

**To agenda item 7
for the Annual General Meeting of Shareholders
of the Moscow Exchange
25 April 2019**

**Approval of the amended Charter of Public Joint-Stock Company
“Moscow Exchange MICEX-RTS”**

It is hereby proposed that Y2019 Annual General Meeting of Shareholders shall consider a new version of the Moscow Exchange Charter that takes into account amendments to the legislation, recommendations in the Bank of Russia Corporate Governance Code and the redistribution of competence between the management bodies to enhance the decision-making process.

1. In view of changes in the Federal Law “On Joint-Stock Companies”, it is proposed to amend the Charter of the Exchange to incorporate the following:

- the right of the Supervisory Board to nominate candidates to the Supervisory Board apart from those nominated by the shareholders;
 - the right of the Head of IAS to convene a Supervisory Board’s meeting;
 - the authority of the Supervisory Board to define risk management, internal control and audit principles and approaches, and to approve risk management and internal control policies¹;
- and
- other amendments taking account of new terminology.

2. It is proposed to make amendments related to executive bodies’ competence:

- transfer the matters related to approval of financial instrument specifications and list of contract parameters for organized trading from the Executive Board competence to those of the Chairman of the Executive Board,
- transfer the matters related to internal control documents approval, including AML/CFT rules and rules relating to counteracting of insider information use and market manipulation, from the Executive Board competence to those of the Chairman of the Executive Board.
- add the matters related to approval of risk-management documents to the Executive Board competence: approval of risk management and internal control policies, principles and approaches will refer to the Supervisory Board’s competence, and approval of other² documents will refer to the competence of executive bodies.

3. Considering the recommendations of the Moscow Exchange Audit Committee, it is proposed to expand the scope of matters to be resolved by a qualified majority to the following extent:

- 1) budget approval,
- 2) submitting the issues on amending the Charter and approval of major transactions for consideration of the General Shareholders Meeting,
- 3) consideration of key aspects of NSD and CCP NCC activities.

The proposed amendments to the Charter do not limit the shareholders’ rights and do not have any negative consequences for the Moscow Exchange and its shareholders.

¹ Approval of risk management and internal control policies refers to the Supervisory Board competence by current version of the Charter.

² Methodology of determining of limit (aggregated) risks will also refer to the Supervisory Board competence.

Draft amended Charter was considered by the Supervisory Board of the Moscow Exchange and was recommended for approval at Y2019 AGM.

Draft resolution:

To approve the amended Charter of Public Joint-Stock Company «Moscow Exchange MICEX-RTS» as proposed by the resolution of the Supervisory Board of the Moscow Exchange dated 6 March 2019.