

Approved
by the resolution of the Supervisory Board
of the Moscow Exchange
on June 21, 2019 (Minutes No 4)

**ADMISSION RULES TO PARTICIPATION IN ORGANISED TRADING
OF THE MOSCOW EXCHANGE**

PART IV. STANDARTISED OTC DERIVATIVES MARKET

**Admission Rules to Participation in Organised Trading of the Moscow Exchange
Part IV. Standardised OTC Derivatives Market**

TABLE OF CONTENTS

SECTION 01.	TERMS AND DEFINITIONS (GLOSSARY).....	3
Article 01.01.	Purpose of the Standardised OTC Derivatives Market Admission Rules	3
Article 01.02.	Terms and Definitions.....	3
SECTION 02.	REQUIREMENTS TO TRADING MEMBERS ON THE STANDARDISED OTC DERIVATIVES MARKET	3
Article 02.01.	Categories of Trading Members on the Standardised OTC Derivatives Market and Additional Requirements Set for Admission Thereof to Trading.....	3
SECTION 03.	RESTRICTION, DETAILS OF SUSPENSION AND TERMINATION OF ADMISSION TO TRADING ON THE STANDARDISED OTC DERIVATIVES MARKET	4
Article 03.01.	Restriction of a Trading Member’s Admission to Trading on the Standardised OTC Derivatives Market.....	4
Article 03.02.	Additional Grounds for and Peculiarities of Suspension of Admission to Trading on the Standardised OTC Derivatives Market.....	5
Article 03.03.	Additional Grounds for and Peculiarities of Termination of Admission to Trading on the Standardised OTC Derivatives Market.....	6
Article 03.04.	Resumption of a Trading Member’s Admission to Trading on the Standardised OTC Derivatives Market.....	6

**Admission Rules to Participation in Organised Trading of the Moscow Exchange
Part IV. Standardised OTC Derivatives Market**

SECTION 01. TERMS AND DEFINITIONS (GLOSSARY)

Article 01.01. Purpose of the Standardised OTC Derivatives Market Admission Rules

1. Part IV *Standardised OTC Derivatives Market* of the Admission Rules to Participation in Organised Trading of the Moscow Exchange (hereinafter, the Standardised OTC Derivatives Market Admission Rules) constitutes an integral part of the Admission Rules of the Moscow Exchange and, together with Part I *General Section* of the Admission Rules to Participation in Organised Trading of the Moscow Exchange (hereinafter, the General Section of the Admission Rules), sets out requirements to Candidates and Trading Members on the Standardised OTC Derivatives Market (hereinafter, Trading Members), a procedure for Trading Members' registration in the Trading System, admission procedure and procedure for admission to trading restriction, suspension and termination.

Article 01.02. Terms and Definitions

1. As regards the terms, the definitions used in the General Section of the Admission Rules shall also apply for the purpose of the Standardised OTC Derivatives Market Admission Rules.

SECTION 02. REQUIREMENTS TO TRADING MEMBERS ON THE STANDARDISED OTC DERIVATIVES MARKET

Article 02.01. Categories of Trading Members on the Standardised OTC Derivatives Market and Additional Requirements Set for Admission Thereof to Trading

1. Admission to trading on the Standardised OTC Derivatives Market may be provided to:
 - legal entities meeting the requirements of the Russian laws to entities admissible to the organised trading for trades in derivatives with foreign currency and/or interest rates as underlying assets;
 - Central Counterparty.
2. The Exchange shall determine the following categories of Trading Members on the Standardised OTC Derivatives Market:
 - Category A (Категория «А» in Russian) — Trading Members functioning as a central counterparty;
 - Category B (Категория «Б» in Russian) — Trading Members being credit organisations acting on their own behalf and at their own expense and/or at the expense of the Clients, and/or on behalf of the Clients and at the expense of the Clients;
 - Category V (Категория «В» in Russian) — Trading Members being credit organisations acting on their own behalf and at their own expense;
 - Category G (Категория «Г» in Russian) — Trading Members being non-credit organisations acting on their own behalf and at their own expense and/or at the expense of the Clients, and/or on behalf of the Clients and at the expense of the Clients.
3. Depending on the category a Candidate/Trading Member shall have a valid licence:

Admission Rules to Participation in Organised Trading of the Moscow Exchange
Part IV. Standardised OTC Derivatives Market

- for banking operations — for Category V;
- for banking operations and a licence for broker activity and/or securities management activity issued by the Bank of Russia — for Category B;
- for broker activity and/or dealer activity and/or securities management activity issued by the Bank of Russia — for Category G.

**SECTION 03. RESTRICTION, DETAILS OF SUSPENSION AND TERMINATION OF
ADMISSION TO TRADING ON THE STANDARDISED OTC DERIVATIVES
MARKET**

**Article 03.01. Restriction of a Trading Member's Admission to Trading on the
Standardised OTC Derivatives Market**

1. The admission restriction mode shall be understood as a temporary mode in which a Trading Member on the Standardised OTC Derivatives Market may conduct operations in the Trading System, including submission, amendment and revocation of orders, only to increase the Collateral Sufficiency Level according to the Clearing Rules.

If the admission restriction mode is applied to a Trading Member on the Standardised OTC Derivatives Market, it will not be allowed to conduct operations in the Trading System, including submission, amendment and revocation of orders that can result in decreasing the Collateral Sufficiency Level according to the Clearing Rules.

2. The Exchange shall be allowed to apply the mode of restricting admission to participation in trading to a Trading Member if it has the information that provides evidence, in the Exchange's opinion, of a probability that the Trading Member has breached the Admission Rules, Trading Rules, Clearing Rules or the laws of the Russian Federation. The mode of restricting admission to participation in trading is applied on the date when the Exchange decides on its introduction.
3. The Exchange shall apply the admission restriction mode to a Trading Member if the Bank of Russia has adopted a resolution on cancelling a professional securities market participant licence owned by such Trading Member, with the date for termination of obligations related to the respective professional activities pointed out in such resolution. In this case, the admission restriction mode shall be applied not later than on the business day following the day the Exchange receives information about the Bank of Russia's resolution on the licence cancellation.
4. The following procedure shall be used where the Exchange imposes restrictions on a Trading Member's admission to trading on the Standardised OTC Derivatives Market in accordance with Clause 3 of the present article:
 - 4.1. for Category G Trading Members:
 - 4.1.1. in the event that all professional securities market participant licences (for broker activity and/or dealer activity and/or securities management activity) have been cancelled. In this case, admission to trading shall be restricted in Category G across all kinds of professional activities of the Trading Member;
 - 4.1.2. in the event that one of the professional securities market participant licences (for broker activity or dealer activity or securities management activity) has been cancelled. In this case, admission to trading shall be

Admission Rules to Participation in Organised Trading of the Moscow Exchange
Part IV. Standardised OTC Derivatives Market

restricted in Category G regarding the kind of professional activities corresponding to the revoked licence of the Trading Member;

4.2. for Category B Trading Members:

- 4.2.1. in the event that all professional securities market participant licences (for broker activity and/or securities management activity) have been cancelled. In this case, admission to trading shall be restricted in Category B;
- 4.2.2. in the event that one of the professional securities market participant licences (for broker activity or securities management activity) has been cancelled. In this case, admission to trading shall be restricted in Category B regarding the kind of professional activities corresponding to the cancelled licence of the Trading Member.

- 5. Admission to trading may be restricted as relating to one, several or all of position accounting registers of a Trading Member on the Standardised OTC Derivatives Market.
- 6. The admission restriction mode may be cancelled by the Exchange's resolution after the reasons for introducing this mode have been eliminated.

Article 03.02. Additional Grounds for and Peculiarities of Suspension of Admission to Trading on the Standardised OTC Derivatives Market

- 1. Apart from the events described in the General Section of the Admission Rules, the Exchange shall suspend a Trading Member's admission to trading on the Standardised OTC Derivatives Market for any of the following grounds:
 - 1.1. incompliance with the requirements of the laws of the Russian Federation for participation in the organised trading during which contracts being derivative financial instruments are concluded with the underlying asset being foreign currency and/or interest rates;
 - 1.2. suspension of all professional securities market participant licences of a Category G Trading Member (for broker activity and/or dealer activity and/or securities management activity). In this case, admission to trading shall be suspended in Category G across all kinds of the Trading Member's professional activities;

suspension of one of the professional securities market participant licences of a Category G Trading Member (for broker activity and/or dealer activity and/or securities management activity). In this case, admission to trading shall be suspended in Category G regarding the kind of professional activities corresponding to the suspended licence of the Trading Member;
 - 1.3. suspension of all professional securities market participant licences of a Category B Trading Member (for broker activity or securities management activity). In this case, admission to trading shall be suspended in Category B;

suspension of one of the professional securities market participant licences of a Category B Trading Member (for broker activity or securities management activity). In this case, admission to trading shall be suspended in Category B regarding the kind of professional activities corresponding to the suspended licence of the Trading Member.
- 2. A Trading Member's admission to trading may be suspended for one or more instruments as relating to one, several or all of position accounting registers of a Trading Member on the Standardised OTC Derivatives Market.

Admission Rules to Participation in Organised Trading of the Moscow Exchange
Part IV. Standardised OTC Derivatives Market

Article 03.03. Additional Grounds for and Peculiarities of Termination of Admission to Trading on the Standardised OTC Derivatives Market

1. Apart from the events described in the General Section of the Admission Rules, the Exchange shall terminate a Trading Member's admission to trading on the Standardised OTC Derivatives Market for any of the following grounds:
 - 1.1. non-compliance with the requirements of the laws of the Russian Federation for participation in the organised trading during which contracts being derivative financial instruments are concluded with the underlying asset being foreign currency and/or interest rates;
 - 1.2. cancelation (revocation) of all professional securities market participant licences of a Category G Trading Member (for broker activity and/or dealer activity and/or securities management activity). In this case, admission to trading shall be terminated in Category G across all kinds of the Trading Member's professional activities;
cancelation (revocation) of one of the professional securities market participant licences of a Category G Trading Member (for broker activity or dealer activity or securities management). In this case, admission to trading shall be terminated in Category G regarding the kind of professional activities corresponding to the cancelled (revoked) licence of the Trading Member;
 - 1.3. cancelation (revocation) of all professional securities market participant licences of a Category B Trading Member (for broker activity and/or securities management activity). In this case, admission to trading shall be terminated in Category B;
cancelation (revocation) of one of the professional securities market participant licences of a Category B Trading Member (for broker activity or securities management activity). In this case, admission to trading shall be terminated in Category B regarding the kind of professional activities corresponding to the cancelled (revoked) licence of the Trading Member.
2. A Trading Member's admission to trading may be terminated for one or more instruments as relating to one, several or all of position accounting registers of a Trading Member on the Standardised OTC Derivatives Market.

Article 03.04. Resumption of a Trading Member's Admission to Trading on the Standardised OTC Derivatives Market

1. Admission to trading may be resumed either to the fullest extent, or for one or more instruments as relating to one, several or all of position accounting registers of a Trading Member on the Standardised OTC Derivatives Market.