transaction price, transaction volume (in the currency of the base and in the quote currency).

# Clearing Centre’s confirmation shall be registered in the TS by making an entry in the Clearing Centre’s confirmation register. The Clearing Centre’s confirmation register shall contain information stipulated in clause 4.2 hereof.

The Exchange makes an entry into the trades register on conclusion of two trades to buy and sell foreign currency/precious metals executed between Trading Members and the Clearing Centre shall be registered simultaneously with registration of the Clearing Centre’s confirmations. Information on each of the two registered trades shall become available to the Clearing Centre via TC’s SHC.

After conclusion of every two trades the current price of the last two trades and the current value of the average weighted rate shall be updated automatically. Information on the new value of the price of the last two trades, and the new value of the average weighted rate shall become available to the Clearing Centre via TC’s SHC.

The trades register shall be produced in electronic format in the course of trading and shall contain information stipulated in clause 4.3 hereof. When making an entry into the trades register on every two trades to purchase and sell foreign currency/precious metals, the size of each of the orders that are valid opposite orders shall be reduced in the TS by the size of the executed trade.

# This sequence of operations performed in the TS shall be repeated until either the newly registered order, which is a valid opposite order, has been completely filled, or there are no valid opposite orders left in the order queue.

# In the absence of pending valid opposite orders, the newly registered order shall be placed in the queue in full or removed from the TS, depending on the kind and type of order.

# If upon matching all pending valid opposite orders into trades in accordance with the procedure described in paragraph 3.3.12 herein, the newly registered order, which is a valid opposite order, has been filled only partially, its remainder remains in the queue, or is removed from the queue. The remainder of a partially filled order is to be removed from the order queue in the following cases:

* the partially filled order is of the "immediate-or-cancel" type;
* the partially filled order is a market order, or a limit order of the “place in queue” type and is priced not higher than the buy order (not lower than the sell order) that is at the top of the opposite orders queue. Whereby:
* the partially filled order and the first order on the opposite side of the queue were entered by the same Trading Member using the same or different registration codes of this Trading Member when acting in his name and at his own expense.
* the partially filled order and the opposite order that is at the top of the queue were entered by the same Trading Member or by different Trading Members when conducting transactions in their name and on behalf of the same Client.

Information on presence or absence of unfilled orders in the queue shall be made available to the Clearing Centre via TC’s SHC.

* + 1. To process an order of the "fill-or-kill" type, the procedure described in paragraph 3.3.12 herein shall be repeated until such order has been completely filled provided that there are valid opposite orders in the queue.

# With the aim of creating conditions for fulfillment of obligations arising from transactions for purchase and sale of foreign currency/precious metals, the Clearing Centre may generate in the TS an order opposite to the order that is at the top of the queue, in respect of which there are no valid opposite orders registered in the TS which have been placed by the Trading Member. The above-mentioned Clearing Centre’s Order shall contain the price and size of the concluded trade, as determined in the TS in accordance with the following rules:

- the trade price is equal to the price indicated in the order, in respect of which the Clearing Centre’s confirmation is generated;

- the trade size is equal to the amount specified by the Clearing Centre.

Information on orders, for which no valid opposite orders are registered in the TS, shall be made available to the Clearing Centre via the TC’s SHC.

# When registering an Order generated pursuant to 3.3.15 herein in the Trading System, simultaneously in the Trading System shall be verified if the Orders submitted by the Trading Member match the Clearing Centre’s Orders specified in 3.3.15 herein and the trade shall be executed by making the entry in the trades register by the Exchange on executing the trade for purchase/sale of the foreign currency/precious metals between the Trading Member and the Clearing Centre subject to provisions in 3.3.15 of these Trading Rules. The information on the registered trade shall become available to the Clearing Centre via TC’s SHC.

# Trades register shall be produced in electronic format in the course of trading and shall contain information stipulated in clause 4.3 herein. When making an entry on a trade to purchase or sell foreign currency/precious metal in the trades register, the size of the order in the queue in the TS shall be reduced by the size of the executed trade.

# After conclusion of the trade, the current price of the last trade and the current value of the average weighted rate are updated automatically. Information on the new value of the price of the last trade, and the new value of the average weighted rate become available to the Clearing Centre via the TC’s SHC.

# The following procedure shall be in place for withdrawal of an order. If the order has been fully filled, the Trading Member shall be advised of the impossibility to withdraw this order. If the pending order has not been filled yet, or has been partially filled, such order can be withdrawn by the Trading Member and shall be removed from the queue.

Information on order withdrawal shall become available to the Clearing Centre via TC’s SHC.

# The procedure for amending an order shall be as follows. If the order has been fully filled, the Trading Member is advised of the impossibility to amend this order. To amend a pending order that has not been filled yet, or has been partially filled, the Trading Member shall withdraw such order and have it removed from the queue, whereupon the Trading Member shall again enter this order in the TS with amended terms (price and size), in accordance with the procedure set forth in paragraphs 3.3.6-3.3.9 herein.

# During the trading sessions the following information on each client made up by the Clearing Centre is available to the Exchange through the TC SHC:

* amount of Collateral of a Trading Member per currency/precious metal;
* amount of the Single limit of a Trading Member;
* amount of the Trading limit of a Trading Member (if any);
* amount of Net obligations and/or Net claims of a Trading Member per currency/precious metal and per Settlement date;
* inadequate amount of Collateral of a Trading Member per currency/precious metal required to fulfill the Trading Member’s Net obligations in the respective currency/precious metal under matured trades;
* presence/absence of Margin calls, the amount of the Margin call in Russian rubles (if any);
* presence/absence of the Trading Member’s overdue obligations towards the Clearing Centre, the amount of such obligations (if any).

The Exchange shall provide the above-mentioned information concerning a certain Trading Member to this Trading Member via the Trading Member's workstation. In addition, as maybe necessary, the above-mentioned information can be provided to the Trading Member by an authorized representative of the Exchange.

* + 1. An order registered in the TS shall be valid throughout trading.

# During on-exchange trading the Trading Member may also conclude swap trades.

The Trading Member may place orders for swap trades in the TS via electronic message, signed by the Trading Member DAHS/ Trader's DAHS and containing the following data (terms of the order):

* Client’s short code (for orders submitted by the Trading Member in its name, on behalf of the Client);
* settlement code of the Trading Member;
* name of the swap trade;
* direction of the order: sale/purchase or purchase/sale;
* number of lots;
* settlement date (produced in TS based on the name of the swap trade the Trading Member chooses);
* bid/ask price or ask/bid price.

# All orders for conclusion of swap trades entered in the TS shall be processed in accordance with paragraphs 3.3.7-3.3.9 hereof.

# Swap trades shall be executed in accordance with the procedure set forth in paragraphs 3.3.10-3.3.14 hereof.

# Provisions of paragraphs 3.3.15 - 3.3.20 hereof shall also apply to swap trades unless these provisions contradict to the procedures and conditions for swap trades conclusion as prescribed by these Trading Rules.

# During trading the Trading Member may also conclude off-book trades.

The Trading Member places an off-book trade to purchase/sale an instrument in the TS via electronic message, signed by the Trading Member DAHS/ trader's DAHS and containing the following data (terms of the order):

* Client’s short code (for orders submitted by the Trading Member in its name, on behalf of the Client)
* settlement code of the Trading Member;
* instrument;
* direction of the order: sell or buy;
* number of lots;
* settlement date (for instruments for foreign currency purchase and sale with the settlement date not earlier than on the third settlement day after conclusion of the trade and not included into the swap trade, indicated by the Trading Member, for other instruments - generated in the TS based on the name of the instrument chosed by the Trading Member);
* the Trading Member as the end counterparty to the off-book trade, or a special code “visible to all” in the off-book order of the “visible to all” type;
* bid or ask price for the instrument;

# All off-book orders including off-book orders of the “visible to all” type entered in the TS shall be processed in accordance with paragraphs 3.3.7-3.3.9 herein. Off-book orders including off-book orders of the “visible to all” type shall not be included in the order queue.

An off-book order, including an off-book order of the “visible to all” type, newly registered in the TS, after undergoing the verification of limits for the relevant currency in the course of trading, shall be checked by the Exchange for the availability of valid opposite orders. Valid opposite off-book orders, including in case when one of them is an off-book order of the “visible to all” type shall indicate the same price and size. In case of off-book orders, except for off-book orders of the “visible to all” type, valid opposite orders shall contain mutual indication by Trading Members of each other as the end counterparties to the off-book trade. In case of submitting an off-book order of the “visible to all” type one of the orders that are valid opposite orders shall contain a special code “visible to all” specified by the Trading Member, while the other shall indicate this Trading Member as an end counterparty to the off-book trade.

# Off-book trades shall be executed in accordance with the procedure set forth in paragraphs 3.3.11 - 3.3.12 herein.

# During trading the Trading Member may also conclude off-book swap trades.

In order to register an off-book swap trade in the TS, the trader of each Trading Member shall place an order for registration of such trade via electronic message, signed by the Trading Member DAHS/ Trader's DAHS with indication of the following information (order terms):

* Client’s short code (for orders submitted by the Trading Member in its name, on behalf of the Client);
* settlement code of the Trading Member;
* swap trade name;
* direction of the order: sale/purchase or purchase/sale;
* number of lots;
* settlement date for instrument involved in the swap trade (produced in the TS based on the name of the instrument)
* ask/bid price or bid/ask price;
* the Trading Member as the end counterparty to the off-book trade.

# All off-book swap orders entered in the TS shall be processed in accordance with paragraphs 3.3.7-3.3.9 herein.

# An order to execute an off-book swap trade newly registered in the TS, after undergoing the verification of limits for each relevant currency/precious metal, shall be checked by the Exchange for the availability of valid opposite orders. Valid opposite off-book swap orders shall indicate the same price and size, as well as mutual indication by Trading Members of each other as the end counterparties to the off-book trade.

# Off-book swap trades shall be executed in accordance with the procedure set forth in paragraphs 3.3.10-3.3.12 herein.

# If the Clearing Centre notifies the Exchange of early settlement in respect of a certain Trading Member in accordance with the Clearing Rules, on the day of receipt of such notice, the Trading Member indicated in the notice shall be suspended from entering orders for conclusion of trades in instruments with settlement on the trade day until the end of trading on the current day, except for the off-book trades concluded based on off-book trades orders placed by a Trading Member with indication of one and the same Settlement Code. Whereby the authorized representative of the Exchange shall withdraw all unfilled orders of the Trading Member and remove them from the order queue. The Trading Member indicated in the early settlement notice, shall be provided with reporting documents in accordance with the Trading Schedule.

# If the Clearing Centre notifies the Exchange of early closing of trading in accordance with the Clearing Rules, on the day of receipt of such notice each Trading Member indicated in the notice shall be suspended from entering orders using its registration code indicated in the notice that corresponds to its settlement code until the end of trading on the current day. Whereby the authorized representative of the Exchange shall withdraw all unfilled orders of this Trading Member entered using the indicted registration code of the Trading Member and remove them from the order queue. Each Trading Member specified in the notice of an early closing of trading shall be provided with reporting documents in accordance with Section 4 herein.

# In addition to information provided in accordance with clause 3.3.19 herein, the Exchange shall provide a Trading Member with the Market data and the following information related to such Trading Member. The information is provided via the Workstation of a Trading Member during and after the trading sessions.

* Queued orders submitted by a Trading Members and registered by the Trading System, orders to execute off-book trades including orders to execute off-book trades of type “To all”  registered by the Trading System as well as orders that have been filled;
* queued orders to execute swap trades submitted by a Trading Member and registered by the Trading System, orders to execute off-book swap trades registered by the Trading System as well as orders to execute swap trades that have been filled;
* trades executed by a Trading Member (including swap trades).

3.3.34 The Orders placed in the TS in breach of the present Trading Rules, also as a result of glitches and/or failures of SHC, failures of communication facilities that enable on-exchange trading, shall not be registered in the TS.

Trades to purchase foreign currency/precious metals executed in breach of the present Trading Rules as a result of glitches and/or failures of SHC, failures of communication facilities that enable on-exchange trading may be considered non-executed.

## **Specifics of concluding trades during trading sessions using WS Reuters Dealing /WS Bloomberg**

# Those Trading Members who take part in trading via WS Reuters Dealing/WS Bloomberg Dealing shall enter/accept orders for purchase and/or sale of foreign currency/precious metals through exchanging text messages between Trading Members and the Exchange in accordance with requirements of the Trading Rules and requirements to messages used to enter orders by Trading Members via Reuters/Bloomberg data transfer system. These requirements and amendments thereto shall be approved by decision of the Exchange.

Text messages received from the Trading Member via WS Reuters Dealing/WS Bloomberg Dealing shall be transmitted to the TS in the form of orders for purchase and/or sale of foreign currency/precious metals in the name and at the expense of the Trading Member.

Trading Members shall be fully liable for all foreign currency/precious metals buy and sell orders placed via WS Reuters Dealing/WS Bloomberg Dealing.

# Submission/acceptance of orders for purchase and sale of foreign currency/precious metals via the WS Reuters Dealing/WS Bloomberg shall be confirmed by a protocol containing the text of negotiations between the Trading Member and the Exchange in the Reuters Dealing/WS Bloomberg Dealing system, which represents the Trading Member's consent not requiring additional confirmation to conclude a trade to purchase and/or sell foreign currency/precious metals in accordance with the Rules and other internal documents of the Exchange.

# For the purpose of concluding trades via WS Reuters Dealing/WS Bloomberg, the Trading Member's order shall be deemed entered in the TS as of receipt by such Trading Member a confirmation of order acceptance from the Exchange.

# Upon submission of an order to the TS via WS Reuters Dealing/WS Bloomberg Dealing, such order shall be processed in accordance with paragraphs 3.3.6-3.3.9 herein.

# Trades based on orders entered in the TS via WS Reuters Dealing/WS Bloomberg, Dealing shall be executed as provided for in paragraphs 3.3.10-3.3.14 herein.

## **Trading Member’s Workstation failure procedures**

# Failure of the Workstation of a Trading Member shall mean circumstances arising from the operation of the software and technical tools at the remote workstation of the Trading Member that have made it impossible for the Trading Member to participate in the trading during a definite period of time provided that trading has not been suspended.

# In case of Failure of the Workstation of a Trading Member, or in case the opportunity to submit, change and withdraw orders with the use of a trader’s special individual code as provided for in Paragraph 2.2.3, Section 2 “General Provisions” herein is not available temporarily, the Trading Member shall inform the authorized representative of the Technical Center thereof. The Trading Member can send the authorized representative of the Exchange an application for withdrawal of its active orders via phone, fax, through a different type of the Trading Member's Workstation (hereinafter – means of communication). The Application of the Trading Member for withdrawal of its active orders shall contain the following information:

* name and individual code of the Trading Member's trader;
* registration code of the Trading Member or code assigned to the Trading Member in the Reuters/Bloomberg system;
* numbers of active orders entered by the Trading Member via TC’s SHC using the Trading Member's registration code or code assigned to the Trading Member in the Reuters/Bloomberg system, which should be withdrawn, or an indication that it is necessary to withdraw active orders entered by the Trading Member via TC’s SHC using a trader’s special individual code, or registration code, or the code assigned to the Trading Member in the Reuters/Bloomberg system.

If the request details are correct, and the numbers of active orders match those in the TS entered by the Trading Member, an authorized representative of the Exchange, if technically possible, shall perform withdrawal of active orders in accordance with the request of the Trading Member.

If there is no possibility to fulfill the Trading Member's request, the authorized representative of the Exchange shall notify the Trading Member, which sent such request, accordingly, using one of the means of communication.

If the numbers of active orders in the request do not match the numbers of active orders entered by the Trading Member in the TS and/or the details of the Trading Member's request are incorrect, the request is rejected, and the authorized representative of the Exchange shall advise this to the Trading Member using one of the means of communication.

The Exchange shall not be liable for any losses that the Trading Member may incur in the fulfillment by the Exchange of the Trading Member's request about withdrawing its active orders.

In case of failure of the workstation of a Trading Member due to failure of the Reuters/Bloomberg system, orders entered before occurrence of the failure of the workstation of a Trading Member, shall not be canceled. Fulfillment by the Trading Member of its obligations arising from transactions concluded on the basis of orders submitted using WS Reuters Dealing/WS Bloomberg before the failure of the workstation of a Trading Member, shall be performed in accordance with the Clearing Rules.

If operability of the workstation can be restored by the Trading Member independently, it can once again log into the TC’s SHC.

## **Procedure for suspension, termination and resumption of trading**

# Suspension of trading within the context of the current clause 3.6 shall mean suspension of trading in the course thereof as well as a delay in starting trading.

# The current clause governs the procedure for suspending, ceasing and resuming trading in case circumstances have arisen which upset or can upset a regular trading procedure, including in particular the following: technical glitches of trading tools (including software failures); unauthorized attempt to access the trading tools; malfunctions of communication systems, power supply; act of Gods; impossibility for Clearing Centre and/or other organizations which may have an impact on trading availability to function properly.

# Trading may be suspended:

* due to actual impossibility to open trading;
* according to a resolution made by the Exchange.

Trading may be suspended fully or in part.

# Suspension of trading shall be announced within the following terms:

* if a suspension of trading has occurred as a result of an technical glitch of trading tools, the Exchange shall announce such suspension no later than 15 minutes after the glitch was discovered;
* if trading has been suspended according to a resolution of the Exchange, the latter shall announce it immediately after the resolution on suspension of trading was made.

# After conditions causing trading to be suspended ceased to have effect, trading shall be resumed. If a suspension of trading was caused by a technical glitch of trading tools, the Exchange shall announce resumption time and provide an opportunity for Trading Members to cancel active orders using the trading tools at least 15 minutes before the resumption of trading.

If it is impossible for Trading Members to cancel active orders using the trading tools, they are entitled to file an application on cancellation of active orders to the Exchange by phone or fax. After receiving the application, the Exchange shall remove the active orders (if possible). The Exchange and the Trading Member are entitled to use phone conversations recordings while settling disputes as an evidence of sending the application by the Trading Members. The Trading Member’s application on cancellation of active orders shall contain information similar to those indicated in clause 3.5.2 herein.

# If conditions causing trading to be suspended has not cease to have effect, the Exchange is entitled to halt trading on current trading day.

# Information on suspension, halt and resumption of trading shall be published on the website of the Exchange. Information on a technical glitch shall be sent to Trading Members in any other ways (if available).

# If during the current trading day trading has been resumed less than one hour before the end of the main trading session, the Exchange is entitled to extend the main trading session after the expiration of the main trading session period set forth herein. Information on the extension of the main trading session shall be published on the Exchange’s website.

# PROCESSING REGISTERED ORDERS AND EXECUTED TRADES

* 1. During trading all orders of Trading Members registered in the TS, including orders for swap trades, shall be recorded in the orders register. The orders register shall be created by the Exchange in electronic format and shall contain the following information:
* name of the Trading Member;
* registration code of the Trading Member;
* instrument;
* trading date;
* settlement date (for orders in the USDRUB\_LTV instrument);
* order number;
* Trading Member’s DAHS/ Trading Member trader's DAHS;
* time of order registration;
* direction of the order;
* type of order;
* order value in base currency (total, hidden);
* maximum price of order;
* status of the order (active, withdrawn by Exchange via TC’s SHC, withdrawn by the Trading Member's trader, etc.);
* order withdrawal time;
* unfilled remainder of the order;
* code of end counterparty (for off-book orders), or a special code “visible to all” (for off-book orders of the “visible to all” type);
* settlement code of the Trading Member;
* Client’s short code (for orders submitted by the Trading Member in its name, on behalf of the Client).

## During trading all Clearing Centre’s confirmations registered in the TS, including Clearing Centre’s confirmations for trades that constitute a swap trade, shall be recorded in the Clearing Centre’s confirmations register. The Clearing Centre’s confirmations register shall be created by the Exchange in electronic format and shall contain the following information:

* name of the Trading Member;
* registration code of the Trading Member;
* instrument, (inclusive of swap trades and trades in the DCB instrument);
* trading date;
* settlement date (except for swap trades confirmations and trades in the DCB instrument);
* order number;
* Clearing Centre’s confirmation number;
* time of Clearing Centre’s confirmation registration;
* trade terms confirmed by the Clearing Centre: trade direction, trade rate, trade value in base currency and quote currency;
* Clearing Centre’s Trader's DAHS;
* settlement code of the Trading Member;
* Client’s short code (for orders submitted by the Trading Member in its name, on behalf of the Client).

## During trading all trades registered in accordance with paragraph 3.3.12 herein, including trades that constitute a swap trade shall be recorded in the trades register. The trades register shall be created by the Exchange in electronic format and shall contain the following information:

* name of the Trading Member who concluded the trade in accordance with paragraph 3.3.1 herein;
* registration code of the Trading Member;
* instrument(inclusive of swap trades and trades in the DCB instrument);
* trading date;
* settlement date;
* trade number;
* execution time;
* direction of the Trading Member's order, on the basis of which the trade was made;
* trade rate;
* trade value in base currency;
* trade value in quote currency;
* order number;
* Clearing Centre’s confirmation number
* code of the end counterparty (for off-book trades) including off-book trades of the “visible to all” kind;
* settlement code of the Trading Member;
* Client’s short code (for orders submitted by the Trading Member in its name, on behalf of the Client).

## Based on the results of each main trading session the Exchange shall add to the trades register that contains information specified in clause 4.3 herein information about the fee for organization of trading in Russian rubles, TC’s fee for provision of the integrated technological service on the FX and Precious Metals Market in Russian rubles and Clearing Centre’s fee for provision of clearing services.

## If an additional trading session is held the Exchange shall include into the trades register the information contained in the trades register of each additional trading session compiled in accordance with paragraph 5.2.4. herein.

## After the close of trading in instruments that do not imply settlement on the trade day the Exchange shall prepare for the Clearing Centre an extract from the register of Clearing Centre’s confirmations. The format of such extract shall be defined in the agreement on cooperation governing interaction between the Exchange and the Clearing Centre.

## In accordance with the internal documents of the Exchange governing electronic document interchange between the Clearing Centre and the Exchange, the Exchange shall provide the Clearing Centre with an extract from the register of Clearing Centre’s confirmations signed by an authorized representative of the Exchange.

## Based on the results of each main and each additional trading session, the Exchange shall draw up an extract for the Clearing Centre from the trades register. The format of such extract shall be defined in the agreement governing interaction between the Exchange and the Clearing Centre. In accordance with the above agreement the Clearing Centre shall receive from the Exchange an extract from the trades register in the form of an electronic document produced in accordance with the Rules of electronic document interchange (EDI) and signed by an authorized representative of the Exchange.

## Following the close of trading sessions in instruments with a settlement day other than on the trade day, in accordance with Provisional Regulations the Exchange may draw up an extract from the Clearing Centre’s confirmations register for the Trading Member separately for each registration code assigned to such Trading Member.

## Extract from the Clearing Centre’s confirmation register in the form of an electronic message shall be sent to Trading Members through electronic communication channels. The structure of the electronic message shall be approved by the Exchange.

## Following the results of trading sessions in instruments with a settlement day other than on the trade day, in accordance with the provisional regulations the Exchange may draw up an extract from the orders register for the Trading Member separately for each registration code assigned to such Trading Member.

Extract from the orders register in the form of an electronic message shall be sent to Trading Members upon request through electronic communication channels. The structure of the electronic message shall be approved by the Exchange.

## Pursuant to the Trading Schedule on the date of trades and subject to provisions of paragraphs 4.3. and 4.4. hereof, the Exchange may draw up for the Trading Member an extract from trades register registered in accordance with paragraphs 3.3.12 and 5.2.4. of the present Trading Rules, separately for each registration code assigned to such Trading Member. Pursuant to the Trading Schedule and subject to provisions of paragraphs 4.3. and 4.4. hereof, on the next business day the Exchange may for the Trading Member an extract from the register of trades, registered in accordance with paragraphs 3.3.12, 5.2.2 and 5.2.3. of the present Trading Rules as from the date of drawing up the previous extract from trades register for the main trading session of the previous business day, separately for each registration code assigned to such Trading Member.

## An extract from the trades register in the form of an electronic document generated in accordance with the Rules of the EDI of the Exchange and signed by an authorized representative of the Exchange, shall be sent to Trading Members in accordance with the Rules of the EDI. The structure of the electronic document shall be approved by the Exchange.

## The Exchange may provide the Trading Member with a hard copy of the extract of the trades register signed by an authorized representative of the Exchange. The extract from the trades register on paper shall be provided by the Exchange to the trader or other authorized representative of the Trading Member authorized by a power-of-attorney drawn up as required by internal documents of the Exchange.

## Pursuant to the Trading Schedule on the date of trades and subject to provisions of paragraphs 4.3. and 4.4. hereof, the Exchange may draw up for the Trading Member an extract from trades register for swap trades and dual currency basket trades without indicating trades in instruments included into such trades (further the extracts from trades register (analytical accounting trades)), registered in accordance with paragraphs 3.3.12 and 5.2.4.of the present Trading Rules, separately for each registration code assigned to such Trading Member. Pursuant to the Trading Schedule and subject to provisions of paragraphs 4.3. and 4.4. hereof, on the next business day the Exchange may generate for the Trading Member an extract from trades register (analytical accounting trades), registered in accordance with paragraphs 3.3.12, 5.2.2 and 5.2.3. of the present Trading Rules as from the date of drawing up the previous extract from trades register for the main trading session of the previous business day, separately for each registration code assigned to such Trading Member.

## Based on the results of each main and each additional trading session the extract from the orders register (analytical accounting trades) may be provided to the Trading Member upon request separately for each registration code assigned to such Trading Member.

An extract from the trades register (analytical accounting trades) in the form of an electronic document generated in accordance with the Rules of the EDI System approved by the authorized body of the Exchange and signed by an authorized representative of the Exchange, shall be sent to Trading Members in accordance with internal documents of the Exchange governing electronic document interchange between Trading Members and the Exchange. The structure of the electronic document shall be approved by the authorized body of the Exchange.

## Documents provided to Trading Members following the results of each main and each additional session shall be reporting documents.

# PROCEDURE FOR FULFILLMENT OF OBLIGATIONS ARISING FROM FOREIGN CURRENCY/precious metals TRADES AND SPECIFICS OF FOREIGN CURRENCY/precious metals TRADES CONDUCTED DURING ADDITIONAL SESSIONS.

## **General Principles for determining obligations**

## The procedure for fulfillment of obligations arising from foreign currency/precious metals buy trades and sell trades concluded during the on-exchange trading by Trading Members, the Clearing Centre and the Bank of Russia shall be governed by the Clearing Rules. The timeframe for fulfillment of these obligations shall be determined by the Clearing Rules.

## On the basis of extracts from the trades register provided by the Exchange, the Clearing Centre shall determine during clearing Total Net Claims and/or Total Net Obligations of Trading Members in each currency and/or precious metal in accordance with the Clearing Rules.

## Based on the results of clearing of all executed trades Trading Members shall perform their Total net obligations in a foreign currency and/or precious metals including the obligations to pay the Clearing Centre’s and Exchange’s fees as provided for in the Clearing Rules.

## **Additional sessions**

## In case of a default by one or more Trading Members on their Total Net Obligations in foreign currency and/or precious metals, or when running additional sessions is necessary to enable the Clearing Centre to perform the functions of a clearing organization and/or the central counterparty, or in other cases stipulated in the Clearing Rules, the Clearing Centre shall notify the Exchange of the need to hold an additional session of the first or second type in accordance with the Clearing Rules.

## During the additional sessions of the first type, in cases stipulated for in the Clearing Rules, the Clearing Centre shall have the right to conclude foreign currency/precious metals buy trades and sell trades, inclusive of the swap trades, with the Defaulting Trading Members.

## A trade between the Clearing Centre and a Defaulting Trading Member in the Trading System during the additional session of the first type shall be executed without submitting a relevant order. Such trade shall be deemed executed when a Clearing Centre’s notice containing a requirement to hold the additional session of the first type is received by the Exchange and a relevant record in the trade register is made.  A trade during the additional session of the first type is executed on conditions indicated in the notice containing a requirement to hold the additional session of the first type send by the Clearing Centre to the Exchange (instrument code, trade direction, number of lots and trade price).

## In accordance with the Clearing Rules the Clearing Centre shall have the right to conclude swap trades with the Trading Members and/or Authorized Trading Member during additional sessions of the second type. For the purpose of holding an additional session of the second type, the Exchange shall establish the size of the swap trades lot in consultation with the Clearing Centre and the Bank of Russia.

A swap trade between the Clearing Centre and a Trading Member and/or between the Clearing Centre and the Authorized Trading Member in the Trading System during the additional session of the second type shall be executed without submitting a relevant order. Such swap trade shall be deemed executed when the Clearing Centre’s notice containing a requirement to hold the additional session of the second type is received by the Exchange and a relevant record in the trade register is made.  A trade during the additional session of the second type is executed on conditions indicated in the notice containing a requirement to hold the additional session of the second type send by the Clearing Centre to the Exchange (instrument code, swap trade direction, number of lots and swap trade price).

## The register of the additional session orders shall be created by the Exchange in electronic format and shall contain the following information:

* name of the Trading Member/Authorized Trading Member who concluded the trade during the additional session;
* registration code of the Trading Member/ Authorized Trading Member ;
* additional session date;
* instrument;
* settlement date (except for swap trades);
* purchase or sale by the Trading Member/Authorized Trading Member indicating the Clearing Centre as the counterparty;
* purchase or sale by the Clearing Centre indicating the Trading Member/Authorized Trading Member as the counterparty;
* trade rate;
* trade size in the base currency;
* trade size in the quote currency;
* settlement code of the Trading Member/ Authorized Trading Member

Information on the registered trade shall become available to the Clearing Centre via TC’s SHC.

## Provisions of paragraph 5.2 herein shall be applied to trades executed with the Bank of Russia, unless agreement on cooperation concluded between the Bank of Russia, Exchange and the Clearing Centre provides otherwise.

# Procedure for conflict situations SETTLEMENT

## Transactions of purchase and sale of foreign currency/precious metals during the on-exchange trading may cause conflicts relating to the registration of orders by the Exchange, changes of information in the orders after their placement in the TS by Trading Members, and after registration of the Orders in the TS when the Order is submitted via WS DMWS, namely:

* contestation by the Trading Member of the fact of registration of an order by the Exchange;
* statement by the Trading Member about changing information in entered orders during their registration by the Exchange in the TS;
* statement by the Trading Member about failure to fulfill an order when conditions for such fulfillment were present;
* statement by the Trading Member about withdrawal of orders previously entered and registered in the TS, which are fully or partially unfulfilled;
* other cases of conflicts concerning the conclusion of transactions of purchase and sale of foreign currency/precious metals during the on-exchange trading, except for conflict situations arising in connection with the use of the Trader's DAHS/ Trading Member’s DAHS that to be settles pursuant to paragraph 6.10 hereof.

## In the event of a conflict situation, the Trading Member shall immediately but not later than within three working days or shorter time period after the occurrence of such conflict situation, notify the Exchange about such situation.

## The notice about the conflict shall include information on the substance of the conflict situation and circumstances which, according to the notifying the Trading Member, indicate the existence of a conflict situation. The notice shall contain the name, phone numbers, fax, e-mail of the person or persons authorized to negotiate a settlement of the conflict. The notice about the conflict shall be drawn up in writing and sent by courier or other means providing proof of delivery of correspondence to the addressee.

## The Exchange shall promptly, but no later than next business day, investigate the alleged evidence of a conflict situation, and send the Trading Member information about investigation results and actions taken to resolve the conflict.

## A conflict shall be considered resolved on operating level if the Trading Member is satisfied with information received from the Exchange. Otherwise, a technical commission shall be set up to investigate the conflict situation.

## The technical commission shall be set up not later than the next working day after the decision on setting up the technical commission, or not later than the sixth working day after receiving notice of a conflict situation, if the conflict situation was not resolved in on operation level.

## If the Trading Member and the Exchange, which are parties to a conflict, do not agree otherwise, the technical commission shall consist of an equal number, but at least one authorized representative of each of the conflicting parties. Authorization to represent the corresponding party in the technical commission shall be confirmed by power of attorney granted to each representative for the duration of the technical commission.

## In considering the conflict situation, the technical commission shall establish on the technological level the presence or absence of actual circumstances proving the fact and time of formation and placement of the order by the Trading Member in the Trading System, its registration in TS and absence of changes in the order terms after it is registration in the Trading System.

## All actions taken by the technical commission to ascertain actual circumstances, and conclusions of the commission shall be recorded in the Minutes of the Technical Commission. Minutes of the Technical Commission shall contain the following information:

* membership of the commission indicating qualifications of each member;
* summary of the circumstances of the conflict situation;
* activities carried out by the Commission to establish the causes and consequences of the conflict, indicating their date, time and place;
* conclusions reached by the commission as a result of undertaken activities;
* signatures of commission members.

## The Minutes shall be drawn up in duplicate in hard copy, one copy for the Trading Member and one for the Exchange.

## A conflict situation which may arise due to using of the Trader's DAHS/ Trading Member’s DAHS and which cannot be resolved in a regular way shall be resolved by conducting a technical examination by a technical committee in accordance with the following rules:

## The following items are required for the technical examination:

* information on a conflict situation from an informer (the Trading Member or Clearing Centre ) including order parameters/Clearing Centre’s confirmation towards which the technical examination is conducted;
* date and time of order generation/Clearing Centre’s confirmation;
* number of the order/Clearing Centre’s confirmation registered in the Trading System;
* parameters of the order/Clearing Centre’s confirmation required to consider the notice on the conflict situation;
* an archive of transaction registered by the Trading System as of the indicated day (file TransLog and initial data files of the Trading System as of the indicated trading day);
* a file with the Clearing Centre’s confirmation as of the indicated trading day;
* a workstation at which information from the TransLog file and the file with the Clearing Centre’s confirmation can be reviewed and printed out in a convenient for the technical committee members form;
* reporting documents proving sending the notice on assigning the Registration code to an authorized representative of the informer on the conflict situation (the Trading Member);
* minutes of negotiations between the Trading Member and the Exchange via the Reuters/Bloomberg systems, if the order was submitted via WS Reuters Dealing/ WS Bloomberg Dealing.
  + 1. The technical examination shall include the following:
* printing out of the e-mail containing parameters of a relevant order or the Clearing Centre’s confirmation towards which the technical examination is to held, in a hard copy form;
* repeat (simulation) of a technological trading process as of the date indicated by executing the TransLog file at the workstation with an access to the current version of the Trading System software on order to obtain outcomes proving the integrity of the TransLog file and correspondence of the executing results with trading results as of the date indicated;
* check of conformity between the results of the repeat (simulation) of trading as of the date indicated and information in the trading minutes extract from which (the operational list) is provided upon the request of the Trading Member;
* entering the repeat results into the minutes of the technical committee;
* check of conformity between parameters of the order registered in the Trading System to parameters of the order in the minutes of negotiations between the Trading Member and the Exchange via the Reuters/Bloomberg systems, if the order was submitted via WS Reuters Dealing/ WS Bloomberg Dealing;
* check of availability of information on registration of the Clearing Centre’s confirmation as for the order towards which the technical examination is conducted in the printed Clearing Centre’s confirmation as of the date indicated;
* entering the check results in the minutes of the technical committee;
* check of conformity between the Trader’s DAHS/ Trading Member’s DAHS in the hard copy of the e-mail containing parameters of the order and the trader’s individual code/technological identifier assigned by the Exchange to the Trading Member’s Trader/Trading Member according to the procedure set forth by the Exchange’s internal documents;
* entering the check results in the minutes of the technical committee.

## In the events when

* the order towards which a technical examination is conducted has been found in a TransLog file;
* Clearing Centre's confirmation as of the date specified contains information on registration of the order towards which a technical examination is conducted;
* the results of repeat (simulation) of the main session process as of the date indicated by executing the TransLog file demonstrate the conformity with information in the trading minutes extract from which (the operational list) is provided upon the request of the Trading Member;
* the order was placed via WS Reuters/WS Bloomberg, parameters of the order registered in the Trading System confirm to parameters of the order in the minutes of negotiations between the Trading Member and the Exchange via the Reuters/Bloomberg systems, if the order was submitted via WS Reuters Dealing/ WS Bloomberg Dealing parameters of the order registered in the Trading System to parameters of the order in the minutes of negotiations between the Trading Member and the Exchange via the Reuters/Bloomberg systems;
* there is conformance between the Trading Members’ DAHS in the hard copy of the e-mail containing parameters of the order and the trader’s individual code/technological identifier assigned by the Exchange to the Trading Member’s Trader/ Trading Member;

it shall be recognized that:

* the order/Exchange’s confirmation towards which the conflict situation occurred was generated in accordance with the Trading Rules by the Trading Member/Clearing Centre;
* after placing the order Trading Member made no changes in the order’s parameters, and following the Clearing Centre’s confirmation in the TS the transaction was registered in accordance with parameters, indicated in the order;
* Clearing Centre generated confirmation in the TS towards the order registered in the TS in accordance with the Trading Rules.

## Based on technical examination findings the technical committee shall produce the minutes in accordance with paragraph 6.9. of the Trading Rules.

## A conflict situation that may arise in connection with the use of the DAHS applicable at the Derivatives Market of the Moscow Exchange in submitting the Orders to buy/sell the foreign currency via WS DMWS shall be settled subject to procedures prescribed for settlement of the disputes concerning the use of the AHS applicable at the Derivatives Market of the Moscow Exchange and subject to jurisdiction prescribed for such disputes.

## If activities of the technical commission do not result in resolution of the conflict situation, such conflict situation will be settled in the manner provided in Section 7 hereof.

# DISPUTES SETTLEMENT

## 7.1. All disputes and disagreements in civil relations arising in connection with the Trading Rules, including but not limited to disputes concerning the obligations arising from the Trading Rules, as well as disputes concerning the conclusion, amendment and termination of transactions concluded in accordance with the Trading Rules, recognition of transactions as void or unconcluded, fulfillment of obligations arising from the transactions concluded in accordance with the Trading Rules or in connection therewith shall be considered and resolved by the Arbitration Commission at Moscow Exchange in accordance with documents defining its legal status and procedures for dispute resolution effective at the time of filing the claim.

## 7.2. The Awards of the Arbitration Commission at Moscow Exchange shall be final and binding. If an award of the Arbitration Commission at Moscow Exchange is not executed voluntarily, it shall be enforced in accordance with legislation of the Russian Federation or legislation of the country of enforcement and international treaties.