Approved

by the resolution of the Supervisory Board

of the Moscow Exchange

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**ADMISSION RULES TO PARTICIPATION IN ORGANISED TRADING OF**

**THE MOSCOW EXCHANGE.**

**Part V. Equity & Bond Market section and repo market section**

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1. **General provisions**

## Equity & Bond Market Admission Rules Purpose

1. These Admission Rules to Participation in Organised Trading of the Moscow Exchange. Part V. Equity & Bond Market Section and REPO Market Section (hereinafter, the Equity & Bond Market Admission Rules) are an integral part of the Admission Rules of the Moscow Exchange and, jointly with Admission Rules to Participation in Organised Trading of the Moscow Exchange. Part I. General Section (hereinafter, the “Admission Rules General Section”), set out requirements to Candidates and Trading Members on the Equity & Bond Market and REPO Market Sections (hereinafter, the “Trading Members”), admission procedure, procedure for suspension and termination of Trading Members’ admission to trading.

## Terms and Definitions

1. For the purposes of the Equity & Bond Market Admission Rules, the terms defined in the General Section of the Admission Rules as well as the following terms and definitions shall apply:

|  |  |
| --- | --- |
| ***Public Creditor*** | means the executive authority responsible for the management of cash balances on the unified federal budget account or the unified regional budget account. |
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1. **ADDITIONAL REQUIREMENTS TO TRADING MEMBERS ON THE EQUITY & bOND MARKET**

## Categories of the Trading Members on the Equity & Bond Market and the Additional Requirements Set for Admission thereof to Trading

1. Legal entities — professional participants of the Equity & Bond Market that have the license to act as a broker and/or a dealer and/or to manage securities, satisfy the requirements of the laws of the Russian Federation and the requirements set out in these Admission Rules and the Trading Rules , and also the Bank of Russia and the Central Counterparty may be admitted to trading on the Equity & Bond Market.
2. To obtain the admission to trading on the Equity & Bond Market, a Candidate (except for the Bank of Russia and the Central Counterparty) must have a valid professional Equity & Bond Market participant license to act as a broker and/or dealer and/or securities manager.

If there is no license of the professional Equity & Bond Market participant to act as a dealer, then the Trading Member is not entitled to perform transactions on its behalf and at its own expense.

If there is no license of the professional Equity & Bond Market participant to act as a broker, the Trading Member is not entitled to perform transactions on its behalf and at the expense of a Client, as well as on behalf and at the expense of a Client.

If there is no license of the professional Equity & Bond Market participant to manage securities, the Trading Member is not entitled to perform transactions on its behalf with the securities transferred to such Trading Member for trust management.

1. To be admitted to trading, Candidates being lending institutions shall have a valid banking licenses issued by the Bank of Russia, and licences specified in Clause 1 of this article of the Equity & Bond Market Admission Rules.
2. There are the following categories for Trading Members at the Exchange:

* Category “A” (Russian: Категория «А»): trading members that are general agents for placements, redemptions and exchanges of federal loan bonds according to the legislation of the Russian Federation;
* Category “B” (Russian: Категория «Б»): trading members that are not included into the Category “A”, “V” and Category “E”;
* Category “V” (Russian: Категория «В»): Trading Members performing as the Central Counterparties.
* Category “E” (Russian: Категория «Е»): Trading Members acting upon instruction of the Public Creditor.

Trading Members shall be added to or excluded from Category “E”, should the Exchange decide so based on information received from the Public Creditor confirming the relevant instruction. Being excluded from Category “E”, the Trading Member shall be added to Category “B” Trading Members group.

1. The Exchange may establish any special requirements, terms and conditions, as well as procedure for the granting of admission to trading on the Equity & Bond Market for Category "A" and "V" Trading Members, and other persons, in circumstances referred to in the laws of the Russian Federation.
2. The requirements to the procedure and frequency of updating documents and information referred to in the Admission Rules General Part, shall not apply to Category "A" and "V" Trading Members.

## Additional Conditions for Granting Admission to Trading on the Equity & Bond Market

1. The Exchange shall admit a Candidate to trading on the Equity & Bond Market after such Candidate meets requirements established in Article 02.01. hereof and the Admission Rules General Section. A Candidate may be admitted to trading on the Equity & Bond Market provided that it meets requirements and conditions set forth in the Admission Rules General Section, this Part of the Admission Rules, and certain requirements set forth in the Trading Rules and Clearing Rules regarding relevant Market Section mode and/or the Repo Market Section.
2. If a Candidate meets conditions for being admitted to trading on the Equity & Bond Market that are set forth in this Article of the Equity & Bond Market Admission Rules, the Exchange admits it to the Equity & Bond Market Section and Repo Market Section (to all or any trading modes).
3. To be admitted to certain trading modes of the Repo Market Section, a Trading Member shall meet additional conditions of admission to trading on the Equity & Bond Market set forth in Article 02.03 of this Part of the Admission Rules.

## Additional Admission Conditions Applicable to Certain Trading Modes

* + - 1. A Trading Member is to be admitted to the Repo Market Section to trade with the Bank of Russia no later than on the next business day after the Exchange receives a confirmation of the member’s compliance with admission conditions and requirements set by the Bank of Russia for such trades, from the Bank (except for Category “A” Trading Members).
      2. A Trading Member is to be admitted to the Repo Market Section to execute trades upon the instruction of the Public Creditor no later than on the next business day after the Exchange receives a confirmation of the Trading Member’s compliance with admission conditions and requirements set in the Trading Rules for such trades (except for Category “E” Trading Members).

1. **Suspension and Termination of admission to trading**

## Grounds for Admission Suspension

* + - 1. The Exchange suspends admission to trading on the Equity & Bond Market for a Trading Member if at least one of the grounds for suspension of admission to trading set forth in the Admission Rules General Section, or the following grounds exist:

1. Suspension of all Equity & Bond Market professional market participant licenses held by the Trading Member (permitting broker and/or dealer and/or securities manager activities), in this event, admission to trading will be suspended across all kinds of professional activity;
2. revocation (if the Regulator’s decision to revoke the license sets forth the license revocation deadline) of all Equity & Bond Market professional market participant licenses held by the Trading Member (permitting broker and/or dealer and/or securities manager activities), in this event, admission to trading will be suspended across all kinds of professional activity;;
3. suspension of one of the Equity & Bond Market professional market participant licenses held by the Trading Member (permitting broker or dealer or securities manager activities), in this event, admission to trading will be suspended in respect of the kind of professional activity matching the suspended or revoked license;
4. revocation (if the Regulator’s decision to revoke the license sets forth the license revocation deadline) of one of the Equity & Bond Market professional market participant licenses held by the Trading Member (permitting broker or dealer or securities manager activities), in this event, admission to trading will be suspended in respect of the kind of professional activity matching the suspended or revoked license;
5. failure by the Trading Member to pay the Service Fee for two (2) calendar months following the quarter to which payment relates, other than in the circumstances referred to in this Part of the Admission Rules.
   * + 1. The Exchange suspends admission to trading on the Equity & Bond Market for a Trading Member in respect of specific trading modes in the Equity & Bond Market Section and/or the REPO Market Section, if the following grounds exist:
6. the Exchange has received information from the Clearing House which proves the need (as concluded by the Exchange) to suspend the Trading Member’s admission to trading in certain modes in the Equity & Bond Market Section and/or Repo Market Section;
7. receipt by the Exchange from the Bank of Russia of the notice to suspend concluding transactions with the Bank of Russia in certain modes of the Repo Market Section regarding the Trading Member.
8. It has received information from the Public Creditor and (or) a Category “E” Trading Member that evidences necessity to suspend the admission to trading for such Trading Member in respective trading modes of the Repo Market Section.
   * + 1. The Exchange is entitled to suspend the admission of the Trading Member to trading in certain trading modes of the Equity & Bond Market Sectionand/or Repo Market Section if any circumstances implying the need to suspend such admission to trading in accordance with the Admission Rules, Trading Rules, Clearing Rules, and also the legislation of the Russian Federation occur.
       2. The Exchange is entitled to suspend the admission of the Trading Member to trading in certain instruments of the Equity & Bond Market Sectionand/or Repo Market Section if any circumstances implying the need to suspend such admission to trading in accordance with the Admission Rules, Trading Rules, Clearing Rules, and also the legislation of the Russian Federation occur.

## Additional Grounds for and Peculiarities of Admission Termination on the Equity & Bond Market

* + - 1. In addition to those listed in the Admission Rules General Section, the Exchange may terminate admission to trading on the Equity & Bond Market for Trading Member for one of the following reasons::

1. revocation of all the Trading Member’s licenses of the professional participant of the Equity & Bond Market (to act as a broker and/or a dealer and/or to manage securities) — in this case admission to trading shall be terminated with regard to its all activities;
2. revocation of one of the Trading Member’s licenses of the professional participant of the Equity & Bond Market (to act as a broker or a dealer or to manage securities) — in this case admission to trading shall be terminated with regard to the activity specified in the respective cancelled license;
3. suspension of the Trading Member’s admission to trading with respect to all kinds of its performance as per the procedure set out in Sub-Clause b), Clause 4 Article 04.01 of this Part of the Admission Rules, due to revocation of all Trading Member’s professional Equity & Bond Market participant licenses (to act as a broker and/or dealer and/or securities manager). In this case admission is terminated with respect to all kinds of performance;
4. suspension of the Trading Member’s admission to trading with respect to a specific kind of its performance as per the procedure set out in   
   Sub-Clause b), Clause 4 Article 03.01 of this Part of the Admission Rules due to revocation of the Trading Member’s professional Equity & Bond Market participant license (to act as a broker or dealer or securities manager). In this case admission is terminated with respect to that kind of performance;
   * + 1. The Exchange terminates the Trading Member’s admission to trading on the Equity & Bond Market in certain trading modes of the Equity & Bond Market Section and/or Repo Market Section if one of the following takes place:
5. It has received information from the Clearing Organisation in accordance with the Clearing Rules that indicates the necessity (according to a resolution of the Exchange) to terminate the admission to trading in certain trading modes of the Equity & Bond Market Section and/or the Repo Market Section for the Trading Member;
6. receipt by the Exchange from the Bank of Russia of the notice to terminate concluding transactions with the Bank of Russia in certain modes of the Repo Market Section regarding the Trading Member.
7. It has received information from the Public Creditor and (or) a Category “E” Trading Member that evidences necessity to terminate the admission to trading for such Trading Member in respective trading modes of the Repo Market Section.
   * + 1. The Exchange is entitled to terminate the admission of the Trading Member to trading in certain modes of the Equity & Bond Market Section and/or the Repo Market Section if any circumstances implying the need to terminate such admission to trading in accordance with the Admission Rules, Trading Rules and Clearing Rules, and also the legislation of the Russian Federation occur.
       2. The Exchange is entitled to terminate the admission of the Trading Member to trading in certain instruments of the Equity & Bond Market Section and/or the Repo Market Section if any circumstances implying the need to terminate such admission to trading in accordance with the Admission Rules, Trading Rules and Clearing Rules, and also the legislation of the Russian Federation occur.
8. **PECULIARITIES of Service Fee payment**

## Admission Fee

* + - 1. The Equity & Bond Market Admission fee is to be paid once by Category “B” and Category “E” Trading Members.

## Service Fee

1. The Category “B” and Category “E” Trading Members shall pay the Service fee.
2. The Trading Member shall acquire the obligation to pay the Service fee in   
   four (4) calendar quarters from the date of its admission to trading on the Equity & Bond Market taking into account the calendar quarter in which such Trading Member was admitted to trading on the Equity & Bond Market unless otherwise provided by the decision of the Exchange.
3. The Service fee shall be paid by the Trading Member without regard to the announcement (placement in the Trading System) of the orders intended to execute subsequent transactions and/or to execute and/or settle subsequent transactions, unless otherwise provided for in this Part of the Admission Rules.
4. The Service fee shall be paid by the Trading Member for the regular calendar quarter once and fully, whatever is the number of the IDs assigned to the Trading Member.
5. The Service fee shall be collected from the Trading Member at the end of each reporting quarter as follows:

* the Service fee is charged according to the procedure given in the Clearing Rules;
* the Service fee is charged if the Trading Member used the services during the full reporting quarter. In the event of the admission to trading on the Equity & Bond Market termination prior to the end of the reporting quarter the Service fee is not charged.