

**APPROVED**

by the resolution of the Supervisory Board  
of the Moscow Exchange  
on July 09, 2019 (Minutes No. 6)

**PROVISIONS  
ON THE DEBT MARKET BENCHMARKS COMMITTEE OF  
PUBLIC JOINT-STOCK COMPANY  
“MOSCOW EXCHANGE MICEX-RTS”**

## **1. GENERAL PROVISIONS**

- 1.1. These Provisions on the Debt Market Benchmarks Committee of the Public Joint-Stock Company “Moscow Exchange MICEX-RTS” (hereinafter, “the Provisions”) are developed in accordance with the laws and other regulations of the Russian Federation, the Charter and other internal documents of Public Joint-Stock Company “Moscow Exchange MICEX-RTS” (hereinafter, “the Exchange”), and establish the tasks, functions, formation and working procedures of the Debt Market Benchmarks Committee.
- 1.2. The Debt Market Benchmarks Committee (hereinafter, the “Committee”) shall act in compliance with these Provisions, the Charter of the Exchange, resolutions of the Supervisory Board and executive bodies of the Exchange, internal documents of the Exchange and Russian Federation laws and other regulations.
- 1.3. The Committee shall be the permanent consultative body of the Exchange.
- 1.4. The Committee shall not act on behalf of the Exchange, its executive bodies or the Supervisory Board of the Exchange.
- 1.5. These Provisions and amendments hereto shall be approved by the Supervisory Board of the Exchange and take effect from the date of approval thereof unless the other date is determined by the Supervisory Board of the Exchange.

## **2. TASKS AND FUNCTIONS OF THE COMMITTEE**

- 2.1. The primary task of the Committee shall be to develop proposals on improvement of methodology to calculate bond indices, composite indices and other benchmarks (Indices), as well as to conduct debt market instruments’ expertise.
- 2.2. The Committee shall exercise the following functions:
  - 2.2.1. delivery of expert opinions, proposals and recommendations to executive bodies and the Supervisory Board of the Exchange on the matters concerning Exchange-calculated indices management and other indicators management, modification of methodology for Indices calculation, assurance of their maximum representation and compliance with the existing market environment;
  - 2.2.2. consideration and agreement on methodologies for calculating Exchange’s Indices that fall within competence of the Committee, as well as amendments thereof;
  - 2.2.3. development of expert opinions, proposals and recommendations on the matters regarding securities liquidity and index constituents revision; and
  - 2.2.4. consideration of claims and proposals from the benchmark users concerning formation of benchmarks specified in item 2.2.2 herein, and, in the event that there are substantiated and considerable claims, development and implementation of relevant changes jointly with the authorized management bodies of the Exchange.
- 2.3. In exercising the aforesaid functions the Committee shall be entitled to:
  - 2.3.1. discuss the issues placed for considerations at the meetings of the Committee;
  - 2.3.2. hear from Exchange’s representatives, as well as from attendees at the meetings of the Committee;
  - 2.3.3. develop proposals and recommendations on the issues placed for consideration; and
  - 2.3.4. perform other actions towards performance of tasks in accordance with these Provisions and internal documents of the Exchange that establish the rules and procedures to calculate Indices;

- 2.4. The Committee may engage the representatives of state authorities, scientific and other organisations in the capacity of experts or consultants.
- 2.5. The Committee's resolutions shall be of advisory and informational nature for the Supervisory Board and executive bodies of the Exchange when adopting thereby of the relevant resolutions.

### **3. PROCEDURE FOR THE COMMITTEE FORMATION**

- 3.1. The Committee is formed by the resolution of the Supervisory Board. The Committee members are elected among the candidates proposed by professional securities market participants, self-regulated entities and other entities whose business activities are related to the securities market (hereinafter, the Entities) and by the Exchange.
- 3.2. Participation in the Committee shall be voluntary, personal and uncompensated unless otherwise is determined by the Supervisory Board of the Exchange.
- 3.3. Persons representing the Entities named in clause 3.1 hereof and independent experts, proposed by the Exchange, whose business is related to the securities market may be elected the members of the Committee.
- 3.4. The Committee may not include more than one representative of a legal entity.
- 3.5. The Committee members shall have the qualification, knowledge and experience necessary for performance of the tasks and functions of the Committee in accordance herewith.
- 3.6. The number of members of the Committee shall be determined by the Supervisory Board of the Exchange and shall not be less than five (5) and more than fifteen (15) persons.
- 3.7. The members of the Committee are elected by the Supervisory Board of the Exchange among nominated candidates on an annual basis. The Entities named in clause 3.1. 3.1 hereof and the Exchange nominate candidates for the Committee after disclosure of information on the start of acceptance of proposals on inclusion in the list of candidates for election to the Committee (hereinafter, the Proposal) on the website of the Exchange in the Internet. The Entities shall submit Proposals to the Exchange in accordance with the form given in Appendix 2 hereof, along with the application of the candidate for inclusion in the list of candidates for election to the Committee (hereinafter, the Application), produced in accordance with the form given in Appendix 1 hereto. A written consent of the Candidate for personal data processing shall be attached to the Application. The persons proposed by the Exchange for including to the list of candidates for election to the Committee, in case of their consent, shall submit to the Exchange the Application in accordance with the sample given in Appendix 1 hereof. A written consent of the Candidate for personal data processing shall be attached to the Application. The Executive Board of the Exchange considers received Proposals, verifies compliance of candidates with requirements specified in clauses 3.3-3.5 herein, and forms the List of candidates for election to the Committee considering the provisions of 3.6 herein.
- 3.8. As proposed by the Chairperson of the Committee or the Executive Board of the Exchange, a member of the Committee may be excluded from the Committee by the Supervisory Board of the Exchange in case he/she has not participated (and has not submitted written opinions or filled-in voting ballots on the issues under consideration) in three (3) and more meetings of the Committee. Such a person may not also be proposed (nominated) for election to the new Committee.
- 3.9. A member of the Committee may early withdraw from the Committee having notified the Exchange to that effect by sending a written application. A member of the Committee may be as well excluded from the Committee by the Supervisory Board of the Exchange if so

proposed by the legal entity that had nominated the Committee member as the representative thereof. In that case, such legal entity shall be entitled at the same time to propose a new candidate being the representative thereof to the Committee. In that case, such a legal entity shall be entitled at the same time to propose a new candidate being the representative thereof to the Committee.

- 3.10. To ensure more effective performance, the Committee may create working groups the activity of which shall be focused at consideration of certain issues to the extent of the tasks performed by the Committee.
- 3.11. The Committee Chairperson and one or several deputies thereof shall be elected by the Supervisory Board of the Exchange upon the proposal of the Executive Board of the Exchange.
- 3.12. The documental and technical support for the Committee shall be provided by the Committee Secretary appointed by the Chairman of the Executive Board of the Exchange among the Exchange employees. In case of absence of the Secretary, the Chairman of the Executive Board of the Exchange shall appoint a person to function as a Secretary among the Exchange employees.

#### **4. COMMITTEE CHAIRPERSON AND HIS/HER DEPUTIES**

4.1. The Committee Chairperson shall organise the Committee work and perform the following functions:

- manage the Committee activity;
- approve the agenda as well as determine the date, time, place and the form of the meetings holding;
- determine the methods of voting: filling in the hard copy of ballot with its subsequent delivery to the Exchange and (or) filling in the ballot with the use of software for electronic voting - for the meetings in absentia; open voting by raising hands and (or) filling in the ballots using voting software - for the meetings in the form of joint presence;
- determine the list of persons invited for participation in the Committee meeting;
- convene the Committee meetings and organise discussion of issues at the Committee meetings;
- take chair at the Committee meetings;
- organise taking of Minutes of the Committee meetings and sign the Minutes of the same;
- fix the time limits of the Committee working and control the observation thereof;
- allocate duties among the Committee's members;
- participate in the Committee meetings and have the casting vote in case of equality of votes;
- represent the Committee when interacting with the Supervisory Board , executive bodies of the Exchange, other bodies and persons; and
- perform other functions related to the Committee activity in accordance with these Provisions and internal documents of the Exchange.

4.2. In the absence of the Committee Chairperson, his/her functions shall be performed by the Deputy Committee Chairperson, and in case of election of several deputies – one of Deputies upon the resolution of the Committee. In the absence of the Chairperson or his/her deputies at the Committee meeting, the members of the Committee shall elect a person to take the chair of those attending the meeting.

## **5. RIGHTS AND OBLIGATIONS OF THE COMMITTEE MEMBERS**

5.1. The Committee members shall be entitled to:

- 5.1.1. propose issues on the agenda with regard to the tasks and functions of the Committee specified in Section 2 hereof;
- 5.1.2. submit written opinion on the issues of the agenda with regard to the requirements provided for in clauses 8.4 and 8.5 hereof if their attendance at the meeting is impossible for the good reason;
- 5.1.3. receive information on the Committee activity;
- 5.1.4. file in an application for early resignation from the Committee.

5.2. The Committee members shall:

- 5.2.1. not use the powers granted thereto for the purposes contradictory to the Exchange interests and damaging the Exchange's business reputation;
- 5.2.2. exercise their rights and obligations in respect of the Exchange in good faith and in a reasonable manner;
- 5.2.3. avoid actions which may cause property loss to the Exchange or its customers, and also actions which will lead or may lead to a conflict of interest;
- 5.2.4. attend the Committee meetings, or vote in absentia when resolutions at the meetings are adopted by absentee vote;
- 5.2.5. observe the requirements of the Exchange's internal documents regulating Exchange's activity, as well as Russian Federation laws and regulations to the extent related to the Committee activity;
- 5.2.6. not disclose and use in their own interests or in the interests of the third parties the information became known thereto and comprising the confidential information (this including commercial secret of the Exchange) as determined by the internal documents of the Exchange, as well as insider and other information the access to which is limited by internal documents of the Exchange; and
- 5.2.7. fulfil other obligations provided for hereby and other internal documents of the Exchange.

## **6. PROCEDURE FOR PREPARATION OF THE COMMITTEE MEETING**

6.1. The Committee meetings shall be held as and when necessary. The Committee meetings shall be held either in the form of joint attendance, or in the form of absentee voting. The decision on holding the meeting in the form of joint attendance or in the form of absentee voting shall be taken by the Committee Chairperson or a person functioning for him/her and announced to the Committee members by sending of the meeting agenda by the Committee Secretary by e-mail or using special software.

6.2. The meeting agenda sent to the Committee members shall contain:

- the form of the meeting holding (joint attendance or absentee voting);
- voting method;
- the date, place and time of the meeting, or, in case of holding the meeting in the form of absentee voting – the closing date of the voting ballots acceptance;
- wording of the meeting agenda issues put to vote;
- other information necessary for the meeting holding.

- 6.3. The Committee meetings shall be held, as a rule, at the Exchange location.
- 6.4. The Committee meetings shall be convened by the Committee Chairperson or a person exercising his/her functions, at his/her own initiative, upon request of a member of the Executive Board, a member of the Supervisory Board or as proposed by a member of the Committee.
- 6.5. The Committee Chairperson or a person exercising his/her functions shall be entitled to refuse the convocation of the Committee meeting if the issue does not refer to the tasks and functions of the Committee specified in Section 2 hereof.
- 6.6. When preparing the Committee meeting, the Committee Secretary on behalf of the Committee Chairperson shall address the Chairman of the Executive Board (or an authorised person) with proposals on the date, agenda and the list of activities necessary to prepare for the meeting.

The Chairperson of the Executive Board (or the other person authorised by the Chairperson) shall instruct the directors of the interested business divisions of the Exchange on preparations of materials for the agenda issues (draft resolutions, and/or other required materials, including draft internal documents). The Chairperson of the Executive Board (or the or the other person authorised by the Chairperson) decides on the content and the scope of materials to be prepared, as well as necessity to prepare such documents.

- 6.7. The issues for consideration of the Committee shall be submitted by the Chairperson of the Executive Board (or other authorised person), members of the Executive Board, the members of the Supervisory Board of the Exchange, and shall be sent to the Committee Secretary to the e-address, indicated by the Committee Secretary. In case of absence of the Committee Chairperson, the issue may be submitted by his/her deputy.

All the necessary materials for the meeting shall be sent to the Committee Secretary along with the proposals on the agenda issues.

On the basis of the submitted issues the Committee Secretary shall prepare and submit for approval the agenda to the Committee Chairperson.

The Committee Secretary shall send the Committee members the agenda and the necessary materials (if available) at least three (3) working days prior to the date of the Committee meeting or the end date for voting ballots return.

The agenda and the materials shall be sent to the Committee members by e-mail or using special software, or handed over against signature. In case the materials do not include a draft resolution on the agenda item, the members of the Committee should be notified that the resolution is to be formulated during the meeting in the form of joint attendance.

If earlier sent pre-reads have been substantially corrected/amended, such materials should be sent again along with summary of corrections/amendments made thereto.

At the meeting, all the Committee members should be provided with a complete set of materials on all agenda items considering all corrections/amendments made thereto during preparation for the meeting.

- 6.8. The Committee meetings may be held without joint attendance of the Committee members (i.e. in the form of absentee voting). If the meeting is held in the form of absentee voting, materials should include voting ballots on agenda items.

Voting by ballots can be carried out both on paper and with the use of software for electronic voting, if sufficient reliability and protection, as well as identification (authentication) of the Committee members participating in the voting is provided.

6.9. A voting ballot shall contain the following information:

- full company name;
- closing date for the voting ballots return;
- way of sending of completed voting ballots;
- wording of the issue put for vote;
- wording of resolution for each issue put for vote and the variants of voting thereon expressed by wordings “for”, “against” and “abstain”; and
- note that the voting ballot shall be signed by the Committee member.

6.10. If the Committee needs to give a prompt consideration to an issue, timeframes for sending notification with all necessary materials and documents as determined in clause 6.7 of the Provisions may be reduced if so agreed with the Committee Chairperson, which the members of the Committee shall be notified of in accordance with procedures stipulated by clause 6.7 hereof.

6.11. In case of circumstances causing impossibility or difficulty for holding of the Committee meeting on which the Committee members are notified, a date of a meeting on the planned agenda may be postponed upon decision of the Committee Chairperson.

6.12. All the members of the Committee shall be notified on the change in the date and (or) the time of the Committee meeting.

6.13. The Exchange shall notify the Bank of Russia on the meetings of the Committee in accordance with procedures set by the Bank of Russia not later than two (2) working days before the date of the meeting or the end date for voting ballots return. If the issue needs a prompt attention of the Committee as described in clause 6.10 herein, the Bank of Russia should be notified not later than the date of the meeting.

Notices of Committee meetings to the Bank of Russia should be accompanied with the agenda and materials on agenda items (if available). If earlier sent pre-reads have been substantially amended, such materials should be sent again to the Bank of Russia along with summary of corrections/amendments made thereto.

## **7. HOLDING THE MEETINGS OF THE COMMITTEE**

7.1. The Committee Chairperson shall organize the Committee meetings in accordance with the agenda of the meeting determined thereby.

When holding meetings in the form of joint presence information and communication technologies to provide the possibility of remote participation in the meeting, discussion of agenda items and making decisions on issues put to vote, without presence at the meeting, can be used. Remote participation of the Committee members in the meeting equals to their presence if their definite identification (authentication) is provided.

7.2. As agreed by all Committee members attending the meeting, the issues not preliminary included in the meeting agenda may be considered at the Committee meeting held in the form of joint attendance.

7.3. The members of the Executive Board, deputies of the Executive Board Chairman, and heads of divisions of the Exchange, the persons who prepared the materials on the issues under consideration at the meeting, the Exchange’s employees and other persons may be invited to attend the Committee meeting.

7.4. Upon completion of consideration of each issue of the Committee meeting agenda, the person presiding at the Committee meeting shall announce the voting results and the resolution adopted on the issue.

- 7.5. Quorum for the Committee meeting holding shall amount to not less than a half of the total number of the elected members of the Committee. If there is no quorum for the Committee meeting holding, the Committee Chairperson shall take a decision on holding of one more meeting with the same agenda or inclusion of the issues to be considered at the failed meeting into the next Committee meeting agenda.
- 7.6. At a meeting of the Committee, the audio, video records or other recording of the meeting proceedings or individual agenda issues considered at the meeting may be kept with the use of technical means of the Exchange.
- 7.7. A member of the Committee present at the meeting may not keep records of meeting proceedings/individual issues with the use of technical means.
- 7.8. In the event that the Committee receives claims and (or) proposals related to building of indicators specified in item 2.2.2 hereof, the Secretary should place the issue on consideration of aforesaid claims and (or) proposals on the agenda for the next coming meeting in accordance with procedures provided for in Section 6 hereof.
- 7.9. The Committee shall take decisions related to users' claims and (or) proposals in accordance with procedures provided for in Section 8 hereof.

## **8. DECISION-MAKING PROCEDURE**

- 8.1. At the Committee meeting the resolutions shall be adopted by the majority of votes of the members participating in the meeting, except for the case specified in clause 8.2 hereof.
- 8.2. Resolutions on the matters specified in clause 2.2.3 hereof shall be adopted by the majority of votes of Committee members voting on the relevant matter. Committee members having a conflict of interest relative to the matter under consideration, subject to informing the person chairing the meeting of such conflict of interest to the extent compliant with confidentiality requirements, shall not participate in voting. The resolution is considered to be adopted only when more than  $\frac{1}{4}$  of elected Committee members voted in favour of this resolution.
- 8.3. When taking decisions on the issues at the Committee meeting, each member of the Committee shall have one vote. Transfer of the voting right by the Committee member to a third person, including to another member of the Committee shall not be allowed. In case of equality of votes of the Committee members, the vote of the person presiding at the meeting, who is the Chairperson or a Deputy to the Chairperson, shall be casting. A person presiding the meeting other than the Chairperson or a Deputy to the Chairperson shall not be entitled to a casting vote. Equality of votes shall mean a situation when the number of Committee members cast their votes in favour of the resolution equals to the total number of those members who cast their votes against the resolution and abstained from voting.
- 8.4. The Committee member not present at the joint attendance meeting of the Committee shall be entitled to send his/her written opinion on the issues included on the Committee meeting agenda which shall be taken into account when determining quorum and voting provided that the conditions specified in clause 8.5 hereof are observed.
- 8.5. To determine the quorum and results of voting on an agenda item it is possible to take into account the written opinion of a Committee member absent from the meeting provided that the following conditions are met:
  - the written opinion is submitted prior to the start of the meeting in the form of the original document or by e-mail followed by sending the original document;
  - the Committee member has expressly determined his/her position on the issue of the agenda of the Committee meeting having specified in the written opinion one



of the voting variants on the proposed resolution draft: "for", "against" or "abstain";

- the written opinion shall be signed by the Committee member specifying his/her surname and initials .

The written opinion containing corrections and remarks on the proposed resolution draft shall not be taken into account when determining the quorum and the voting results. In case the corrections in the resolution draft have been made at the Committee meeting, the written opinion shall not be as well accounted when determining quorum and the voting results. When determining the quorum and the voting results, the written opinions shall be accounted for each issue of the meeting agenda separately, that shall be recorded in the Minutes of the Committee meeting.

8.6. Those members of the Committee shall be deemed attended the Committee meeting held in the form of absentee voting who returned the completed ballots to the Exchange in the form of original documents prior to or at the closing date of the voting ballots acceptance or whose voting ballots were received by the Exchange by e-mail (followed by submission of the original voting ballot to the Committee Secretary), or who voted using special software for electronic voting.

8.7. In the course of voting on matters put to vote only one voting option shall be left, i.e. "for", "against", or "abstain". The unnecessary voting options should be crossed out.

If more than one voting option remains uncrossed on one or several matters specified in the ballot, such ballot shall be recognised invalid and votes on such matters put to vote shall not be counted. If during the vote count there are two or more completed ballots with different voting options left on one and the same matter, such ballots shall be recognised invalid with respect to the voting on this matter. If the voting ballot carries notes or amendments to one or several matters put to vote, the votes on such matters shall not be counted. The voting ballot recognised invalid with respect to voting on one, several or all matters voted on within this ballot, shall not be the reason for excluding votes on the said ballot when the quorum of the Committee meeting held in absentia is decided. The voting ballot shall be signed by the Committee member.

## **9. MINUTES OF THE COMMITTEE MEETING**

9.1. The Minutes of the Committee meeting shall be executed by the Committee Secretary not later than in ten (10) working days from the date of holding thereof in two original copies and signed by the person having taken the chair at the Committee meeting.

9.2. In the Minutes of the Committee meeting there shall be specified:

- the form, place, date and time of the Committee meeting;
- list of persons attending the meeting, naming the Committee members having a conflict of interest as per clause 8.2 hereof;
- agenda of the meeting;
- issues put to vote, proposed wording of resolutions and voting results thereon;
- resolutions adopted;
- written opinions of the members absent at the Committee meeting, as well as opinions and recommendations of the persons invited to attend the Committee meeting.

9.3. The original Minutes of the Committee meetings shall be kept by the Committee Secretary and in the archive of the Exchange. The minutes of the Committee meetings shall be enumerated by continuous consecutive numbering in a chronological order. The

Minutes and materials to the Committee meeting shall be filed separately and stored in accordance with the procedure established for internal documents of the Exchange.

- 9.4. Upon the inquiry of interested persons, the Secretary of the Committee shall sign and provide extracts from the minutes and copies of the minutes of the Committee's meetings, verification of those shall be confirmed by him/her.
- 9.5. Copies of the Minutes of the Committee meetings shall be sent to the Committee members in electronic format by the Committee Secretary not later than in three (3) days from the signing thereof.

#### **10. LIABILITY OF THE COMMITTEE MEMBERS**

- 10.1. The Committee members shall be liable for any failure to fulfil or improper fulfilment of the obligations imposed thereupon having caused losses the Exchange in accordance with the laws of the Russian Federation and other internal documents of the Exchange.

**Annex 1**  
**to the Provisions on the Debt Market Benchmarks Committee of**  
**Public Joint-Stock Company**  
**“Moscow Exchange MICEX-RTS”**

to the Chairman of the Executive Board of  
the Moscow Exchange

**APPLICATION**  
**for inclusion in the list of candidates for election to the Debt Market Benchmarks Committee the**  
**Moscow Exchange (hereinafter, the Committee)**

You are requested to include me, \_\_\_\_\_  
(full name)

in the list of candidates for election to the Debt Market Benchmarks Committee of the Moscow Exchange

**Brief data:**

Date of birth:

\_\_\_\_\_  
Educational background (please specify the educational institutions):

\_\_\_\_\_

Employment history (please specify the legal entities and positions held in the last three years):

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Membership in the management bodies of other legal entities:

\_\_\_\_\_

\_\_\_\_\_

Miscellaneous (at discretion of the applicant):

\_\_\_\_\_

Contact telephone number, e-mail address to e-mail the agendas of the Committee’s meetings:

\_\_\_\_\_

Herewith I undertake:

- to comply with requirements of Provisions on the Debt Market Benchmarks Committee of the Moscow Exchange and other internal documents of the Moscow Exchange regulating the activity of the Moscow Exchange;
- not to disclose and not to use in my own interests or in the interests of the third parties the information having become available to me.

I acknowledge the right of the Moscow Exchange to authorise or restrict the access to the information in connection with Committee meetings, inclusive of the right to permit or restrict records keeping of meeting proceedings using technical means.

“\_\_” \_\_\_\_\_ 20\_\_.

\_\_\_\_\_ / \_\_\_\_\_

(name)

**Annex 2**  
**to the Provisions on the Debt Market Benchmarks Committee**  
**of Public Joint-Stock Company**  
**“Moscow Exchange MICEX-RTS”**

*on the company’s letterhead*

to the Chairman of the Executive Board  
of the Moscow Exchange

**PROPOSAL**

on inclusion into the list of candidates for election to the Debt Market Benchmarks Committee of  
the Moscow Exchange (hereinafter, the Committee)

[Full name, OGRN (Primary State Registration Number) and location of the legal entity  
nominating the candidate] in accordance with clause 3.7 hereof proposes to include its  
representative into the list of candidates for election to the Committee:

*[Full name and position of the representative]*

Full Name

*signature*