



**MOSCOW
EXCHANGE**

**Single Stocks and
Single Stock futures
Market making program**

SINGLE STOCKS AND SINGLE STOCK FUTURES PROGRAM



The following program was designed to enhance the liquidity simultaneously in instrument pairs (“stock + future contract for this stock”) on the equities and derivatives markets of the Moscow Exchange.

The program will be available: April 2019 - January 2020.

Benefits for a Market Maker

- ✓ If MM has fulfilled the obligations on each market in any instrument pair at the same time, the MM will receive a rebate on fees paid for transactions (on the instruments) and additional remuneration.

Easy entry

- ✓ It is enough to conclude one MM Agreement valid in all markets of the Moscow Exchange.



SINGLE STOCKS AND SINGLE STOCK FUTURES PROGRAM

Program conditions on the Securities market

#	Securities	Series for Quotation	Spread	MIN order size (number of securities)	MIN duration for maintaining two-sided quotes	Session	Reward, RUB	
							MAX return of exchange Fee	FIX reward for cross-market fulfillment of MM obligations
1	AFLT	-	0.55%	4 000	400	Main	200% Fee (p)*	500 RUB/day
2	ALRS	-	0.35%	5 500	400	Main	200% Fee (p)	500 RUB/day
3	FEES	-	0.70%	2 000 000	400	Main	200% Fee (p)	500 RUB/day
4	GMKN	-	0.30%	100	400	Main	100% Fee (p)	500 RUB/day
5	HYDR	-	0.60%	500 000	400	Main	200% Fee (p)	500 RUB/day
6	MGNT	-	0.60%	250	400	Main	100% Fee (p)	500 RUB/day
7	MOEX	-	0.40%	4 500	400	Main	200% Fee (p)	500 RUB/day
8	NVTK	-	0.60%	400	400	Main	200% Fee (p)	500 RUB/day
9	ROSN	-	0.40%	2 000	400	Main	100% Fee (p)	500 RUB/day
10	SBERP	-	0.40%	3 500	400	Main	200% Fee (p)	500 RUB/day
11	SNGSP	-	0.40%	11 000	400	Main	200% Fee (p)	500 RUB/day
12	VTBR	-	0.60%	17 000 000	400	Main	200% Fee (p)	500 RUB/day

MAX Fee (p) = 2000 RUB/Security
 For Securities market Fee (p) is counted from the orders which are not less than "the minimum order size/10".

See reward terms (Page 4)

Program conditions on the Derivatives market

#	Future contract	Series for Quotation	Spread	MIN order size, in contracts	MIN duration for maintaining two-sided quotes	Session	Reward, RUB	
							MAX return of exchange Fee	FIX reward for cross-market fulfillment of MM obligations
1	AFLT	1	0.55%×SP**	40	75%	Day	200% Fee (p)*	500 RUB/day
2	ALRS	1	0.35%×SP	55	75%	Day	200% Fee (p)	500 RUB/day
3	FEES	1	0.60%×SP	40	75%	Day	200% Fee (p)	500 RUB/day
4	GMKR	1	0.30%×SP	10	75%	Day	100% Fee (p)	500 RUB/day
5	HYDR	1	0.60%×SP	50	75%	Day	200% Fee (p)	500 RUB/day
6	MGNT	1	0.60%×SP	250	75%	Day	200% Fee (p)	500 RUB/day
7	MOEX	1	0.40%×SP	45	75%	Day	200% Fee (p)	500 RUB/day
8	NOTK	1	0.70%×SP	10	75%	Day	200% Fee (p)	500 RUB/day
9	ROSN	1	0.40%×SP	20	75%	Day	100% Fee (p)	500 RUB/day
10	SBPR	1	0.40%×SP	35	75%	Day	200% Fee (p)	500 RUB/day
11	SNGP	1	0.40%×SP	11	75%	Day	200% Fee (p)	500 RUB/day
12	VTBR	1	0.60%×SP	170	75%	Day	100% Fee (p)	500 RUB/day

See reward terms (Page 4)

* Fee (p) – exchange fee charged from MM's passive turnover where MM is the party of a trade whose quote number in the Quote Register is lower than the number of the counter quote.

** SP – Settlement price of the day clearing session.

REWARD TERMS OF THE PROGRAM

Case 1

Remuneration for the trading day in case MM fulfills its obligations **for one instrument** (from any pair of instruments "stock + future contract for this stock") only on one exchange market:

$$\text{Payment} = \text{MIN} [R_k \times \sum \text{Fee} (\text{passive}); X]$$

where

X = RUB 2,000 the Securities market (X is not set for the Derivatives Market)

R_k – the liquidity coefficient for the Instrument

Case 2

Remuneration for the trading day in case MM fulfills its obligations **for any pair of instruments "stock + future contract for this stock"** on two exchange markets:

$$\text{Payment} = \sum_k \text{MIN} [(X ; W \times \sum \text{Fee} (p)] + 1000 \text{ RUB}$$

where

k – the Instrument of the relevant MOEX market, included in a pair of instruments "stock + futures for this stock".

Monthly reward terms

The total monthly remuneration in respect of the instrument is paid if the number of trading days during which the Market Maker did not fulfill the obligations of the relevant instrument does not exceed 5 days.



RULES OF ACCESSIBILITY TO THE CROSS-MARKET MAKING PROGRAM

1. A Market Maker/candidate for participation in a Cross-Market Making Program should have the status of a Trading Member on the equities and derivatives markets.
2. A participant in a Cross-Market Making Program cannot simultaneously perform the functions of a Market Maker for the same instruments of this program within the framework of any other existing MM Programs on the equities and derivatives markets.
3. Market Maker's ID *:
 - ✓ If the Market Maker's ID includes more than one alphanumeric code, they are defined for one Market Maker or his client (as evidenced by registration data provided to the exchange).
 - ✓ When using more than one Market Maker IDs in relation to one exchange market, they are required to be defined for different clients.
4. For candidates to participate in the Cross-Market Making Program in the equities market, the average daily trading volume must be at least RUB 20 mln during the two weeks prior to joining the program.

* Market Maker's ID – an alphanumeric code or a combination of several such codes, according to which information of the fulfillment of MM obligations is taken into account and its remuneration is calculated:

MOEX market	ID
<i>Equity Market</i>	<ul style="list-style-type: none">• Member Firm's ID and Trading and clearing account; or• Member Firm's ID and Trading and clearing account and Client short code
<i>Derivatives Market</i>	<ul style="list-style-type: none">• Clearing registers section code(-s)



LEGAL PROCEDURE FOR MARKET MAKING



MOEX Trading Member

Trading Member
– candidate for participation in the Cross-Market Program



Selecting a cross-market making program

The Program contains:

- Parameters and conditions for the performance of Market Making obligations
- Market Maker incentive schemes

The Programs are available on the Exchange's website
<https://www.moex.com/msn/en-crossmm>



Understanding the cross-market making rules

The Rules set out:

- Market Makers' rights and obligations
- Communication schemes and procedures for service delivery and acceptance
- Settlement procedures
- Procedures for amending the agreement

The Rules are available on the Exchange's website
<https://www.moex.com/msn/en-crossmm>



Entering into the cross-market making agreement and notice

The Market Making Agreement is executed through the member's adherence to the Rules

The Notice with the Program selected and the Market Makers' IDs is completed during the signing of the Agreement.

The standard forms are available on the Exchange's website.



Becoming a market maker



CONTACTS

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- changes in (a) domestic and international legislation and tax regulation and (b) state policies related to financial markets and securities markets;
- competition increase from new players on the Russian market;
- the ability to keep pace with rapid changes in science and technology environment, including the ability to use advanced features that are popular with the Company's and its subsidiaries' customers;
- the ability to maintain continuity of the process of introduction of new competitive products and services, while keeping the competitiveness;
- the ability to attract new customers on the domestic market and in foreign jurisdictions;
- the ability to increase the offer of products in foreign jurisdictions.
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